

129.12 **ARTICLE 7**

129.13 **ECONOMIC DEVELOPMENT**

129.14 Section 1. **APPROPRIATIONS**

129.15 The sums shown in the columns under "Appropriations" are added to or, if shown
 129.16 in parentheses, subtracted from the appropriations in Laws 2015, First Special Session,
 129.17 chapter 1, or other law to the specified agencies. The appropriations are from the general
 129.18 fund, or another named fund, and are available for the fiscal years indicated for each
 129.19 purpose. The figures "2016" and "2017" used in this article mean that the appropriations
 129.20 listed under them are available for the fiscal year ending June 30, 2016, or June 30, 2017,
 129.21 respectively. Appropriations for the fiscal year ending June 30, 2016, are effective the day
 129.22 following final enactment. Reductions may be taken in either fiscal year.

129.23	<u>APPROPRIATIONS</u>
129.24	<u>Available for the Year</u>
129.25	<u>Ending June 30</u>
129.26	<u>2016</u> <u>2017</u>

129.27 **Sec. 2. DEPARTMENT OF EMPLOYMENT**
 129.28 **AND ECONOMIC DEVELOPMENT**

129.29	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>11,721,000</u>
--------	--	------------------	-------------------	------------------	--------------------------

130.1	<u>Appropriations by Fund</u>		
130.2	<u>General</u>	<u>-0-</u>	<u>7,271,000</u>
130.3	<u>Workforce</u>		
130.4	<u>Development</u>	<u>-0-</u>	<u>4,450,000</u>

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

130.8	<u>Subd. 2. Business and Community</u>		
130.9	<u>Development</u>	<u>-0-</u>	<u>8,021,000</u>

130.10	<u>Appropriations by Fund</u>		
130.11	<u>General</u>	<u>-0-</u>	<u>7,271,000</u>
130.12	<u>Workforce</u>		
130.13	<u>Development</u>	<u>-0-</u>	<u>750,000</u>

130.14 (a) \$9,000,000 in fiscal year 2017 is a
 130.15 onetime reduction in the general fund
 130.16 appropriation for the Minnesota investment
 130.17 fund under Minnesota Statutes, section
 130.18 116J.8731. The base funding for this purpose
 130.19 is \$11,000,000 in fiscal year 2018 and each
 130.20 fiscal year thereafter.

130.21 (b) \$11,500,000 in fiscal year 2017 is a
 130.22 onetime reduction in the general fund
 130.23 appropriation for the Minnesota job creation
 130.24 fund under Minnesota Statutes, section
 130.25 116J.8748. The base funding for this
 130.26 program is \$6,500,000 in fiscal year 2018
 130.27 and each fiscal year thereafter.

130.28 (c) \$2,000,000 in fiscal year 2017 is for the
 130.29 redevelopment program under Minnesota
 130.30 Statutes, section 116J.571. This is a onetime
 130.31 appropriation.

130.32 (d) \$1,220,000 in fiscal year 2017 is for a
 130.33 grant to the Duluth North Shore Sanitary
 130.34 District to retire debt of the district in order
 130.35 to bring the district's monthly wastewater

- 131.1 rates in line with those of similarly situated
131.2 facilities across the state. This is a onetime
131.3 appropriation.
- 131.4 (e) \$300,000 in fiscal year 2017 is from the
131.5 workforce development fund for expansion
131.6 of business assistance services provided by
131.7 business development specialists located in
131.8 the Northwest Region, Northeast Region,
131.9 West Central Region, Southwest Region,
131.10 Southeast Region, and Twin Cities Metro
131.11 Region offices established throughout the
131.12 state. Funds under this section may be used
131.13 to provide services including, but not limited
131.14 to, business start-ups; expansion; location or
131.15 relocation; finance; regulatory and permitting
131.16 assistance; and other services determined
131.17 by the commissioner. The commissioner
131.18 may also use funds under this section to
131.19 increase the number of business development
131.20 specialists in each region of the state,
131.21 increase and expand the services provided
131.22 through each regional office, and publicize
131.23 the services available and provide outreach
131.24 to communities in each region regarding
131.25 services and assistance available through the
131.26 business development specialist program.
131.27 This is a onetime appropriation.
- 131.28 (f) \$50,000 in fiscal year 2017 is from the
131.29 workforce development fund to enhance
131.30 the outreach and public awareness activities
131.31 of the Bureau of Small Business under
131.32 Minnesota Statutes, section 116J.68. This is
131.33 a onetime appropriation.
- 131.34 (g) \$100,000 in fiscal year 2017 is from
131.35 the general fund for an easy-to-understand

132.1 manual to instruct aspiring business owners
132.2 in how to start a child care business. The
132.3 commissioner shall work in consultation
132.4 with relevant state and local agencies
132.5 and affected stakeholders to produce the
132.6 manual. The manual must be made available
132.7 electronically to interested persons. This is a
132.8 onetime appropriation and is available until
132.9 June 30, 2019.

132.10 (h) \$2,500,000 in fiscal year 2017 is for
132.11 grants to initiative foundations to provide
132.12 financing for business startups, expansions,
132.13 and maintenance; and for business ownership
132.14 transition and succession. This is a onetime
132.15 appropriation. Of the amount appropriated:

132.16 (1) \$357,000 is for a grant to the Southwest
132.17 Initiative Foundation;

132.18 (2) \$357,000 is for a grant to the West Central
132.19 Initiative Foundation;

132.20 (3) \$357,000 is for a grant to the Southern
132.21 Minnesota Initiative Foundation;

132.22 (4) \$357,000 is for a grant to the Northwest
132.23 Minnesota Foundation;

132.24 (5) \$357,000 is for a grant to the Initiative
132.25 Foundation;

132.26 (6) \$357,000 is for a grant to the Northland
132.27 Foundation; and

132.28 (7) \$357,000 is for a grant for the Minnesota
132.29 emerging entrepreneur program under
132.30 Minnesota Statutes, chapter 116M. Funds
132.31 available under this clause must be allocated
132.32 as follows:

- 133.1 (i) 50 percent of the funds must be allocated
133.2 for projects in the counties of Dakota,
133.3 Ramsey, and Washington; and
- 133.4 (ii) 50 percent of the funds must be allocated
133.5 for projects in the counties of Anoka, Carver,
133.6 Hennepin, and Scott.
- 133.7 (i) \$600,000 in fiscal year 2017 is for a grant
133.8 to a city of the second class that is designated
133.9 as an economically depressed area by the
133.10 United States Department of Commerce for
133.11 economic development, redevelopment, and
133.12 job creation programs and projects. This is a
133.13 onetime appropriation and is available until
133.14 June 30, 2019.
- 133.15 (j) \$4,500,000 in fiscal year 2017 is
133.16 for a grant to the Minnesota Film and
133.17 TV Board for the film production jobs
133.18 program under Minnesota Statutes, section
133.19 116U.26. This appropriation is in addition
133.20 to the appropriation in Laws 2015, First
133.21 Special Session chapter 1, article 1,
133.22 section 2, subdivision 2. This is a onetime
133.23 appropriation.
- 133.24 (k) \$3,651,000 in fiscal year 2017 is from the
133.25 general fund for a grant to Mille Lacs County
133.26 to develop and operate the Lake Mille Lacs
133.27 area economic relief program established in
133.28 section 45. This is a onetime appropriation.
- 133.29 (l) \$500,000 in fiscal year 2017 is from the
133.30 general fund for grants to local communities
133.31 outside of the metropolitan area as defined
133.32 under Minnesota Statutes, section 473.121,
133.33 subdivision 2, to increase the supply of
133.34 quality child care providers in order to
133.35 support regional economic development.

134.1 Grant recipients must match state funds on a
134.2 dollar-for-dollar basis. Grant funds available
134.3 under this section must be used to implement
134.4 solutions to reduce the child care shortage
134.5 in the state, including but not limited to
134.6 funding for child care business start-up or
134.7 expansion, training, facility modifications
134.8 or improvements required for licensing,
134.9 and assistance with licensing and other
134.10 regulatory requirements. In awarding grants,
134.11 the commissioner must give priority to
134.12 communities in greater Minnesota that have
134.13 documented a shortage of child care providers
134.14 in the area. This is a onetime appropriation
134.15 and is available until June 30, 2019.

134.16 By September 30, 2017, grant recipients must
134.17 report to the commissioner on the outcomes
134.18 of the grant program, including but not
134.19 limited to the number of new providers, the
134.20 number of additional child care provider jobs
134.21 created, the number of additional child care
134.22 slots, and the amount of local funds invested.

134.23 By January 1, 2018, the commissioner must
134.24 report to the standing committees of the
134.25 legislature having jurisdiction over child care
134.26 and economic development on the outcomes
134.27 of the program to date.

134.28 (m) \$100,000 in fiscal year 2017 is from
134.29 the general fund for a grant to the city of
134.30 Madelia to provide match funding for a
134.31 federal Economic Development Agency
134.32 technical assistance grant. This is a onetime
134.33 appropriation.

- 135.1 (n) \$10,000,000 in fiscal year 2017 is for
135.2 deposit in the Minnesota 21st century fund.
135.3 This is a onetime appropriation.
- 135.4 (o) \$400,000 in fiscal year 2017 is from the
135.5 workforce development fund for grants to
135.6 small business development centers under
135.7 Minnesota Statutes, section 116J.68. Funds
135.8 made available under this section may be
135.9 used to match funds under the federal Small
135.10 Business Development Center (SBDC)
135.11 program under United States Code, title 15,
135.12 section 648, provide consulting and technical
135.13 services, or to build additional SBDC
135.14 network capacity to serve entrepreneurs
135.15 and small businesses. The commissioner
135.16 shall allocate funds equally among the nine
135.17 regional centers and lead center. This is a
135.18 onetime appropriation.
- 135.19 (p) \$2,600,000 in fiscal year 2017 is for
135.20 a transfer to the Board of Regents of the
135.21 University of Minnesota for academic and
135.22 applied research through MnDRIVE at the
135.23 Natural Resources Research Institute to
135.24 develop new technologies that enhance the
135.25 long-term viability of the Minnesota mining
135.26 industry. The research must be done in
135.27 consultation with the Mineral Coordinating
135.28 Committee established by Minnesota
135.29 Statutes, section 93.0015. This is a onetime
135.30 transfer.
- 135.31 (q) Of the amount appropriated in fiscal
135.32 year 2017 for the Minnesota Investment
135.33 Fund in Laws 2015, First Special Session
135.34 chapter 1, article 1, section 2, subdivision 2,
135.35 paragraph (a), \$450,000 is for a grant to the

136.1 Lake Superior-Poplar River Water District to
 136.2 acquire interests in real property, engineer,
 136.3 design, permit, and construct infrastructure
 136.4 to transport and treat water from Lake
 136.5 Superior through the Poplar River Valley to
 136.6 serve domestic, irrigation, commercial, stock
 136.7 watering, and industrial water users. This
 136.8 grant does not require a local match. This
 136.9 is a onetime appropriation. This amount is
 136.10 available until June 30, 2019.

