

STATE OF MINNESOTA

SPECIAL SESSION — 2021

 SIXTH DAY

SAINT PAUL, MINNESOTA, SATURDAY, JUNE 19, 2021

The House of Representatives convened at 11:00 a.m. and was called to order by Melissa Hortman, Speaker of the House.

The members of the House paused for a brief meditation or moment of reflection.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Acomb	Demuth	Hassan	Liebling	Nelson, N.	Sandstede
Agbaje	Dettmer	Hausman	Lillie	Neu Brindley	Schomacker
Akland	Drazkowski	Heinrich	Lippert	Noor	Schultz
Albright	Ecklund	Heintzeman	Lislegard	Novotny	Scott
Anderson	Edelson	Her	Long	O'Driscoll	Stephenson
Backer	Elkins	Hertaus	Lucero	Olson, B.	Sundin
Bahner	Erickson	Hollins	Lueck	Olson, L.	Swedzinski
Bahr	Feist	Hornstein	Mariani	O'Neill	Theis
Becker-Finn	Fischer	Howard	Marquart	Pelowski	Torkelson
Bennett	Franson	Huot	Masin	Petersburg	Urdahl
Berg	Frazier	Igo	McDonald	Pfarr	Vang
Bernardy	Frederick	Johnson	Mekeland	Pierson	Wazlawik
Bierman	Freiberg	Jordan	Miller	Pinto	West
Bliss	Gomez	Jurgens	Moller	Poston	Winkler
Boe	Green	Keeler	Moran	Pryor	Wolgamott
Boldon	Greenman	Kiel	Morrison	Quam	Xiong, J.
Burkel	Grossell	Klevorn	Mortensen	Raleigh	Xiong, T.
Carlson	Gruenhagen	Koegel	Mueller	Rasmusson	Youakim
Christensen	Haley	Kotyza-Witthuhn	Munson	Reyer	Spk. Hortman
Daniels	Hamilton	Koznick	Murphy	Richardson	
Daudt	Hansen, R.	Kresha	Nash	Robbins	
Davnie	Hanson, J.	Lee	Nelson, M.	Sandell	

A quorum was present.

Baker and Davids were excused.

Thompson was excused until 12:00 noon. Garofalo was excused until 12:20 p.m. Franke was excused until 8:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. There being no objection, further reading of the Journal was dispensed with and the Journal was approved as corrected by the Chief Clerk.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Moran from the Committee on Ways and Means to which was referred:

H. F. No. 1, A bill for an act relating to economic development; modifying use of Minnesota investment fund; requiring a report.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1 APPROPRIATIONS

Section 1. APPROPRIATIONS.

(a) The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2022" and "2023" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023.

(b) If an appropriation in this article is enacted more than once in the 2021 regular or special legislative session, the appropriation must be given effect only once.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2022</u>	<u>2023</u>

Sec. 2. DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT

<u>Subdivision 1. Total Appropriation</u>	<u>\$289,150,000</u>	<u>\$130,939,000</u>
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Appropriations by Fund

	<u>2022</u>	<u>2023</u>
<u>General</u>	<u>248,701,000</u>	<u>90,740,000</u>
<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
<u>Workforce Development</u>	<u>39,749,000</u>	<u>39,499,000</u>

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

Subd. 2. Business and Community Development203,015,00044,741,000Appropriations by Fund

<u>General</u>	<u>200,215,000</u>	<u>41,941,000</u>
<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
<u>Workforce Development</u>	<u>2,100,000</u>	<u>2,100,000</u>

(a) \$1,787,000 each year is for the greater Minnesota business development public infrastructure grant program under Minnesota Statutes, section 116J.431. This appropriation is available until June 30, 2025.

(b) \$8,425,000 in the first year and \$1,425,000 in the second year are for the business development competitive grant program. Of this amount, up to five percent is for administration and monitoring of the business development competitive grant program and \$7,000,000 in the first year is for technical assistance to small businesses. Except for awards for technical assistance for small businesses, all grant awards shall be for two consecutive years. Grants shall be awarded in the first year.

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

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

(e) \$139,000 each year is for the Center for Rural Policy and Development.