136.11 **Subd. 3. Workforce Development** -0- 1,900,000

136.12 This appropriation is from the workforce
 136.13 development fund.

136.14 (a) \$500,000 in fiscal year 2017 is from the
 136.15 workforce development fund for rural career
 136.16 counseling coordinators in the workforce
 136.17 service areas and for the purposes specified
 136.18 in Minnesota Statutes, section 116L.667.

136.19 This appropriation is for increases to existing
 136.20 applicants who were awarded grants in fiscal
 136.21 years 2016 and 2017.

136.22 (b) \$500,000 in fiscal year 2017 is from the
 136.23 workforce development fund for a grant to
 136.24 Occupational Development Corporation, Inc.
 136.25 in the city of Buhl to provide training and
 136.26 employment opportunities for people with
 136.27 disabilities and disadvantaged workers. This
 136.28 is a onetime appropriation.

136.29 (c) \$400,000 in fiscal year 2017 is from
 136.30 the workforce development fund for
 136.31 a grant to Northern Bedrock Historic
 136.32 Preservation Corps for the pathway to the
 136.33 preservation trades program for recruitment
 136.34 of corps members, engagement of technical
 136.35 specialists, development of a certificate

137.1 program, and skill development in historic
 137.2 preservation for youth ages 18 to 25. This is
 137.3 a onetime appropriation.

137.4 (d) \$500,000 in fiscal year 2017 is from the
 137.5 workforce development fund for a grant to
 137.6 the North East Higher Education District to
 137.7 purchase equipment for training programs
 137.8 due to increased demand for job training
 137.9 under the state dislocated worker program.

137.10 This is a onetime appropriation and is
 137.11 available until June 30, 2018.

137.12 **Subd. 4. Vocational rehabilitation** -0- 1,800,000

137.13 This appropriation is from the workforce
 137.14 development fund.

137.15 (a) \$800,000 in fiscal year 2017 is from
 137.16 the workforce development fund for grants
 137.17 to day training and habilitation providers
 137.18 to provide innovative employment options
 137.19 and to advance community integration for
 137.20 persons with disabilities as required under
 137.21 the Minnesota Olmstead Plan. Eligible
 137.22 day training and habilitation providers are
 137.23 those who certify that they do not possess
 137.24 a certification as provided by section 14(c)
 137.25 of the Fair Labor Standards Act. Of this
 137.26 amount, \$250,000 is for a pilot program
 137.27 for home-based, technology-enhanced
 137.28 monitoring of persons with disabilities. This
 137.29 is a onetime appropriation and is available
 137.30 until June 30, 2018.

137.31 (b) \$1,000,000 in fiscal year 2017 is
 137.32 from the workforce development fund for
 137.33 rate increases to providers of extended
 137.34 employment services for persons with severe

138.1 disabilities under Minnesota Statutes, section
 138.2 268A.15. This is a onetime appropriation.

138.3 **Sec. 3. DEPARTMENT OF LABOR AND**
 138.4 **INDUSTRY** \$ -0- \$ 350,000

138.5 Appropriations by Fund
 138.6 General 100,000
 138.7 Workforce
 138.8 Development 250,000

138.9 (a) \$250,000 in fiscal year 2017 is from
 138.10 the workforce development fund for the
 138.11 apprenticeship program under Minnesota
 138.12 Statutes, chapter 178. This amount is added
 138.13 to the base appropriation for this purpose.

138.14 (b) \$100,000 in fiscal year 2017 is to
 138.15 provide outreach and education concerning
 138.16 requirements under state or federal law
 138.17 governing removal of architectural barriers
 138.18 that limit access to public accommodations
 138.19 by persons with disabilities and resources
 138.20 that are available to comply with
 138.21 those requirements. This is a onetime
 138.22 appropriation.

138.23 **Sec. 4. EXPLORE MINNESOTA TOURISM** \$ -0- \$ 1,073,000

138.24 (a) \$300,000 in fiscal year 2017 is for a
 138.25 grant to the Mille Lacs Tourism Council
 138.26 to enhance marketing activities related to
 138.27 tourism promotion in the Mille Lacs Lake
 138.28 area. This is a onetime appropriation.

138.29 (b) \$773,000 in fiscal year 2017 is to
 138.30 establish a pilot project to assist in funding
 138.31 and securing major events benefiting
 138.32 communities throughout the state. The pilot
 138.33 project must measure the economic impact
 138.34 of visitors on state and local economies,

139.1 increased lodging and nonlodging sales taxes
 139.2 in addition to visitor spending, and increased
 139.3 media awareness of the state as an event
 139.4 destination. This is a onetime appropriation.
 139.5 Of this amount, \$100,000 is for a grant to
 139.6 the St. Louis County Historical Society for a
 139.7 project, in collaboration with the Erie Mining
 139.8 history book project team, to research,
 139.9 document, publish, preserve, and exhibit the
 139.10 history of taconite mining in Minnesota.

139.11 Sec. 5. **HOUSING FINANCE AGENCY** **\$** **-0-** **\$** **1,750,000**

139.12 (a) \$500,000 in fiscal year 2017 is to establish
 139.13 a grant program within the housing trust fund
 139.14 for the exploited families rental assistance
 139.15 program. This is a onetime appropriation and
 139.16 is available until June 30, 2019.

139.17 (b) \$500,000 in fiscal year 2017 is for a
 139.18 competitive grant program to fund a housing
 139.19 project or projects in a community or
 139.20 communities: (1) that have low housing
 139.21 vacancy rates; and (2) that have an education
 139.22 and training center for jobs in agriculture,
 139.23 farm business management, health care
 139.24 fields, or other fields with anticipated
 139.25 significant job growth potential. A grant or
 139.26 grants must be no more than 50 percent of
 139.27 the total development costs for the project.
 139.28 Funds for a grant or grants made in this
 139.29 section must be to a housing project or
 139.30 projects that have financial and in-kind
 139.31 contributions from nonagency sources
 139.32 that when combined with a grant under
 139.33 this section are sufficient to complete the
 139.34 housing project. Funds must be used to
 139.35 create new housing units either through

141.1 **Sec. 14. ASSIGNED RISK TRANSFER.**

141.2 (a) By June 30, 2015, if the commissioner of commerce determines on the basis of
141.3 an audit that there is an excess surplus in the assigned risk plan created under Minnesota
141.4 Statutes, section 79.252, the commissioner of management and budget shall transfer
141.5 the amount of the excess surplus, not to exceed \$10,500,000, to the general fund. This
141.6 transfer occurs prior to any transfer under Minnesota Statutes, section 79.251, subdivision
141.7 1, paragraph (a), clause (1). This is a onetime transfer.

141.8 (b) By June 30, 2015, and each year thereafter, if the commissioner of commerce
141.9 determines on the basis of an audit that there is an excess surplus in the assigned risk plan
141.10 created under Minnesota Statutes, section 79.252, the commissioner of management and
141.11 budget shall transfer the amount of the excess surplus, not to exceed \$4,820,000 each
141.12 year, to the Minnesota minerals 21st century fund under Minnesota Statutes, section
141.13 116J.423. This transfer occurs prior to any transfer under Minnesota Statutes, section
141.14 79.251, subdivision 1, paragraph (a), clause (1), but after the transfer authorized in
141.15 paragraph (a). The total amount authorized for all transfers under this paragraph must not
141.16 exceed \$24,100,000. This paragraph expires the day following the transfer in which the
141.17 total amount transferred under this paragraph to the Minnesota minerals 21st century
141.18 fund equals \$24,100,000.

141.19 (c) By June 30, 2015, if the commissioner of commerce determines on the basis of
141.20 an audit that there is an excess surplus in the assigned risk plan created under Minnesota
141.21 Statutes, section 79.252, the commissioner of management and budget shall transfer the
141.22 amount of the excess surplus, not to exceed \$4,820,000, to the general fund. This transfer
141.23 occurs prior to any transfer under Minnesota Statutes, section 79.251, subdivision 1,
141.24 paragraph (a), clause (1), but after any transfers authorized in paragraphs (a) and (b). If
141.25 a transfer occurs under this paragraph, the amount transferred is appropriated from the
141.26 general fund in fiscal year 2015 to the commissioner of labor and industry for the purposes
141.27 of section 15. Both the transfer and appropriation under this paragraph are onetime.

141.28 (d) By June 30, 2016, if the commissioner of commerce determines on the basis of
141.29 an audit that there is an excess surplus in the assigned risk plan created under Minnesota
141.30 Statutes, section 79.252, the commissioner of management and budget shall transfer the
141.31 amount of the excess surplus, not to exceed \$4,820,000, to the general fund. This transfer
141.32 occurs prior to any transfer under Minnesota Statutes, section 79.251, subdivision 1,
141.33 paragraph (a), clause (1), but after the transfers authorized in paragraphs (a) and (b). If
141.34 a transfer occurs under this paragraph, the amount transferred is appropriated from the
141.35 general fund in fiscal year 2016 to the commissioner of labor and industry for the purposes
141.36 of section 15. Both the transfer and appropriation under this paragraph are onetime.

142.1 (e) Notwithstanding Minnesota Statutes, section 16A.28, the commissioner
142.2 of management and budget shall transfer to the ~~assigned risk plan under Minnesota~~
142.3 ~~Statutes, section 79.252~~ general fund, any unencumbered or unexpended balance of the
142.4 appropriations under paragraphs (c) and (d) remaining on June 30, ~~2017~~ 2016, or the date
142.5 the commissioner of commerce determines that an excess surplus in the assigned risk plan
142.6 does not exist, whichever occurs earlier.

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

142.8 Sec. 9. Laws 2014, chapter 312, article 2, section 15, is amended to read:

142.9 Sec. 15. **WORKERS' COMPENSATION SYSTEM REFORM; USE OF**
142.10 **FUNDS.**

142.11 (a) The appropriations under section 14 to the commissioner of labor and industry
142.12 are for reform of the workers' compensation system. Funds appropriated under section
142.13 14, paragraphs (c) and (d), may be expended by the commissioner only after the advisory
142.14 council on workers' compensation created under Minnesota Statutes, section 175.007, has
142.15 approved a new system including, but not limited to: a Medicare-based diagnosis-related
142.16 group (MS-DRG) or similar system for payment of workers' compensation inpatient
142.17 hospital services. Of the amount appropriated under section 14, paragraphs (c) and (d), up
142.18 to \$100,000 may be used by the commissioner to develop and implement the new system
142.19 approved by the advisory council on workers' compensation.

142.20 (b) Funds available for expenditure under paragraph (a) may be used by the
142.21 commissioner for reimbursement of expenditures that are reasonable and necessary to
142.22 defray the costs of the implementation by hospitals, insurers, and self-insured employers
142.23 of the new system including, but not limited to: a Medicare-based diagnosis-related group
142.24 (MS-DRG) or similar system for payment of workers' compensation inpatient hospital
142.25 services, litigation expense reform, worker safety training, administrative costs, or other
142.26 related system reform.

142.27 (c) For the purposes of this section, reasonable and necessary system reform and
142.28 implementation costs include, but are not limited to:

142.29 (1) the cost of analyzing data to determine the anticipated costs and savings of
142.30 implementing the new system;

142.31 (2) the cost of analyzing system or organizational changes necessary for
142.32 implementation;

142.33 (3) the cost of determining how an organization would implement group or other
142.34 software;

143.1 (4) the cost of upgrading existing software or purchasing new software and other
 143.2 technology upgrades needed for implementation;

143.3 (5) the cost of educating and training staff about the new system as applied to
 143.4 workers' compensation; and

143.5 (6) the cost of integrating the new system with electronic billing and remittance
 143.6 systems.

143.7 (d) This section expires June 30, 2016.

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

143.9 Sec. 10. Laws 2015, First Special Session chapter 1, article 1, section 2, subdivision 3,
 143.10 is amended to read:

143.11 Subd. 3. **Workforce Development**

143.12	Appropriations by Fund		
143.13	General	2,189,000	1,789,000
143.14	Workforce		
143.15	Development	17,567,000	16,767,000

143.16 (a) \$1,039,000 each year from the general
 143.17 fund and \$3,104,000 each year from the
 143.18 workforce development fund are for the adult
 143.19 workforce development competitive grant
 143.20 program. Of this amount, up to five percent
 143.21 is for administration and monitoring of the
 143.22 adult workforce development competitive
 143.23 grant program. All grant awards shall be
 143.24 for two consecutive years. Grants shall be
 143.25 awarded in the first year.

143.26 (b) \$4,050,000 each year is from the
 143.27 workforce development fund for the
 143.28 Minnesota youth program under Minnesota
 143.29 Statutes, sections 116L.56 and 116L.561, to
 143.30 provide employment and career advising to
 143.31 youth, including career guidance in secondary
 143.32 schools, to address the youth career advising
 143.33 deficiency, to carry out activities outlined
 143.34 in Minnesota Statutes, section 116L.561,

144.1 to provide support services, and to provide
144.2 work experience to youth in the workforce
144.3 service areas. The funds in this paragraph
144.4 may be used for expansion of the pilot
144.5 program combining career and higher
144.6 education advising in Laws 2013, chapter 85,
144.7 article 3, section 27. Activities in workforce
144.8 services areas under this paragraph may
144.9 serve all youth up to age 24.

144.10 (c) \$1,000,000 each year is from the
144.11 workforce development fund for the
144.12 youthbuild program under Minnesota
144.13 Statutes, sections 116L.361 to 116L.366.

144.14 (d) \$450,000 each year is from the workforce
144.15 development fund for a grant to Minnesota
144.16 Diversified Industries, Inc., to provide
144.17 progressive development and employment
144.18 opportunities for people with disabilities.

144.19 (e) \$3,348,000 each year is from the
144.20 workforce development fund for the "Youth
144.21 at Work" youth workforce development
144.22 competitive grant program. Of this amount,
144.23 up to five percent is for administration
144.24 and monitoring of the youth workforce
144.25 development competitive grant program. All
144.26 grant awards shall be for two consecutive
144.27 years. Grants shall be awarded in the first
144.28 year.

144.29 (f) \$500,000 each year is from the workforce
144.30 development fund for the Opportunities
144.31 Industrialization Center programs.

144.32 (g) \$750,000 each year is from the workforce
144.33 development fund for a grant to the
144.34 Minnesota Alliance of Boys and Girls
144.35 Clubs to administer a statewide project

145.1 of youth jobs skills development. This
145.2 project, which may have career guidance
145.3 components, including health and life skills,
145.4 is to encourage, train, and assist youth in
145.5 job-seeking skills, workplace orientation,
145.6 and job-site knowledge through coaching.
145.7 This grant requires a 25 percent match from
145.8 nonstate resources.

145.9 (h) \$250,000 the first year and \$250,000 the
145.10 second year are for pilot programs in the
145.11 workforce service areas to combine career
145.12 and higher education advising.

145.13 (i) \$215,000 each year is from the workforce
145.14 development fund for a grant to Big
145.15 Brothers, Big Sisters of the Greater Twin
145.16 Cities for workforce readiness, employment
145.17 exploration, and skills development for
145.18 youth ages 12 to 21. The grant must serve
145.19 youth in the Twin Cities, Central Minnesota
145.20 and Southern Minnesota Big Brothers, Big
145.21 Sisters chapters.

145.22 (j) \$900,000 in fiscal year 2016 and
145.23 \$1,100,000 in fiscal year 2017 are from the
145.24 workforce development fund for a grant to the
145.25 Minnesota High Tech Association to support
145.26 SciTechsperience, a program that supports
145.27 science, technology, engineering, and math
145.28 (STEM) internship opportunities for two-
145.29 and four-year college students in their field
145.30 of study. The internship opportunities
145.31 must match students with paid internships
145.32 within STEM disciplines at small, for-profit
145.33 companies located in the seven-county
145.34 metropolitan area, having fewer than 150
145.35 total employees; or at small or medium,

146.1 for-profit companies located outside of the
146.2 seven-county metropolitan area, having
146.3 fewer than 250 total employees. At least 200
146.4 students must be matched in the first year
146.5 and at least 250 students must be matched in
146.6 the second year. Selected hiring companies
146.7 shall receive from the grant 50 percent of the
146.8 wages paid to the intern, capped at \$2,500
146.9 per intern. The program must work toward
146.10 increasing the participation among women or
146.11 other underserved populations.

146.12 (k) \$50,000 each year is from the workforce
146.13 development fund for a grant to the St. Cloud
146.14 ~~Area Somali Salvation~~ Youth Organization
146.15 for youth development and crime prevention
146.16 activities. Grant funds may be used to
146.17 train and place mentors in elementary and
146.18 secondary schools; for athletic, social,
146.19 and other activities to foster leadership
146.20 development; to provide a safe place for
146.21 participating youth to gather after school, on
146.22 weekends, and on holidays; and activities to
146.23 improve the organizational and job readiness
146.24 skills of participating youth. This is a
146.25 onetime appropriation and is available until
146.26 June 30, 2019. Funds appropriated the first
146.27 year are available for use in the second year
146.28 of the biennium.

146.29 (l) \$500,000 each year is for rural career
146.30 counseling coordinator positions in the
146.31 workforce service areas and for the purposes
146.32 specified in Minnesota Statutes, section
146.33 116L.667. The commissioner, in consultation
146.34 with local workforce investment boards and
146.35 local elected officials in each of the service
146.36 areas receiving funds, shall develop a method

147.1 of distributing funds to provide equitable
147.2 services across workforce service areas.

147.3 (m) \$400,000 in fiscal year 2016 is for a grant
147.4 to YWCA Saint Paul for training and job
147.5 placement assistance, including commercial
147.6 driver's license training, through the job
147.7 placement and retention program. This is a
147.8 onetime appropriation.

147.9 (n) \$800,000 in fiscal year 2016 is from
147.10 the workforce development fund for
147.11 the customized training program for
147.12 manufacturing industries under article 2,
147.13 section 24. This is a onetime appropriation
147.14 and is available in either year of the
147.15 biennium. Of this amount:

147.16 (1) \$350,000 is for a grant to Central Lakes
147.17 College for the purposes of this paragraph;

147.18 (2) \$250,000 is for Minnesota West
147.19 Community and Technical College for the
147.20 purposes of this paragraph; and

147.21 (3) \$200,000 is for South Central College for
147.22 the purposes of this paragraph.

147.23 (o) \$500,000 each year is from the workforce
147.24 development fund for a grant to Resource,
147.25 Inc. to provide low-income individuals
147.26 career education and job skills training that
147.27 are fully integrated with chemical and mental
147.28 health services.

147.29 (p) \$200,000 in fiscal year 2016 and \$200,000
147.30 in fiscal year 2017 are from the workforce
147.31 development fund for performance grants
147.32 under Minnesota Statutes, section 116J.8747,
147.33 to Twin Cities RISE! to provide training to

148.1 hard-to-train individuals. This is a onetime
148.2 appropriation.

148.3 (q) \$200,000 in fiscal year 2016 is from
148.4 the workforce development fund for the
148.5 foreign-trained health care professionals
148.6 grant program modeled after the pilot
148.7 program conducted under Laws 2006,
148.8 chapter 282, article 11, section 2, subdivision
148.9 12, to encourage state licensure of
148.10 foreign-trained health care professionals,
148.11 including: physicians, with preference given
148.12 to primary care physicians who commit
148.13 to practicing for at least five years after
148.14 licensure in underserved areas of the state;
148.15 nurses; dentists; pharmacists; mental health
148.16 professionals; and other allied health care
148.17 professionals. The commissioner must
148.18 collaborate with health-related licensing
148.19 boards and Minnesota workforce centers to
148.20 award grants to foreign-trained health care
148.21 professionals sufficient to cover the actual
148.22 costs of taking a course to prepare health
148.23 care professionals for required licensing
148.24 examinations and the fee for the state
148.25 licensing examinations. When awarding
148.26 grants, the commissioner must consider the
148.27 following factors:

148.28 (1) whether the recipient's training involves
148.29 a medical specialty that is in high demand in
148.30 one or more communities in the state;

148.31 (2) whether the recipient commits to
148.32 practicing in a designated rural area or an
148.33 underserved urban community, as defined in
148.34 Minnesota Statutes, section 144.1501;

149.1 (3) whether the recipient's language skills
 149.2 provide an opportunity for needed health care
 149.3 access for underserved Minnesotans; and
 149.4 (4) any additional criteria established by the
 149.5 commissioner.

149.6 This is a onetime appropriation and is
 149.7 available until June 30, 2019.

149.8 Sec. 11. Laws 2015, First Special Session chapter 1, article 1, section 6, is amended to
 149.9 read:

149.10	Sec. 6. BUREAU OF MEDIATION			2,234,000
149.11	SERVICES	\$	2,208,000	\$ <u>2,622,000</u>

149.12 (a) \$68,000 each year is for grants to area
 149.13 labor management committees. Grants may
 149.14 be awarded for a 12-month period beginning
 149.15 July 1 each year. Any unencumbered balance
 149.16 remaining at the end of the first year does not
 149.17 cancel but is available for the second year.

149.18 (b) \$125,000 each year is for purposes of the
 149.19 Public Employment Relations Board under
 149.20 Minnesota Statutes, section 179A.041.

149.21 (c) \$256,000 each year is in fiscal year
 149.22 2016 and \$394,000 in fiscal year 2017 are
 149.23 for the Office of Collaboration and Dispute
 149.24 Resolution under Minnesota Statutes, section
 149.25 179.90. The base appropriation for this
 149.26 purpose is \$394,000 in fiscal year 2018 and
 149.27 \$394,000 in fiscal year 2019. Of this amount,
 149.28 \$160,000 each year is for grants under
 149.29 Minnesota Statutes, section 179.91, and
 149.30 \$96,000 each year is for intergovernmental
 149.31 and public policy collaboration and operation
 149.32 of the office.