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

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

(h)(1) \$2,500,000 each year is for grants to local communities to increase the number of quality child care providers to support economic development. This appropriation is available through June 30, 2023. Fifty percent of grant funds must go to communities located outside the seven-county metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2. In fiscal year 2024 and beyond, the base amount is \$1,500,000.

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

(3) Within one year of receiving grant funds, grant recipients must report to the commissioner on the outcomes of the grant program, including but not limited to the number of new providers, the number of additional child care provider jobs created, the number of additional child care slots, and the amount of cash and in-kind local funds invested. Within one month of all grant recipients reporting on program outcomes, the commissioner must report the grant recipients' outcomes to the chairs and ranking members of the legislative committees with jurisdiction over early learning and child care and economic development.

(i) \$1,500,000 each year is for a grant to the Minnesota Initiative Foundations. This appropriation is available until June 30, 2025. In fiscal year 2024 and beyond, the base amount is \$1,000,000. The Minnesota Initiative Foundations must use grant funds under this section to:

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

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

(3) provide locally based training and technical assistance to rural child care business owners individually or through a learning cohort. Access to financial and business development assistance must prepare child care businesses for quality engagement and improvement by stabilizing operations, leveraging funding from other sources, and fostering business acumen that allows child care businesses to plan for and afford the cost of providing quality child care; and

(4) recruit child care programs to participate in quality rating and improvement measurement programs. The Minnesota Initiative Foundations must work with local partners to provide low-cost training, professional development opportunities, and continuing

education curricula. The Minnesota Initiative Foundations must fund, through local partners, an enhanced level of coaching to rural child care providers to obtain a quality rating through measurement programs.

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

(k) \$10,029,000 the first year and \$10,028,000 the second year are for the Minnesota investment fund under Minnesota Statutes, section 116J.8731. Of this amount, the commissioner of employment and economic development may use up to three percent for administration and monitoring of the program. In fiscal year 2024 and beyond, the base amount is \$12,370,000. This appropriation is available until expended. Notwithstanding Minnesota Statutes, section 116J.8731, money appropriated to the commissioner for the Minnesota investment fund may be used for the redevelopment program under Minnesota Statutes, sections 116J.575 and 116J.5761, at the discretion of the commissioner. Grants under this paragraph are not subject to the grant amount limitation under Minnesota Statutes, section 116J.8731.

(l) \$0 each year is for the redevelopment program under Minnesota Statutes, sections 116J.575 and 116J.5761. In fiscal year 2024 and beyond, the base amount is \$2,246,000.

(m) \$1,000,000 each year is for the Minnesota emerging entrepreneur loan program under Minnesota Statutes, section 116M.18. Funds available under this paragraph are for transfer into the emerging entrepreneur program special revenue fund account created under Minnesota Statutes, chapter 116M, and are available until expended. Of this amount, up to four percent is for administration and monitoring of the program.

(n) \$325,000 each year is for the Minnesota Film and TV Board. The appropriation in each year is available only upon receipt by the board of \$1 in matching contributions of money or in-kind contributions from nonstate sources for every \$3 provided by this appropriation, except that each year up to \$50,000 is available on July 1 even if the required matching contribution has not been received by that date.

(o) \$12,000 each year is for a grant to the Upper Minnesota Film Office.

(p) \$500,000 each year is for a grant to the Minnesota Film and TV Board for the film production jobs program under Minnesota Statutes, section 116U.26. This appropriation is available until June 30, 2025.

(q) \$4,195,000 each year is for the Minnesota job skills partnership program under Minnesota Statutes, sections 116L.01 to 116L.17. If the appropriation for either year is insufficient, the appropriation for the other year is available. This appropriation is available until expended.

(r) \$1,350,000 each year from the workforce development fund is for jobs training grants under Minnesota Statutes, section 116L.41.

(s) \$2,500,000 each year is for Launch Minnesota. This appropriation is available until June 30, 2025. The base in fiscal year 2026 is \$0. Of this amount:

(1) \$1,500,000 each year is for innovation grants to eligible Minnesota entrepreneurs or start-up businesses to assist with their operating needs;

(2) \$500,000 each year is for administration of Launch Minnesota; and

(3) \$500,000 each year is for grantee activities at Launch Minnesota.