150.1 (d) \$250,000 is to complete the Case
150.2 Management System-Database Project Phase
150.3 II. This is a onetime appropriation.

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

150.5 Sec. 12. Minnesota Statutes 2014, section 61A.24, is amended by adding a subdivision
150.6 to read:

150.7 Subd. 12b. **Mortality table; exception.** Notwithstanding subdivisions 12, 12a, or
150.8 any other law to the contrary, a company may use the Commissioners 2017 Standard
150.9 Ordinary Mortality Table in determining the minimum nonforfeiture standard for policies
150.10 issued on or after January 1, 2017.

150.11 Sec. 13. Minnesota Statutes 2014, section 61A.25, is amended by adding a subdivision
150.12 to read:

150.13 Subd. 10. **Mortality table; exception.** Notwithstanding anything in this section,
150.14 or any other law to the contrary, a company may use the Commissioners 2017 Standard
150.15 Ordinary Mortality Table in determining the minimum valuation standard for policies
150.16 issued on or after January 1, 2017.

150.17 Sec. 14. Minnesota Statutes 2014, section 116J.423, is amended to read:

150.18 **116J.423 MINNESOTA MINERALS 21ST CENTURY FUND.**

150.19 Subdivision 1. **Created.** The Minnesota ~~minerals~~ 21st century fund is created
150.20 as a separate account in the treasury. Money in the account is appropriated to the
150.21 commissioner of employment and economic development for the purposes of this section.
150.22 All money earned by the account, loan repayments of principal and interest, and earnings
150.23 on investments must be credited to the account. For the purpose of this section, "fund"
150.24 means the Minnesota ~~minerals~~ 21st century fund. The commissioner shall operate the
150.25 account as a revolving account.

150.26 Subd. 2. **Use of fund.** The commissioner shall use money in the fund to make loans
150.27 or equity investments in mineral, steel, or ~~taconite~~ any other industry processing facilities,
150.28 ~~steel production facilities, facilities for the manufacturing of renewable energy products,~~
150.29 ~~or facilities for the manufacturing of biobased or biomass products,~~ manufacturing, or
150.30 technology project that would enhance the economic diversification and that are is located
150.31 within the taconite relief tax area as defined under section 273.134. The commissioner
150.32 must, prior to making any loans or equity investments and after consultation with industry

151.1 and public officials, develop a strategy for making loans and equity investments that
151.2 assists the ~~Minnesota mineral industry in becoming globally competitive~~ taconite relief
151.3 area in retaining and enhancing its economic competitiveness. Money in the fund may
151.4 also be used to pay for the costs of carrying out the commissioner's due diligence duties
151.5 under this section.

151.6 Subd. 2a. **Grants authorized.** Notwithstanding subdivision 2, the commissioner
151.7 may use money in the fund to make grants to a municipality or county, or to a county
151.8 regional rail authority as appropriate, for public infrastructure needed to support an
151.9 eligible project under this section. Grant money may be used by the municipality, county,
151.10 or regional rail authority to acquire right-of-way and mitigate loss of wetlands and runoff
151.11 of storm water; to predesign, design, construct, and equip roads and rail lines; and, in
151.12 cooperation with municipal utilities, to predesign, design, construct, and equip natural
151.13 gas pipelines, electric infrastructure, water supply systems, and wastewater collection and
151.14 treatment systems. Grants made under this subdivision are available until expended.

151.15 Subd. 3. **Requirements prior to committing funds.** The commissioner, prior to
151.16 making a commitment for a loan or equity investment must, at a minimum, conduct due
151.17 diligence research regarding the proposed loan or equity investment, including contracting
151.18 with professionals as needed to assist in the due diligence.

151.19 Subd. 4. **Requirements for fund disbursements.** The commissioner may make
151.20 conditional commitments for loans or equity investments but disbursements of funds
151.21 pursuant to a commitment may not be made until commitments for the remainder of a
151.22 project's funding are made that are satisfactory to the commissioner and disbursements
151.23 made from the other commitments sufficient to protect the interests of the state in its
151.24 loan or investment.

151.25 Subd. 5. **Company contribution.** The commissioner may provide loans or equity
151.26 investments that match, in a proportion determined by the commissioner, an investment
151.27 made by the owner of a facility.

151.28 Sec. 15. Minnesota Statutes 2014, section 116J.424, is amended to read:

151.29 **116J.424 IRON RANGE RESOURCES AND REHABILITATION BOARD**
151.30 **CONTRIBUTION.**

151.31 The commissioner of the Iron Range Resources and Rehabilitation Board with
151.32 approval by the board, ~~shall~~ may provide an equal match for any loan or equity investment
151.33 made for a ~~facility~~ project located in the tax relief area defined in section 273.134,
151.34 paragraph (b), by the Minnesota ~~minerals~~ 21st century fund created by section 116J.423.
151.35 The match may be in the form of a loan or equity investment, notwithstanding whether

152.1 the fund makes a loan or equity investment. The state shall not acquire an equity interest
152.2 because of an equity investment or loan by the board and the board at its sole discretion
152.3 shall decide what interest it acquires in a project. The commissioner of employment and
152.4 economic development may require a commitment from the board to make the match
152.5 prior to disbursing money from the fund.

152.6 Sec. 16. Minnesota Statutes 2014, section 116J.431, subdivision 1, is amended to read:

152.7 Subdivision 1. **Grant program established; purpose.** (a) The commissioner shall
152.8 make grants to counties or cities to provide up to 50 percent of the capital costs of public
152.9 infrastructure necessary for an eligible economic development project. The county or city
152.10 receiving a grant must provide for the remainder of the costs of the project, either in cash
152.11 or in kind. In-kind contributions may include the value of site preparation other than the
152.12 public infrastructure needed for the project.

152.13 (b) The purpose of the grants made under this section is to keep or enhance jobs in
152.14 the area, increase the tax base, or to expand or create new economic development.

152.15 (c) In awarding grants under this section, the commissioner must adhere to the
152.16 criteria under subdivision 4.

152.17 (d) If the commissioner awards a grant for less than 50 percent of the project, the
152.18 commissioner shall provide the applicant and the chairs and ranking minority members
152.19 of the senate and house of representatives committees with jurisdiction over economic
152.20 development finance a written explanation of the reason less than 50 percent of the capital
152.21 costs were awarded in the grant.

152.22 Sec. 17. Minnesota Statutes 2014, section 116J.431, subdivision 2, is amended to read:

152.23 Subd. 2. **Eligible projects.** An economic development project for which a county or
152.24 city may be eligible to receive a grant under this section includes:

152.25 (1) manufacturing;

152.26 (2) technology;

152.27 (3) warehousing and distribution;

152.28 (4) research and development;

152.29 (5) agricultural processing, defined as transforming, packaging, sorting, or grading
152.30 livestock or livestock products into goods that are used for intermediate or final
152.31 consumption, including goods for nonfood use; or

152.32 (6) industrial park development that would be used by any other business listed in
152.33 this subdivision even if no business has committed to locate in the industrial park at the
152.34 time the grant application is made.

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

153.2 Sec. 18. Minnesota Statutes 2014, section 116J.431, subdivision 4, is amended to read:

153.3 Subd. 4. **Application.** (a) The commissioner must develop forms and procedures
153.4 for soliciting and reviewing applications for grants under this section. At a minimum, a
153.5 county or city must include in its application a resolution of the county or city council
153.6 certifying that the required local match is available. The commissioner must evaluate
153.7 complete applications for eligible projects using the following criteria:

153.8 (1) the project is an eligible project as defined under subdivision 2;

153.9 (2) the project ~~will~~ is expected to result in or will attract substantial public and
153.10 private capital investment and provide substantial economic benefit to the county or city in
153.11 which the project would be located;

153.12 (3) the project is not relocating substantially the same operation from another
153.13 location in the state, unless the commissioner determines the project cannot be reasonably
153.14 accommodated within the county or city in which the business is currently located, or the
153.15 business would otherwise relocate to another state; and

153.16 (4) the project is expected to or will create or ~~maintain~~ retain full-time jobs.

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

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

153.21 Sec. 19. Minnesota Statutes 2014, section 116J.431, subdivision 6, is amended to read:

153.22 Subd. 6. **Maximum grant amount.** A county or city may receive no more than
153.23 ~~\$1,000,000~~ \$2,000,000 in two years for one or more projects.

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

153.25 Sec. 20. Minnesota Statutes 2014, section 116J.68, is amended to read:

153.26 **116J.68 BUREAU OF SMALL BUSINESS.**

153.27 Subdivision 1. **Generally.** The Bureau of Small Business within the business
153.28 assistance center shall serve as a clearinghouse, technical assistance center, and referral
153.29 service for information and other assistance needed by small businesses including small
153.30 targeted group businesses and small businesses located in an economically disadvantaged
153.31 area.

153.32 Subd. 2. **Duties.** The bureau shall:

154.1 (1) provide information and assistance with respect to all aspects of business
154.2 planning, business finance, and business management related to the start-up, operation, or
154.3 expansion of a small business in Minnesota;

154.4 (2) refer persons interested in the start-up, operation, or expansion of a small
154.5 business in Minnesota to assistance programs sponsored by federal agencies, state
154.6 agencies, educational institutions, chambers of commerce, civic organizations, community
154.7 development groups, private industry associations, and other organizations;

154.8 (3) plan, develop, and implement a master file of information on small business
154.9 assistance programs of federal, state, and local governments, and other public and private
154.10 organizations so as to provide comprehensive, timely information to the bureau's clients;

154.11 (4) employ staff with adequate and appropriate skills and education and training for
154.12 the delivery of information and assistance;

154.13 (5) seek out and utilize, to the extent practicable, contributed expertise and services
154.14 of federal, state, and local governments, educational institutions, and other public and
154.15 private organizations;

154.16 (6) maintain a close and continued relationship with the director of the procurement
154.17 program within the Department of Administration so as to facilitate the department's
154.18 duties and responsibilities under sections 16C.16 to 16C.19 relating to the small targeted
154.19 group business and economically disadvantaged business program of the state;

154.20 (7) develop an information system which will enable the commissioner and other
154.21 state agencies to efficiently store, retrieve, analyze, and exchange data regarding small
154.22 business development and growth in the state. All executive branch agencies of state
154.23 government and the secretary of state shall to the extent practicable, assist the bureau in
154.24 the development and implementation of the information system;

154.25 (8) establish and maintain a toll-free telephone number, e-mail account, and other
154.26 electronic contact mediums determined by the commissioner so that all small business
154.27 persons anywhere in the state ~~can call~~ may contact the bureau office for assistance.

154.28 An outreach program shall be established to make the existence of the bureau and the
154.29 assistance and services the bureau may provide to small businesses well known to its
154.30 potential clientele throughout the state. If the small business person requires a referral to
154.31 another provider the bureau may use the business assistance referral system established by
154.32 the Minnesota Project Outreach Corporation;

154.33 (9) conduct research and provide data as required by the state legislature;

154.34 (10) develop and publish material on all aspects of the start-up, operation, or
154.35 expansion of a small business in Minnesota;

155.1 (11) collect and disseminate information on state procurement opportunities,
155.2 including information on the procurement process;

155.3 (12) develop a public awareness program ~~through the use of~~ regarding state
155.4 assistance programs for small businesses, including those programs specifically for
155.5 socially disadvantaged small business persons. The commissioner may utilize print and
155.6 electronic newsletters, personal contacts, and advertising devices as defined in section
155.7 173.02, subdivision 16, social media, other electronic and print news media advertising
155.8 ~~about state assistance programs for small businesses, including those programs specifically~~
155.9 ~~for socially disadvantaged small business persons, and any other means determined by~~
155.10 the commissioner;

155.11 (13) enter into agreements with the federal government and other public and private
155.12 entities to serve as the statewide coordinator or host agency for the federal small business
155.13 development center program under United States Code, title 15, section 648; and

155.14 (14) assist providers in the evaluation of their programs and the assessment of
155.15 their service area needs. The bureau may establish model evaluation techniques and
155.16 performance standards for providers to use.

155.17 Sec. 21. Minnesota Statutes 2014, section 116J.8737, subdivision 3, is amended to read:

155.18 Subd. 3. **Certification of qualified investors.** (a) Investors may apply to the
155.19 commissioner for certification as a qualified investor for a taxable year. The application
155.20 must be in the form and be made under the procedures specified by the commissioner,
155.21 accompanied by an application fee of \$350. Application fees are deposited in the small
155.22 business investment tax credit administration account in the special revenue fund. The
155.23 application for certification for 2010 must be made available on the department's Web
155.24 site by August 1, 2010. Applications for subsequent years' certification must be made
155.25 available on the department's Web site by November 1 of the preceding year.

155.26 (b) Within 30 days of receiving an application for certification under this subdivision,
155.27 the commissioner must either certify the investor as satisfying the conditions required
155.28 of a qualified investor, request additional information from the investor, or reject the
155.29 application for certification. If the commissioner requests additional information from the
155.30 investor, the commissioner must either certify the investor or reject the application within
155.31 30 days of receiving the additional information. If the commissioner neither certifies the
155.32 investor nor rejects the application within 30 days of receiving the original application or
155.33 within 30 days of receiving the additional information requested, whichever is later, then
155.34 the application is deemed rejected, and the commissioner must refund the \$350 application
155.35 fee. An investor who applies for certification and is rejected may reapply.

156.1 (c) To receive certification, an investor must (1) be a natural person; and (2) certify
156.2 to the commissioner that the investor will only invest in a transaction that is exempt under
156.3 section 80A.46, clause (13) or (14), in a security exempt under section 80A.461, or in a
156.4 security registered under section 80A.50, paragraph (b).

156.5 (d) In order for a qualified investment in a qualified small business to be eligible
156.6 for tax credits, a qualified investor who makes the investment must have applied for
156.7 and received certification for the calendar year prior to making the qualified investment,
156.8 except in the case of an investor who is not an accredited investor, within the meaning of
156.9 Regulation D of the Securities and Exchange Commission, Code of Federal Regulations,
156.10 title 17, section 230.501, paragraph (a), application for certification may be made within
156.11 30 days after making the qualified investment.

156.12 **EFFECTIVE DATE.** This section is effective for taxable years beginning after
156.13 December 31, 2015.

156.14 Sec. 22. Minnesota Statutes 2014, section 116J.8747, subdivision 1, is amended to read:

156.15 Subdivision 1. **Grant allowed.** The commissioner may provide a grant to a qualified
156.16 job training program from money appropriated for the purposes of this section as follows:

156.17 (1) ~~a \$9,000~~ an \$11,000 placement grant paid to a job training program upon
156.18 placement in employment of a qualified graduate of the program; and

156.19 (2) ~~a \$9,000~~ an \$11,000 retention grant paid to a job training program upon retention
156.20 in employment of a qualified graduate of the program for at least one year.

156.21 Sec. 23. Minnesota Statutes 2014, section 116J.8747, subdivision 2, is amended to read:

156.22 Subd. 2. **Qualified job training program.** To qualify for grants under this section,
156.23 a job training program must satisfy the following requirements:

156.24 (1) the program must be operated by a nonprofit corporation that qualifies under
156.25 section 501(c)(3) of the Internal Revenue Code;

156.26 (2) the program must spend ~~at least~~, on average, \$15,000 or more per graduate
156.27 of the program;

156.28 (3) the program must provide education and training in:

156.29 (i) basic skills, such as reading, writing, mathematics, and communications;

156.30 (ii) thinking skills, such as reasoning, creative thinking, decision making, and
156.31 problem solving; and

156.32 (iii) personal qualities, such as responsibility, self-esteem, self-management,
156.33 honesty, and integrity;

157.1 (4) the program ~~must~~ may provide income supplements, when needed, to participants
157.2 for housing, counseling, tuition, and other basic needs;

157.3 (5) the program's education and training course must last for an average of at least
157.4 six months;

157.5 (6) individuals served by the program must:

157.6 (i) be 18 years of age or older;

157.7 (ii) have federal adjusted gross income of no more than ~~\$11,000~~ \$12,000 per year in
157.8 the calendar year immediately before entering the program;

157.9 (iii) have assets of no more than ~~\$7,000~~ \$10,000, excluding the value of a
157.10 homestead; and

157.11 (iv) not have been claimed as a dependent on the federal tax return of another person
157.12 in the previous taxable year; and

157.13 (7) the program must be certified by the commissioner of employment and economic
157.14 development as meeting the requirements of this subdivision.

157.15 Sec. 24. Minnesota Statutes 2014, section 116M.14, subdivision 2, is amended to read:

157.16 Subd. 2. **Board.** "Board" means the ~~Urban Initiative Board.~~ Minnesota emerging
157.17 entrepreneur program.

157.18 **EFFECTIVE DATE.** This section is effective July 1, 2016.

157.19 Sec. 25. Minnesota Statutes 2014, section 116M.14, is amended by adding a
157.20 subdivision to read:

157.21 Subd. 3a. **Department.** "Department" means the Department of Employment and
157.22 Economic Development.

157.23 **EFFECTIVE DATE.** This section is effective July 1, 2016.

157.24 Sec. 26. Minnesota Statutes 2014, section 116M.14, subdivision 4, is amended to read:

157.25 Subd. 4. **Low-income area.** "Low-income area" means:

157.26 (1) Minneapolis, St. Paul;

157.27 (2) those cities in the metropolitan area as defined in section 473.121, subdivision
157.28 2, that have an average income that is below 80 percent of the median income for a
157.29 four-person family as of the latest report by the United States Census Bureau; and

157.30 (3) ~~those cities in the metropolitan area, which contain two or more contiguous~~
157.31 ~~census tracts in which the average family income is less than 80 percent of the median~~
157.32 ~~family income for the Twin Cities~~ the area outside the metropolitan area.

158.1 **EFFECTIVE DATE.** This section is effective July 1, 2016.

158.2 Sec. 27. Minnesota Statutes 2014, section 116M.14, is amended by adding a
158.3 subdivision to read:

158.4 Subd. 4a. **Low-income person.** "Low-income person" means a person who has
158.5 an annual income, adjusted for family size, of not more than 80 percent of the area
158.6 median family income for the county of residence as of the latest report by the United
158.7 States Census Bureau.

158.8 **EFFECTIVE DATE.** This section is effective July 1, 2016.

158.9 Sec. 28. Minnesota Statutes 2014, section 116M.14, is amended by adding a
158.10 subdivision to read:

158.11 Subd. 4b. **Metropolitan area.** "Metropolitan area" has the meaning given in section
158.12 473.121, subdivision 2.

158.13 **EFFECTIVE DATE.** This section is effective July 1, 2016.

158.14 Sec. 29. Minnesota Statutes 2014, section 116M.14, is amended by adding a
158.15 subdivision to read:

158.16 Subd. 6. **Minority person.** "Minority person" means a person belonging to a racial
158.17 or ethnic minority as defined in Code of Federal Regulations, title 49, section 23.5.

158.18 **EFFECTIVE DATE.** This section is effective July 1, 2016.

158.19 Sec. 30. Minnesota Statutes 2014, section 116M.14, is amended by adding a
158.20 subdivision to read:

158.21 Subd. 7. **Program.** "Program" means the Minnesota emerging entrepreneur
158.22 program created by this chapter.

158.23 **EFFECTIVE DATE.** This section is effective July 1, 2016.

158.24 Sec. 31. Minnesota Statutes 2014, section 116M.14, is amended by adding a
158.25 subdivision to read:

158.26 Subd. 8. **Veteran.** "Veteran" means a veteran as defined in section 197.447.

158.27 **EFFECTIVE DATE.** This section is effective July 1, 2016.

159.1 Sec. 32. Minnesota Statutes 2014, section 116M.14, is amended by adding a
159.2 subdivision to read:

159.3 Subd. 9. **Persons with disabilities.** "Persons with disabilities" means an individual
159.4 with a disability, as defined under the Americans with Disabilities Act, United States
159.5 Code, title 42, section 12102.

159.6 **EFFECTIVE DATE.** This section is effective July 1, 2016.

159.7 Sec. 33. Minnesota Statutes 2014, section 116M.15, subdivision 1, is amended to read:

159.8 Subdivision 1. **Creation; Membership.** ~~The Urban-Initiative~~ Minnesota Emerging
159.9 Entrepreneur Board is created and consists of the commissioner of employment and
159.10 economic development, the commissioner of human rights, the chair of the Metropolitan
159.11 Council, and eight 12 members from the general public appointed by the governor. Six
159.12 Nine of the public members must be representatives from minority business enterprises.
159.13 No more than four six of the public members may be of one gender. At least one member
159.14 must be a representative from a veteran-owned business, and at least one member must
159.15 be a representative from a business owned by a person with disabilities. Appointments
159.16 must ensure balanced geographic representation. At least half of the public members must
159.17 have experience working to address racial income disparities. All public members must be
159.18 experienced in business or economic development.

159.19 **EFFECTIVE DATE.** This section is effective July 1, 2016.

159.20 Sec. 34. Minnesota Statutes 2014, section 116M.15, is amended by adding a
159.21 subdivision to read:

159.22 Subd. 1a. **Board responsibilities.** The board shall:

159.23 (1) submit a report to the commissioner by February 1 of each year describing
159.24 the condition of Minnesota small businesses that are majority owned and operated by a
159.25 racial or ethnic minority, woman, veteran, or a person with disabilities, along with any
159.26 policy recommendations;

159.27 (2) act as a liaison between the department and nonprofit corporations engaged in
159.28 small business development support activities; and

159.29 (3) assist the department in informational outreach about the program.

159.30 **EFFECTIVE DATE.** This section is effective July 1, 2016.