(t) \$1,148,000 the first year is for a grant to the Northeast Entrepreneur Fund, a small business administration microlender and community development financial institution operating in northern Minnesota. Grant funds must be used as capital for accessing additional federal lending for small businesses impacted by COVID-19 and must be returned to the commissioner for deposit in the general fund if the Northeast Entrepreneur Fund fails to secure such federal funds before January 1, 2022.

(u) \$80,000,000 the first year is for the Main Street Economic Revitalization Loan Program. Of this amount, up to \$300,000 is for the commissioner's administration and monitoring of the program. This appropriation is available until June 30, 2025.

(v) \$70,000,000 the first year is for the Main Street COVID-19 Relief Grant Program. Of this amount, up to:

(1) \$34,950,000 is for grants to the Minnesota Initiative Foundations to serve businesses outside of the metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2;

(2) \$34,950,000 is for grants to partner organizations to serve businesses inside the metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2; and

(3) \$100,000 is for the commissioner's administration and monitoring of the program.

(w) \$250,000 each year is for the publication, dissemination, and use of labor market information under Minnesota Statutes, section 116J.401.

(x) \$500,000 each year is for the airport infrastructure renewal (AIR) grant program under Minnesota Statutes, section 116J.439. In awarding grants with this appropriation, the commissioner must prioritize eligible applicants that did not receive a grant pursuant to the appropriation in Laws 2019, First Special Session chapter 7, article 1, section 2, subdivision 2, paragraph (q).

(y) \$750,000 each year is from the workforce development fund for grants to the Neighborhood Development Center for small business programs, including:

(1) training, lending, and business services;

(2) model outreach and training in greater Minnesota; and

(3) development of new business incubators.

This is a onetime appropriation.

Subd. 3. Employment and Training Programs

37,185,000

36,935,000

Appropriations by Fund

<u>General</u>	<u>7,421,000</u>	<u>7,421,000</u>
<u>Workforce Development</u>	<u>29,764,000</u>	<u>29,514,000</u>

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

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

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

(d) \$712,000 each year is from the workforce development fund for a grant to the American Indian Opportunities and Industrialization Center, in collaboration with the Northwest Indian Community Development Center, to reduce academic disparities for American Indian students and adults. This is a onetime appropriation. The grant funds may be used to provide:

- (1) student tutoring and testing support services;
- (2) training and employment placement in information technology;
- (3) training and employment placement within trades;
- (4) assistance in obtaining a GED;
- (5) remedial training leading to enrollment and to sustain enrollment in a postsecondary higher education institution;
- (6) real-time work experience in information technology fields and in the trades;
- (7) contextualized adult basic education;
- (8) career and educational counseling for clients with significant and multiple barriers; and
- (9) reentry services and counseling for adults and youth.

After notification to the chairs and minority leads of the legislative committees with jurisdiction over jobs and economic development, the commissioner may transfer this appropriation to the commissioner of education.

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

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

(g) \$1,000,000 each year is for a competitive grant program to provide grants to organizations that provide support services for individuals, such as job training, employment preparation, internships, job assistance to parents, financial literacy, academic and behavioral interventions for low-performing students, and youth intervention. Grants made under this section must focus on low-income communities, young adults from families with a history of intergenerational poverty, and communities of color. Of this amount, up to five percent is for administration and monitoring of the program.

(h) \$750,000 each year from the general fund and \$3,348,000 each year from the workforce development fund are for the youth-at-work competitive grant program under Minnesota Statutes, section 116L.562. Of this amount, up to five percent is for administration and monitoring of the youth workforce development competitive grant program. All grant awards shall be for two consecutive years. Grants shall be awarded in the first year.

(i) \$875,000 each year is for a grant to the Minnesota Technology Association to support the SciTech Internship Program, a program that supports science, technology, engineering, and math (STEM) internship opportunities for two- and four-year college students and graduate students in their fields of study. The internship opportunities must match students with paid internships within STEM disciplines at small, for-profit companies located in Minnesota having fewer than 250 employees worldwide. At least 200 students must be matched each year. No more than 15 percent of the hires may be graduate students. Selected hiring companies shall receive from the grant 50 percent of the wages paid to the intern, capped at \$2,500 per intern. The program must work toward increasing the participation among women or other underserved populations. This is a onetime appropriation.