159.31 Sec. 35. Minnesota Statutes 2014, section 116M.17, subdivision 2, is amended to read:

160.1 Subd. 2. **Technical assistance.** ~~The board through the department,~~ shall provide
160.2 technical assistance and ~~development information services to state agencies, regional~~
160.3 ~~agencies, special districts, local governments, and the public, with special emphasis on~~
160.4 ~~minority communities~~ informational outreach about the program to lenders, nonprofit
160.5 corporations, and low-income and minority communities throughout the state that support
160.6 the development of business enterprises and entrepreneurs.

160.7 **EFFECTIVE DATE.** This section is effective July 1, 2016.

160.8 Sec. 36. Minnesota Statutes 2014, section 116M.17, subdivision 4, is amended to read:

160.9 Subd. 4. **Reports.** The board shall submit an annual report to the legislature of an
160.10 accounting of loans made under section 116M.18, including information on loans to
160.11 ~~minority business enterprises made, the number of jobs created by the program, the impact~~
160.12 ~~on low-income areas, and recommendations concerning minority business development~~
160.13 ~~and jobs for persons in low-income areas.~~

160.14 **EFFECTIVE DATE.** This section is effective July 1, 2016.

160.15 Sec. 37. Minnesota Statutes 2014, section 116M.18, is amended to read:

160.16 **116M.18 URBAN CHALLENGE GRANTS MINNESOTA EMERGING**
160.17 **ENTREPRENEUR PROGRAM.**

160.18 Subdivision 1. **Establishment.** The Minnesota emerging entrepreneur program is
160.19 established to award grants to nonprofit corporations to fund loans to businesses owned by
160.20 minority or low-income persons, women, veterans, or people with disabilities.

160.21 Subd. 1a. **Statewide loans.** To the extent there is sufficient eligible demand,
160.22 loans shall be made so that an approximately equal dollar amount of loans are made to
160.23 businesses in the metropolitan area as in the nonmetropolitan area. After September
160.24 30 of each calendar year, the department may allow loans to be made anywhere in the
160.25 state without regard to geographic area.

160.26 ~~Subdivision 1~~ Subd. 1b. **Eligibility rules Grants.** The board ~~department~~ shall
160.27 make urban challenge grants for use in low-income areas to nonprofit corporations to
160.28 fund loans to businesses owned by minority or low-income persons, women, veterans, or
160.29 people with disabilities to encourage private investment, to provide jobs for minority and
160.30 low-income persons and others in low-income areas, to create and strengthen minority
160.31 business enterprises, and to promote economic development in a low-income area. The
160.32 board shall adopt rules to establish criteria for determining loan eligibility.

161.1 Subd. 2. **Challenge Grant eligibility; nonprofit corporation.** (a) ~~The board~~
161.2 ~~department~~ may enter into agreements with nonprofit corporations to fund and guarantee
161.3 loans the nonprofit corporation makes ~~in low-income areas under subdivision 4.~~ A
161.4 ~~corporation must demonstrate that~~ to businesses owned by minority or low-income
161.5 persons, women, veterans, or people with disabilities. The department shall evaluate
161.6 applications from nonprofit corporations. In evaluating applications, the department must
161.7 consider, among other things, whether the nonprofit corporation:

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

161.11 (2) ~~it~~ has the technical skills to analyze projects;

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

161.14 (4) ~~it~~ can initiate and implement economic development projects;

161.15 (5) ~~it~~ can establish and administer a revolving loan account or has operated a
161.16 revolving loan account; ~~and~~

161.17 (6) ~~it~~ can work with job referral networks which assist minority and ~~other persons in~~
161.18 ~~low-income areas~~ low-income persons; and

161.19 (7) has established relationships with minority communities.

161.20 (b) The department shall review existing agreements with nonprofit corporations
161.21 every five years and may renew or terminate the agreement based on the review. In making
161.22 its review, the department shall consider, among other criteria, the criteria in paragraph (a).

161.23 Subd. 3. **Revolving loan fund.** (a) ~~The board~~ department shall establish a revolving
161.24 loan fund to make grants to nonprofit corporations for the purpose of making loans and
161.25 ~~loan guarantees to new and expanding businesses in a low-income area to promote~~ owned
161.26 by minority or low-income persons, women, veterans, or people with disabilities, and to
161.27 support minority business enterprises and job creation for minority and ~~other persons~~
161.28 ~~in low-income areas~~ low-income persons.

161.29 (b) Nonprofit corporations that receive grants from the department under the
161.30 program must establish a commissioner-certified revolving loan fund for the purpose
161.31 of making eligible loans.

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

161.34 (d) Loan applications given preliminary approval by the nonprofit corporation must
161.35 be forwarded to the board department for approval. The commissioner must give final
161.36 approval for each loan ~~or loan guarantee~~ made by the nonprofit corporation. The amount

162.1 of the state funds contributed to any loan ~~or loan guarantee~~ may not exceed 50 percent
162.2 of each loan.

162.3 Subd. 4. **Business loan criteria.** (a) The criteria in this subdivision apply to loans
162.4 made ~~or guaranteed~~ by nonprofit corporations under the ~~urban challenge grant~~ program.

162.5 (b) Loans ~~or guarantees~~ must be made to businesses that are not likely to undertake
162.6 a project for which loans are sought without assistance from the ~~urban challenge grant~~
162.7 program.

162.8 (c) A loan ~~or guarantee~~ must be used for a project designed to benefit persons in
162.9 ~~low-income areas through the creation of job or business opportunities for them~~ to support
162.10 a business owned by a minority or a low-income person, woman, veteran, or a person with
162.11 disabilities. Priority must be given for loans to the lowest income areas.

162.12 (d) The minimum state contribution to a loan ~~or guarantee~~ is \$5,000 and the
162.13 maximum is \$150,000.

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

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

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

162.19 Subd. 4a. **Microenterprise loan.** ~~Urban challenge Program~~ grants may be
162.20 used to make microenterprise loans to small, beginning businesses, including a sole
162.21 proprietorship. Microenterprise loans are subject to this section except that:

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

162.23 (2) they may be made for a minimum of ~~\$1,000~~ \$5,000 and a maximum of ~~\$25,000~~
162.24 \$35,000; and

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

162.27 ~~(3)~~ (4) they do not require a match.

162.28 Subd. 5. **Revolving fund administration; rules.** (a) The ~~board~~ department shall
162.29 establish a minimum interest rate for loans or guarantees to ensure that necessary loan
162.30 administration costs are covered. The interest rate charged by a nonprofit corporation for
162.31 a loan under this subdivision must not exceed the Wall Street Journal prime rate plus
162.32 four percent. For a loan under this subdivision, the nonprofit corporation may charge a
162.33 loan origination fee equal to or less than one percent of the loan value. The nonprofit
162.34 corporation may retain the amount of the origination fee.

162.35 (b) Loan repayment ~~amounts equal to one-half of the principal and interest~~ must be
162.36 ~~deposited in a revolving fund created by the board for challenge grants~~. The remaining

163.1 ~~amount of the loan repayment may be paid to the department for deposit in the revolving~~
163.2 ~~loan fund. Loan interest payments must be deposited in a revolving loan fund created by~~
163.3 ~~the nonprofit corporation originating the loan being repaid for further distribution or use,~~
163.4 ~~consistent with the loan criteria specified in subdivision 4 of this section.~~

163.5 (c) Administrative expenses of the ~~board and~~ nonprofit corporations with whom the
163.6 ~~board department~~ enters into agreements ~~under subdivision 2~~, including expenses incurred
163.7 by a nonprofit corporation in providing financial, technical, managerial, and marketing
163.8 assistance to a business enterprise receiving a loan under subdivision 4, may be paid out
163.9 of the interest earned on loans and out of interest earned on money invested by the state
163.10 Board of Investment under section 116M.16, subdivision 2, as may be provided by the
163.11 ~~board department.~~

163.12 ~~Subd. 6. **Rules.** The board shall adopt rules to implement this section.~~

163.13 ~~Subd. 6a. **Nonprofit corporation loans.** The board may make loans to a nonprofit~~
163.14 ~~corporation with which it has entered into an agreement under subdivision 1. These~~
163.15 ~~loans must be used to support a new or expanding business. This support may include~~
163.16 ~~such forms of financing as the sale of goods to the business on installment or deferred~~
163.17 ~~payments, lease purchase agreements, or royalty investments in the business. The interest~~
163.18 ~~rate charged by a nonprofit corporation for a loan under this subdivision must not exceed~~
163.19 ~~the Wall Street Journal prime rate plus four percent. For a loan under this subdivision, the~~
163.20 ~~nonprofit corporation may charge a loan origination fee equal to or less than one percent~~
163.21 ~~of the loan value. The nonprofit corporation may retain the amount of the origination fee.~~
163.22 ~~The nonprofit corporation must provide at least an equal match to the loan received by the~~
163.23 ~~board. The maximum loan available to the nonprofit corporation under this subdivision is~~
163.24 ~~\$50,000. Loans made to the nonprofit corporation under this subdivision may be made~~
163.25 ~~without interest. Repayments made by the nonprofit corporation must be deposited in the~~
163.26 ~~revolving fund created for urban initiative grants.~~

163.27 Subd. 7. **Cooperation.** A nonprofit corporation that receives an ~~urban challenge~~ a
163.28 program grant shall cooperate with other organizations, including but not limited to,
163.29 community development corporations, community action agencies, and the Minnesota
163.30 small business development centers.

163.31 Subd. 8. **Reporting requirements.** A nonprofit corporation that receives a
163.32 challenge program grant shall:

163.33 (1) submit an annual report to the board and department by ~~September~~ March
163.34 30 of each year that includes a description of ~~projects~~ businesses supported by the
163.35 ~~urban challenge grant program~~, an account of loans made during the calendar year, the
163.36 program's impact on minority business enterprises and job creation for minority persons

164.1 and low-income persons in low-income areas, the source and amount of money collected
164.2 and distributed by the ~~urban challenge grant~~ program, the program's assets and liabilities,
164.3 and an explanation of administrative expenses; and

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

164.7 **EFFECTIVE DATE.** This section is effective July 1, 2016.

164.8 Sec. 38. Minnesota Statutes 2015 Supplement, section 326B.988, is amended to read:

164.9 **326B.988 EXCEPTIONS.**

164.10 (a) The provisions of sections 326B.95 to 326B.998 shall not apply to:

164.11 (1) boilers and pressure vessels in buildings occupied solely for residence purposes
164.12 with accommodations for not more than five families;

164.13 (2) railroad locomotives operated by railroad companies for transportation purposes;

164.14 (3) air tanks installed on the right-of-way of railroads and used directly in the
164.15 operation of trains;

164.16 (4) boilers and pressure vessels under the direct jurisdiction of the United States;

164.17 (5) unfired pressure vessels having an internal or external working pressure not
164.18 exceeding 15 psig with no limit on size;

164.19 (6) pressure vessels used for storage of compressed air not exceeding five cubic feet
164.20 in volume and equipped with an ASME code stamped safety valve set at a maximum of
164.21 100 psig;

164.22 (7) pressure vessels having an inside diameter not exceeding six inches;

164.23 (8) every vessel that contains water under pressure, including those containing air
164.24 that serves only as a cushion, whose design pressure does not exceed 300 psig and whose
164.25 design temperature does not exceed 210 degrees Fahrenheit;

164.26 (9) boiler or pressure vessels located on farms used solely for agricultural or
164.27 horticultural purposes; for purposes of this section, boilers used for mint oil extraction
164.28 are considered used for agricultural or horticultural purposes, provided that the owner or
164.29 lessee complies with the inspection requirements contained in section 326B.958;

164.30 (10) tanks or cylinders used for storage or transfer of liquefied petroleum gases;

164.31 (11) unfired pressure vessels in petroleum refineries;

164.32 (12) an air tank or pressure vessel which is an integral part of a passenger motor
164.33 bus, truck, or trailer;

165.1 (13) hot water heating and other hot liquid boilers not exceeding a heat input of
165.2 750,000 BTU per hour;

165.3 (14) hot water supply boilers (water heaters) not exceeding a heat input of 500,000
165.4 BTU per hour, a water temperature of 210 degrees Fahrenheit, a nominal water capacity
165.5 of 120 gallons, or a pressure of 160 psig;

165.6 (15) a laundry and dry cleaning press not exceeding five cubic feet of steam volume;

165.7 (16) pressure vessels operated full of water or other liquid not materially more
165.8 hazardous than water, if the vessel's contents' temperature does not exceed 210 degrees
165.9 Fahrenheit or a pressure of 200 psig;

165.10 (17) steam-powered turbines at papermaking facilities which are powered by steam
165.11 generated by steam facilities at a remote location;

165.12 (18) manually fired boilers for model locomotive, boat, tractor, stationary engine,
165.13 or antique motor vehicles constructed or maintained only as a hobby for exhibition,
165.14 educational or historical purposes and not for commercial use, if the boilers have an
165.15 inside diameter of 12 inches or less, or a grate area of two square feet or less, and are
165.16 equipped with an ASME stamped safety valve of adequate size, a water level indicator,
165.17 and a pressure gauge;

165.18 (19) any pressure vessel used as an integral part of an electrical circuit breaker;

165.19 (20) pressure vessels used for the storage of refrigerant if they are built to ASME
165.20 code specifications, registered with the national board, and equipped with an ASME
165.21 code-stamped pressure-relieving device set no higher than the maximum allowable
165.22 working pressure of the vessel. This does not include pressure vessels used in ammonia
165.23 refrigeration systems;

165.24 (21) pressure vessels used for the storage of oxygen, nitrogen, helium, carbon dioxide,
165.25 argon, nitrous oxide, or other medical gas, provided the vessel is constructed to ASME
165.26 or Minnesota Department of Transportation specifications and equipped with an ASME
165.27 code-stamped pressure-relieving device. The owner of the vessels shall perform annual
165.28 visual inspections and planned maintenance on these vessels to ensure vessel integrity;

165.29 (22) pressure vessels used for the storage of compressed air for self-contained
165.30 breathing apparatuses;

165.31 (23) hot water heating or other hot liquid boilers vented directly to the atmosphere;
165.32 and

165.33 (24) pressure vessels used for the storage of compressed air not exceeding 1.5 cubic
165.34 feet (11.22 gallons) in volume with a maximum allowable working pressure of 600 psi or
165.35 less.

165.36 (b) An engineer's license is not required for hot water supply boilers.

166.1 (c) An engineer's license and annual inspection by the department is not required
166.2 for boilers, steam cookers, steam kettles, steam sterilizers or other steam generators not
166.3 exceeding 100,000 BTU per hour input, 25 kilowatt, and a pressure of 15 psig.

166.4 (d) Electric boilers not exceeding a maximum working pressure of 50 psig,
166.5 maximum of 30 kilowatt input or three horsepower rating shall be inspected as pressure
166.6 vessels and shall not require an engineer license to operate.

166.7 (e) Sawmills, located in a county with a population of less than 8,000 according to
166.8 the last federal census and that utilize steam for the drying of lumber, are not required to
166.9 meet the high pressure boiler attendance requirements set forth in Minnesota Rules, part
166.10 5225.1180, only if all of the following conditions are met:

166.11 (1) the owner complies with the inspection requirements under section 326B.958,
166.12 and the licensing requirements under section 326B.972; and

166.13 (2) the boiler:

166.14 (i) is equipped with electronic control systems that are remotely operated but which
166.15 require on-site manual reset of system faults;

166.16 (ii) is remotely monitored for log water levels, boiler pressure, and steam flow;

166.17 (iii) has automatic safety mechanisms built into the remote monitoring systems that
166.18 send an alarm upon detection of a fault condition, and an on-site alarm that will sound
166.19 upon detection of a fault condition and which may be heard at a distance of 500 feet;

166.20 (iv) has a water treatment program that is supervised by a third party water treatment
166.21 company; and

166.22 (v) is attended on site by a licensed boiler operator at least two times in a 24-hour
166.23 period. If the boiler is not attended more than twice in a 24-hour period, the period
166.24 between checks must not be less than eight hours.

166.25 ~~This paragraph expires August 1, 2016.~~ This paragraph expires the sooner of August
166.26 1, 2018, or upon the effective date of a rule regulating high pressure boiler attendance
166.27 requirements at a sawmill described in this paragraph adopted after the effective date
166.28 of this act.

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

166.30 Sec. 39. Minnesota Statutes 2014, section 462A.204, subdivision 1, is amended to read:

166.31 Subdivision 1. **Establishment.** The agency may establish a family homeless
166.32 prevention and assistance program to assist families who are homeless or are at imminent
166.33 risk of homelessness. The term "family" may include single individuals. The agency may
166.34 make grants to develop and implement family homeless prevention and assistance projects

167.1 under the program. For purposes of this section, "families" means families and persons
167.2 ~~under the age of 22~~ 24 years of age or younger.

167.3 Sec. 40. Minnesota Statutes 2014, section 462A.204, subdivision 3, is amended to read:

167.4 Subd. 3. **Set aside.** At least one grant must be awarded in an area located outside of
167.5 the metropolitan area. A county, a group of contiguous counties jointly acting together, a
167.6 tribe, a group of tribes, or a community-based nonprofit organization with a sponsoring
167.7 resolution from each of the county boards of the counties located within its operating
167.8 jurisdiction may apply for and receive grants for areas located outside the metropolitan area.

167.9 Sec. 41. **[462A.38] WORKFORCE AND AFFORDABLE HOMEOWNERSHIP**
167.10 **DEVELOPMENT PROGRAM.**

167.11 Subdivision 1. **Establishment.** A workforce and affordable homeownership
167.12 development program is established to award homeownership development grants
167.13 to nonprofit organizations, cooperatives created under chapter 308A or 308B, and
167.14 community land trusts created for the purposes outlined in section 462A.31, subdivision
167.15 1, for development of workforce and affordable homeownership projects. The purpose
167.16 of the program is to increase the supply of workforce and affordable, owner-occupied
167.17 multifamily or single-family housing throughout Minnesota.

167.18 Subd. 2. **Use of funds.** (a) Grant funds awarded under this program may be used for:

167.19 (1) development costs;

167.20 (2) rehabilitation;

167.21 (3) land development; and

167.22 (4) residential housing, including storm shelters and related community facilities.

167.23 (b) A project funded through the grant program shall serve households that meet the
167.24 income limits as provided in section 462A.33, subdivision 5, unless a project is intended
167.25 for the purpose outlined in section 462A.02, subdivision 6.

167.26 Subd. 3. **Application.** The commissioner shall develop forms and procedures for
167.27 soliciting and reviewing applications for grants under this section. The commissioner shall
167.28 consult with interested stakeholders when developing the guidelines and procedures for
167.29 the program. In making grants, the commissioner shall establish semiannual application
167.30 deadlines in which grants will be authorized from all or part of the available appropriations.

167.31 Subd. 4. **Awarding grants.** Among comparable proposals, preference must be
167.32 given to proposals that include contributions from nonstate resources for the greatest
167.33 portion of the total development cost.

168.1 Subd. 5. **Statewide program.** The agency shall attempt to make grants in
168.2 approximately equal amounts to applicants outside and within the metropolitan area.

168.3 Subd. 6. **Report.** Beginning January 15, 2018, the commissioner must annually
168.4 submit a report to the chairs and ranking minority members of the senate and house of
168.5 representatives committees having jurisdiction over housing and workforce development
168.6 specifying the projects that received grants under this section and the specific purposes for
168.7 which the grant funds were used.

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

168.9 Sec. 42. Laws 2014, chapter 211, section 13, as amended by Laws 2015, First Special
168.10 Session chapter 1, article 7, section 1, is amended to read:

168.11 Sec. 13. **EFFECTIVE DATE.**

168.12 Sections 1 to 3 and 6 to 11 are effective July 1, ~~2016~~ 2017. Sections 4, 5, and 12
168.13 are effective July 1, 2014.

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

168.15 Until July 1, ~~2016~~ 2017, any employee, employer, employee or employer organization,
168.16 exclusive representative, or any other person or organization aggrieved by an unfair labor
168.17 practice as defined in Minnesota Statutes, section 179A.13, may bring an action for
168.18 injunctive relief and for damages caused by the unfair labor practice in the district court of
168.19 the county in which the practice is alleged to have occurred.

168.20 Sec. 43. Laws 2015, First Special Session chapter 1, article 1, section 4, is amended to
168.21 read:

168.22 Sec. 4. **EXPLORE MINNESOTA TOURISM** \$ **14,118,000** \$ **14,248,000**

168.23 (a) To develop maximum private sector
168.24 involvement in tourism, \$500,000 in fiscal
168.25 year 2016 and \$500,000 in fiscal year 2017
168.26 must be matched by Explore Minnesota
168.27 Tourism from nonstate sources. Each \$1 of
168.28 state incentive must be matched with \$6 of
168.29 private sector funding. Cash match is defined
168.30 as revenue to the state or documented cash
168.31 expenditures directly expended to support
168.32 Explore Minnesota Tourism programs. Up
168.33 to one-half of the private sector contribution

169.1 may be in-kind or soft match. The incentive
169.2 in fiscal year 2016 shall be based on fiscal
169.3 year 2015 private sector contributions. The
169.4 incentive in fiscal year 2017 shall be based on
169.5 fiscal year 2016 private sector contributions.
169.6 This incentive is ongoing. Of this amount,
169.7 \$100,000 is for a grant to the Northern Lights
169.8 International Music festival.

169.9 (b) Funding for the marketing grants is
169.10 available either year of the biennium.
169.11 Unexpended grant funds from the first year
169.12 are available in the second year.

169.13 (c) \$30,000 in fiscal year 2016 is for Mille
169.14 Lacs Lake tourism promotion. This is a
169.15 onetime appropriation.