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

(k) \$4,050,000 each year is from the workforce development fund for the Minnesota youth program under Minnesota Statutes, sections 116L.56 and 116L.561.

(l) \$500,000 each year is from the workforce development fund for performance grants under Minnesota Statutes, section 116J.8747, to Goodwill-Easter Seals Minnesota and its partners. The grant shall be used to continue the FATHER Project in Rochester, Park Rapids, St. Cloud, St. Paul, Minneapolis, and the surrounding areas to assist fathers in overcoming barriers that prevent fathers from supporting their children economically and emotionally. This is a onetime appropriation.

(m) \$350,000 each year is from the workforce development fund for performance grants under Minnesota Statutes, section 116J.8747, to the International Institute of Minnesota for workforce training for New Americans in industries in need of a trained workforce. This is a onetime appropriation.

(n) \$750,000 each year is from the workforce development fund for a grant to the Minnesota Alliance of Boys and Girls Clubs to administer a statewide project of youth job skills and career development. This project, which may have career guidance components including health and life skills, must be designed to encourage, train, and assist youth in: early access to education and job-seeking skills; work-based learning experience including career pathways in STEM learning, career exploration, and matching; and first job placement through local community partnerships and on-site job opportunities. This grant requires a 25 percent match from nonstate sources. This is a onetime appropriation.

(o) \$250,000 each year is from the workforce development fund for grants to the Minnesota Grocers Association Foundation for Carts to Careers, a statewide initiative to promote careers, conduct outreach, provide job skills training, and grant scholarships for careers in the retail food industry. This is a onetime appropriation.

(p) \$250,000 the first year is from the workforce development fund for a grant to the ProStart and Hospitality Tourism Management Program for a well-established, proven, and successful education program that helps young people advance careers in the hospitality industry and addresses critical long-term workforce shortages in that industry.

(q) \$375,000 each year is from the workforce development fund for a grant to the Construction Careers Foundation for the construction career pathway initiative to provide year-round educational and experiential learning opportunities for teens and young adults under the age of 21 that lead to careers in the construction industry. This is a onetime appropriation. Grant funds must be used to:

(1) increase construction industry exposure activities for middle school and high school youth, parents, and counselors to reach a more diverse demographic and broader statewide audience. This requirement includes, but is not limited to, an expansion of programs to provide experience in different crafts to youth and young adults throughout the state;

(2) increase the number of high schools in Minnesota offering construction classes during the academic year that utilize a multicraft curriculum;

(3) increase the number of summer internship opportunities;

(4) enhance activities to support graduating seniors in their efforts to obtain employment in the construction industry;

(5) increase the number of young adults employed in the construction industry and ensure that they reflect Minnesota's diverse workforce; and

(6) enhance an industrywide marketing campaign targeted to youth and young adults about the depth and breadth of careers within the construction industry.

Programs and services supported by grant funds must give priority to individuals and groups that are economically disadvantaged or historically underrepresented in the construction industry, including but not limited to women, veterans, and members of minority and immigrant groups.

(r) \$700,000 each year is from the workforce development fund for a grant to Comunidades Latinas Unidas En Servicio-Latino Communities United in Service (CLUES) to expand culturally tailored programs that address employment and education skill

gaps for working parents and underserved youth by providing new job skills training to stimulate higher wages for low-income people, family support systems designed to reduce intergenerational poverty, and youth programming to promote educational advancement and career pathways. At least 50 percent of this amount must be used for programming targeted at greater Minnesota. This is a onetime appropriation.

(s) \$700,000 each year is from the workforce development fund for performance grants under Minnesota Statutes, section 116J.8747, to Twin Cities R!SE to provide training to hard-to-train individuals. This is a onetime appropriation and funds are available until June 30, 2024.

(t) \$475,000 each year is from the workforce development fund for a grant to Bridges to Healthcare to provide career education, wraparound support services, and job skills training in high-demand health care fields to low-income parents, nonnative speakers of English, and other hard-to-train individuals, helping families build secure pathways out of poverty while also addressing worker shortages in one of Minnesota's most innovative industries. Funds may be used for program expenses, including but not limited to hiring instructors and navigators; space rental; and supportive services to help participants attend classes, including assistance with course fees, child care, transportation, and safe and stable housing. In addition, up to five percent of grant funds may be used for Bridges to Healthcare's administrative costs. This is a onetime appropriation.

(u) \$650,000 each year is from the workforce development fund for performance grants under Minnesota Statutes, section 116J.8747, to Avivo to provide low-income individuals with career education and job skills training that is integrated with chemical and mental health services. This is a onetime appropriation.

(v) \$300,000 each year is from the workforce development fund for a grant to the Hmong American Partnership, in collaboration with community partners, for services targeting Minnesota communities with the highest concentrations of Southeast Asian joblessness, based on the most recent census tract data, to provide employment readiness training, credentialed training placement, job placement and retention services, supportive services for hard-to-employ individuals, and a general education development fast track and adult diploma program. This is a onetime appropriation.

(w) \$125,000 each year is from the workforce development fund for a grant to the Hmong Chamber of Commerce to train ethnically Southeast Asian business owners and operators in better business practices. Of this amount, up to \$5,000 may be used for administrative costs. This is a onetime appropriation.

(x) \$225,000 each year is from the workforce development fund for Minnesota Family Resiliency Partnership programs under Minnesota Statutes, section 116L.96. The commissioner, through the adult career pathways program, shall distribute the funds to existing nonprofit and Minnesota Family Resiliency Partnership programs. This is a onetime appropriation.

(y) \$1,175,000 each year is from the workforce development fund for a grant to Summit Academy OIC to expand their contextualized GED and employment placement program and STEM program. This is a onetime appropriation.

(z) \$250,000 each year is from the workforce development fund for a grant to Big Brothers Big Sisters of the Greater Twin Cities for workforce readiness, employment exploration, and skills development for youth ages 12 to 21. The grant must serve youth in the Big Brothers Big Sisters chapters in the Twin Cities, central Minnesota, and southern Minnesota. This is a onetime appropriation.

(aa) \$400,000 each year is from the workforce development fund for a grant to Ujamaa Place for job training, employment preparation, internships, education, training in vocational trades, housing, and organizational capacity building. This is a onetime appropriation.

(bb) \$150,000 each year is from the workforce development fund for performance grants under Minnesota Statutes, section 116J.8747, to the YWCA of St. Paul to provide job training services and workforce development programs and services, including job skills training and counseling. This is a onetime appropriation.

(cc) \$700,000 each year is from the workforce development fund for a grant to Youthprise to give grants through a competitive process to community organizations to provide economic development services designed to enhance long-term economic self-sufficiency in communities with concentrated East African populations. Such communities include but are not limited to Faribault, Rochester, St. Cloud, Moorhead, and Willmar. Youthprise must make at least 50 percent of these grants to organizations serving communities located outside the seven-county metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2. This is a onetime appropriation.

(dd) \$450,000 each year is from the workforce development fund for grants to Minnesota Diversified Industries, Inc., to provide inclusive employment opportunities and services for people with disabilities. This is a onetime appropriation.

(ee) \$150,000 each year is from the workforce development fund for a grant to the YWCA of Minneapolis to provide economically challenged individuals the job skills training, career counseling, and job placement assistance necessary to secure a child development associate credential and to have a career path in early childhood education. This is a onetime appropriation.

(ff) \$250,000 each year is from the workforce development fund for a grant to EMERGE Community Development for the Cedar-Riverside Opportunity Center and its on-site partners to address employment and economic disparities for low-income unemployed or underemployed individuals who are primarily East African. Funds must be used for operations and administrative costs of the site in support of career pathways and certified credentials, workforce readiness, financial readiness, and employment placement and retention services. This is a onetime appropriation.

(gg) \$1,000,000 each year is from the workforce development fund for a grant to Propel Nonprofits to provide capacity-building grants and related technical assistance to small, culturally specific organizations that primarily serve historically underserved cultural communities. Propel Nonprofits may only award grants to nonprofit organizations that have an annual organizational budget of less than \$500,000. These grants may be used for:

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

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

(3) creating or expanding partnerships with existing organizations that have specialized expertise in order to increase capacity of the grantee organization to improve services to the community.