169.16 Sec. 44. **DAY TRAINING AND HABILITATION GRANT PROGRAM.**

169.17 Subdivision 1. **Establishment.** The commissioner of employment and economic
169.18 development shall establish a day training and habilitation grant program in fulfillment
169.19 of the Olmstead Plan purpose of ensuring that people with disabilities have choices for
169.20 competitive, meaningful, and sustained employment in the most integrated setting.

169.21 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms
169.22 have the meanings given them.

169.23 (b) "Day training and habilitation providers" means those organizations whose
169.24 names are listed as Department of Human Services providers in the Minnesota Department
169.25 of Administration, Materials Management Division, ALP Manual, Appendix J, without
169.26 regard to whether they are listed as approved vendors with the Minnesota Department
169.27 of Employment and Economic Development, Division of Rehabilitation Services as a
169.28 community rehabilitation provider, limited-use vendor, or center for independent living,
169.29 and irrespective as to whether they are accredited by CARF International.

169.30 (c) "Competitive employment" means full-time or part-time employment, with or
169.31 without support, in an integrated setting in the community that pays at least minimum
169.32 wage, as defined by the Fair Labor Standards Act, but not less than the customary wage
169.33 and level of benefits paid by the employer for the same or similar work performed by
169.34 workers without a disability.

170.1 (d) "Olmstead Plan" means Minnesota's 2013 Olmstead Plan, dated November 1,
170.2 2013, and all subsequent modifications approved by the United States District Court.

170.3 Subd. 3. **Competitive process.** The commissioner shall issue a request for proposals
170.4 to day training and habilitation providers seeking proposals to assist the Department
170.5 of Employment and Economic Development in achieving its goals as provided in the
170.6 Olmstead Plan. Grant funds shall be used to improve individual employment outcomes
170.7 by aligning programs, funding, and policies to support people with disabilities to choose,
170.8 secure, and maintain competitive employment and self-employment, including, but not
170.9 limited to, the following activities:

170.10 (1) implementing policies and initiating processes that improve the employment
170.11 outcomes of working adults with disabilities;

170.12 (2) offering incentives for innovation that increase competitive employment in
170.13 the general work force;

170.14 (3) expanding the flexibility in current funding and services to increase competitive
170.15 employment outcomes;

170.16 (4) providing evidence of partnerships with private sector businesses and public
170.17 sector employment; and

170.18 (5) submitting outcome data, required by the department, according to the
170.19 stipulations of the Olmstead Plan.

170.20 Subd. 4. **Eligibility.** Any person who has a disability as determined by the Social
170.21 Security Administration or state medical review team is eligible to receive services
170.22 provided with grant funds.

170.23 Subd. 5. **Consultation required.** The commissioner shall consult with the
170.24 governor's Workforce Development Council, the Commission of Deaf, DeafBlind, and
170.25 Hard-of-Hearing Minnesotans, the governor's Council on Developmental Disabilities, and
170.26 other governor-appointed disability councils in designing, implementing, and evaluating
170.27 the competitive grant program.

170.28 Subd. 6. **Report.** On or before February 1, 2017, and annually thereafter, the
170.29 commissioner shall report to the chairs and ranking minority members of the senate and
170.30 house of representatives committees having jurisdiction over employment and economic
170.31 development policy and finance on the amount of funds awarded and the outcomes
170.32 reported by grantees.

170.33 Sec. 45. **EXPLOITED FAMILIES RENTAL ASSISTANCE PILOT PROGRAM.**

171.1 Subdivision 1. **Rental assistance program.** (a) The commissioner of housing finance
171.2 shall establish a grant pilot program within the housing trust fund to serve individuals or
171.3 families from emerging communities at risk of being homeless and who have been victims
171.4 of gender-based violence, including but not limited to domestic violence, sexual assault,
171.5 trafficking, international abusive marriage, or forced marriage. For the purposes of this
171.6 section, the term "emerging communities" is defined as communities that are unfamiliar
171.7 with mainstream government services and that have limited English proficiency. The
171.8 commissioner shall award grants to organizations that can provide or partner with an
171.9 organization that can provide linguistically and culturally appropriate services and that
171.10 have the capacity to serve individuals or families from emerging communities who have
171.11 experienced gender-based violence. The commissioner may consult with the Departments
171.12 of Human Services and Public Safety when establishing the grant program.

171.13 (b) The pilot program must:

171.14 (1) provide rental assistance to individuals or families with a minor child;

171.15 (2) require the participants to pay at least 30 percent of the participant's income
171.16 toward the rent;

171.17 (3) allow the families to choose their own housing, including single-family homes,
171.18 townhomes, and apartments; and

171.19 (4) give priority to individuals or families who experience barriers in accessing
171.20 housing, including having limited English proficiency, lack of positive rental history,
171.21 employment history, and financial history.

171.22 Subd. 2. **Program evaluation.** All grant recipients must collect and make
171.23 available to the commissioner of housing finance aggregate data to assist the agency in
171.24 the evaluation of the program. The commissioner of housing finance shall evaluate the
171.25 program and measure the number of families served from emerging communities and the
171.26 housing status of the participants.

171.27 Sec. 46. **LAKE MILLE LACS AREA ECONOMIC RELIEF PROGRAM.**

171.28 Subdivision 1. **Relief program established.** Mille Lacs County must develop and
171.29 implement a Lake Mille Lacs area economic relief program to assist businesses adversely
171.30 affected by a decline in walleye fishing on Lake Mille Lacs.

171.31 Subd. 2. **Available relief.** (a) The economic relief program established under this
171.32 section may include grants or loans as provided in this section to the extent that funds are
171.33 available. Prior to awarding a grant to Mille Lacs County for the relief program under
171.34 this section:

- 172.1 (1) the county must develop criteria, procedures, and requirements for:
172.2 (i) determining eligibility for assistance;
172.3 (ii) the duration, terms, underwriting and security requirements, and repayment
172.4 requirements for loans;
172.5 (iii) evaluating applications for assistance;
172.6 (iv) awarding assistance; and
172.7 (v) administering the grant and loan program authorized under this section;
172.8 (2) the county must submit its criteria, procedures, and requirements developed
172.9 pursuant to clause (1) to the commissioner of employment and economic development
172.10 for review; and
172.11 (3) the commissioner must approve the criteria, procedures, and requirements as
172.12 developed pursuant to clause (1) to be used by the county in determining eligibility for
172.13 assistance, evaluating, awarding, and administering the grant and loan program.
172.14 (b) The relief authorized under this section includes:
172.15 (1) grants not to exceed \$50,000 per business. Grants may be awarded to applicants
172.16 only when the county determines that a loan is not appropriate to address the needs of
172.17 the applicant; and
172.18 (2) loans, with or without interest, and deferred or forgivable loans. The maximum
172.19 loan amount under this subdivision is \$100,000 per business. The lending criteria adopted
172.20 by the county for loans under this subdivision must:
172.21 (i) specify that an entity receiving a deferred or forgivable loan must remain in
172.22 the local community a minimum of five years after the date of the loan. The maximum
172.23 loan deferral period must not exceed five years from the date the loan is approved. The
172.24 maximum amount of a loan that may be forgiven must not exceed 50 percent of the
172.25 principle amount and may be forgiven only if the business has remained in operation in
172.26 the community for at least ten years after the loan is approved; and
172.27 (ii) require submission of a business plan for continued operation until the walleye
172.28 fishing resource recovers. The plan must document the probable success of the applicant's
172.29 business plan and probable success in repaying the loan according to the terms established
172.30 for the loan program; and
172.31 (3) tourism promotion grants to the Mille Lacs Tourism Council.
172.32 (c) All loan repayment funds under this subdivision must be paid to the commissioner
172.33 of employment and economic development for deposit in the Minnesota investment fund
172.34 disaster contingency account under Minnesota Statutes, section 116J.8731.
172.35 Subd. 3. **Qualification requirements.** To qualify for assistance under this section, a
172.36 business must:

- 173.1 (1) be located within one of the following municipalities surrounding Lake Mille
173.2 Lacs:
- 173.3 (i) in Crow Wing County, the city of Garrison, township of Garrison, or township
173.4 of Roosevelt;
- 173.5 (ii) in Aitkin County, the township of Hazelton, township of Wealthwood, township
173.6 of Malmo, or township of Lakeside; or
- 173.7 (iii) in Mille Lacs County, the city of Isle, city of Wahkon, city of Onamia, township
173.8 of East Side, township of Isle Harbor, township of South Harbor, or township of Kathio;
- 173.9 (2) document a reduction of at least ten percent in gross receipts in any two-year
173.10 period since 2010; and
- 173.11 (3) be a business in one of the following industries, as defined within the
173.12 North American Industry Classification System: accommodation, restaurants, bars,
173.13 amusement and recreation, food and beverages retail, sporting goods, miscellaneous retail,
173.14 general retail, museums, historical sites, health and personal care, gas station, general
173.15 merchandise, business and professional membership, movies, or nonstore retailer, as
173.16 determined by Mille Lacs County in consultation with the commissioner of employment
173.17 and economic development.
- 173.18 Subd. 4. **Monitoring.** (a) Mille Lacs County must establish performance measures
173.19 that include, but are not limited to, the following components:
- 173.20 (1) the number of loans approved and the amounts and terms of the loans;
- 173.21 (2) the number of grants awarded, award amounts, and the reason that a grant award
173.22 was made in lieu of a loan;
- 173.23 (3) the loan default rate;
- 173.24 (4) the number of jobs created or retained as a result of the assistance, including
173.25 information on the wages and benefit levels, the status of the jobs as full-time or part-time,
173.26 and the status of the jobs as temporary or permanent;
- 173.27 (5) the amount of business activity and changes in gross revenues of the grant or
173.28 loan recipient as a result of the assistance; and
- 173.29 (6) the new tax revenue generated as a result of the assistance.
- 173.30 (b) The commissioner of employment and economic development must monitor
173.31 Mille Lacs County's compliance with this section and the performance measures
173.32 developed under paragraph (a).
- 173.33 (c) Mille Lacs County must comply with all requests made by the commissioner
173.34 under this section.

174.1 Subd. 5. **Business subsidy requirements.** Sections 116J.993 to 116J.995 do not
174.2 apply to assistance under this section. Businesses in receipt of assistance under this section
174.3 must provide for job creation and retention goals, and wage and benefit goals.

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

174.7 **EFFECTIVE DATE.** This section, except for subdivision 4, is effective July 1,
174.8 2016, and expires June 30, 2017. Subdivision 4 is effective July 1, 2016, and expires on
174.9 the date the last loan is repaid or forgiven as provided under this section.

174.10 Sec. 47. **REVISOR'S INSTRUCTION.**

174.11 In the next editions of Minnesota Statutes and Minnesota Rules, the revisor of
174.12 statutes shall change the term "Urban Initiative Board" or similar to "Minnesota emerging
174.13 entrepreneur program," "program," or similar terms as the context requires.