Of this amount, up to five percent may be used by Propel Nonprofits for administrative costs. This is a onetime appropriation.

(hh) \$300,000 each year is from the workforce development fund for a grant to Better Futures Minnesota to provide job skills training to individuals who have been released from incarceration for a felony-level offense and are no more than 12 months from the date of release. This is a onetime appropriation.

(ii) \$250,000 each year is from the workforce development fund for a grant to the Juxtaposition Arts Center to provide job training and workforce development services for underserved communities. This is a onetime appropriation.

(jj) \$275,000 each year is from the workforce development fund for a grant to Workforce Development, Inc., to provide career education, wraparound support services, and job skills training in high-demand manufacturing fields to low-income parents, nonnative speakers of English, and other hard-to-train individuals, helping families build secure pathways out of poverty while also addressing worker shortages in the Owatonna and Steele County area. Funds may be used for program expenses, including but not limited to hiring instructors and navigators; space rental; and supportive services to help participants attend classes, including assistance with course fees, child care, transportation, and safe and stable housing. In addition, up to five percent of grant funds may be used for Workforce Development, Inc.'s administrative costs. This is a onetime appropriation and is available until June 30, 2023.

(kk) \$500,000 each year is from the workforce development fund for a grant to Pillsbury United Communities to provide job training and workforce development services for underserved communities. This is a onetime appropriation.

(ll) \$250,000 each year is from the workforce development fund for a grant to 30,000 Feet, a nonprofit organization, to fund youth apprenticeship jobs, after-school programming, and summer learning loss prevention for African American youth. This is a onetime appropriation.

(mm) \$250,000 each year is from the workforce development fund for the getting to work grant program. This is a onetime appropriation.

(nn) \$500,000 each year is from the workforce development fund for a grant to Project for Pride in Living to provide job training and workforce development services for underserved communities. This is a onetime appropriation.

(oo) \$1,000,000 each year is from the workforce development fund for competitive grants to organizations providing services to relieve economic disparities in the African immigrant community through workforce recruitment, development, job creation, assistance of smaller organizations to increase capacity, and outreach. Of this amount, up to five percent is for administration and monitoring of the program. This is a onetime appropriation.

(pp) \$250,000 each year is from the workforce development fund for a grant to the Center for Economic Inclusion for a strategic intervention program designed to target and connect program participants to meaningful, sustainable living-wage employment. This is a onetime appropriation.

(qq) \$300,000 each year is from the workforce development fund for a grant to YMCA of the North to provide job training and workforce development services for underserved communities. This is a onetime appropriation.

(rr)(1) \$1,000,000 each year is from the workforce development fund for grants to assist internationally trained professionals in earning the professional licenses required to do similar work in Minnesota. The commissioner shall work with local workforce development boards to award these grants and shall give preference to efforts to assist professionals in occupations where there is unmet local need for that profession's skills. This is a onetime appropriation.

(2) Eligible uses of grant funds may include but are not limited to:

(i) subsidizing the cost of training for or taking required licensing examinations;

(ii) providing instruction in English as a second language;

(iii) supportive services that increase the success rate of individuals seeking licensing; and

(iv) connecting newly licensed individuals with appropriate employment.

(3) By February 15, 2024, and each February 15 in an even-numbered year thereafter, the commissioner shall submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over workforce development on the use of grant funds and program outcomes. At a minimum, the report must include:

(i) the number of new professional licenses facilitated by the program;

(ii) information on the employment outcomes of individuals supported by the program; and

(iii) any other quantifiable measures of success.

Subd. 4. General Support Services

3,692,000

4,005,000

Appropriations by Fund

General Fund	<u>3,637,000</u>	<u>3,950,000</u>
Workforce Development	<u>55,000</u>	<u>55,000</u>

\$1,269,000 each year is for transfer to the Minnesota Housing Finance Agency for operating the Olmstead Compliance Office.

Subd. 5. Minnesota Trade Office2,142,0002,142,000

(a) \$200,000 each year is for the STEP grants in Minnesota Statutes, section 116J.979. The base for this purpose in fiscal year 2024 and beyond is \$300,000.

(b) \$180,000 each year is for the Invest Minnesota marketing initiative in Minnesota Statutes, section 116J.9781.

(c) \$270,000 each year is for the Minnesota Trade Offices under Minnesota Statutes, section 116J.978.

Subd. 6. Vocational Rehabilitation36,691,00036,691,000Appropriations by Fund

<u>General</u>	<u>28,861,000</u>	<u>28,861,000</u>
<u>Workforce Development</u>	<u>7,830,000</u>	<u>7,830,000</u>

(a) \$14,300,000 each year is for the state's vocational rehabilitation program under Minnesota Statutes, chapter 268A.

(b) \$8,995,000 each year from the general fund and \$6,830,000 each year from the workforce development fund are for extended employment services for persons with severe disabilities under Minnesota Statutes, section 268A.15. Of the amounts appropriated from the general fund, \$2,000,000 each year is for maintaining prior rate increases to providers of extended employment services for persons with severe disabilities under Minnesota Statutes, section 268A.15.

(c) \$2,555,000 each year is for grants to programs that provide employment support services to persons with mental illness under Minnesota Statutes, sections 268A.13 and 268A.14.

(d) \$3,011,000 each year is for grants to centers for independent living under Minnesota Statutes, section 268A.11.

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

Subd. 7. Services for the Blind6,425,0006,425,000

Of this amount, \$500,000 each year is for senior citizens who are becoming blind. At least one-half of the funds for this purpose must be used to provide training services for seniors who are becoming blind. Training services must provide independent living skills to seniors who are becoming blind to allow them to continue to live independently in their homes.

Sec. 3. **DEPARTMENT OF LABOR AND INDUSTRY**Subdivision 1. **Total Appropriation****\$31,817,000****\$30,717,000**Appropriations by Fund

	<u>2022</u>	<u>2023</u>
<u>General</u>	<u>5,379,000</u>	<u>4,379,000</u>
<u>Workers' Compensation</u>	<u>22,991,000</u>	<u>22,991,000</u>
<u>Workforce Development</u>	<u>3,447,000</u>	<u>3,347,000</u>

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

Subd. 2. **General Support**6,939,0006,939,000Appropriations by Fund

<u>General</u>	<u>900,000</u>	<u>900,000</u>
<u>Workers' Compensation</u>	<u>6,039,000</u>	<u>6,039,000</u>

\$900,000 each year is for system upgrades. This appropriation is available until June 30, 2023, and is a onetime appropriation. This appropriation includes funds for information technology project services and support subject to Minnesota Statutes, section 16E.0466. Any ongoing information technology costs must be incorporated into the service level agreement and must be paid to the Office of MN.IT Services by the commissioner of labor and industry under the rates and mechanism specified in that agreement.

Subd. 3. **Labor Standards and Apprenticeship**6,226,0005,226,000Appropriations by Fund

<u>General</u>	<u>4,479,000</u>	<u>3,479,000</u>
<u>Workforce Development</u>	<u>1,747,000</u>	<u>1,747,000</u>

(a) \$2,046,000 each year is for wage theft prevention.

(b) \$1,271,000 each year is from the workforce development fund for the apprenticeship program under Minnesota Statutes, chapter 178.

(c) \$151,000 each year is from the workforce development fund for prevailing wage enforcement.

(d) \$100,000 each year is from the workforce development fund for labor education and advancement program grants under Minnesota Statutes, section 178.11, to expand and promote registered apprenticeship training for minorities and women.

(e) \$225,000 each year is from the workforce development fund for grants to the Construction Careers Foundation for the Helmets to Hard Hats Minnesota initiative. Grant funds must be used to recruit, retain, assist, and support National Guard, reserve, and active duty military members' and veterans' participation into apprenticeship programs registered with the Department of Labor and Industry and connect them with career training and employment in the building and construction industry. The recruitment, selection, employment, and training must be without discrimination due to race, color, creed, religion, national origin, sex, sexual orientation, marital status, physical or mental disability, receipt of public assistance, or age. This is a onetime appropriation.

(f) \$84,000 the first year and \$34,000 the second year are for outreach and enforcement efforts related to changes to the nursing mothers, lactating employees, and pregnancy accommodations law.

(g) \$1,000,000 the first year is for the loggers safety grant program.

Subd. 4. Workers' Compensation

11,882,000

11,882,000

This appropriation is from the workers' compensation fund.

Subd. 5. Workplace Safety

5,070,000

5,070,000

This appropriation is from the workers' compensation fund.

Subd. 6. Workforce Development Initiatives

1,700,000

1,600,000

(a) This appropriation is from the workforce development fund.

(b) \$300,000 each year is from the workforce development fund for the pipeline program.

(c) \$200,000 each year is from the workforce development fund for identification of competency standards under Minnesota Statutes, section 175.45.

(d) \$1,100,000 each year is from the workforce development fund for youth skills training grants under Minnesota Statutes, section 175.46. Of this amount, \$100,000 each year is for administration of the program.

(e)(1) \$100,000 the first year is from the workforce development fund for a grant to Independent School District No. 294, Houston, for the Minnesota Virtual Academy's career pathway program with Operating Engineers Local 49. The program may include up to five semesters of courses, and must lead to eligibility into the Operating Engineers Local 49 apprenticeship program. The grant may be used to encourage and support student participation in the career pathway program through additional academic, counseling, and other support services provided by the student's enrolling school district to provide these services. This appropriation is available until June 30, 2023; and

(2) by January 15, 2024, Independent School District No. 294, Houston, must submit a written report to the chairs and ranking minority members of the house of representatives and senate committees of the legislature having jurisdiction over education and workforce development describing students' experiences with the program. The report must document the program's spending, list the number of students participating in the program and entering the apprenticeship program, and make recommendations for improving support of career pathway programs statewide.

Sec. 4. <u>WORKERS' COMPENSATION COURT OF APPEALS</u>	<u>\$2,283,000</u>	<u>\$2,283,000</u>
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This appropriation is from the workers' compensation fund.

Sec. 5. <u>BUREAU OF MEDIATION SERVICES</u>	<u>\$2,370,000</u>	<u>\$2,415,000</u>
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(a) \$125,000 each year is for purposes of the Public Employment Relations Board under Minnesota Statutes, section 179A.041. This is a onetime appropriation.

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

(c) \$47,000 each year is for rulemaking, staffing, and other costs associated with peace officer grievance procedures.

Sec. 6. **DEPARTMENT OF TRANSPORTATION.**

\$6,200,000 in fiscal year 2022 is appropriated from the general fund to the commissioner of transportation for project development of a land bridge freeway lid over marked Interstate Highway 94 in a portion of the segment from Lexington Avenue to Rice Street in St. Paul. This amount is available to match federal funds and for project planning and development, including area planning, community and land use planning, economic development planning, design, and project management and analysis. From this amount, the commissioner may make grants to Reconnect Rondo to perform any eligible project development activities. This is a onetime appropriation and is available until June 30, 2025.

Sec. 7. **MINNESOTA STATE COLLEGES AND UNIVERSITIES.**

\$400,000 in fiscal year 2022 and \$0 in fiscal year 2023 are appropriated from the general fund to the Board of Trustees of the Minnesota State Colleges and Universities for the career and technical educator pilot project under article 2, section 25. Of this amount, \$250,000 is for transfer to Winona State University and \$150,000 is for transfer to Minnesota State College Southeast for the purposes listed in article 2, section 25. Notwithstanding Minnesota Statutes, section 16A.28, unencumbered balances under this section do not cancel until July 1, 2025.

Sec. 8. **CANCELLATIONS; FISCAL YEAR 2021.**

(a) \$18,265,000 of the fiscal year 2021 general fund appropriation in Laws 2020, Seventh Special Session chapter 2, article 1, section 1, subdivision 7, is canceled.

(b) \$72,000 of the fiscal year 2021 general fund appropriation in Laws 2020, Seventh Special Session chapter 2, article 5, section 1, is canceled.

(c) \$901,000 of the fiscal year 2021 general fund appropriation in Laws 2020, Seventh Special Session chapter 2, article 4, section 1, subdivision 1, is canceled.

(d) \$25,000,000 of the fiscal year 2021 general fund appropriation in Laws 2020, Seventh Special Session chapter 2, article 3, section 2, is canceled.

(e) \$205,000 of the fiscal year 2021 general fund appropriation in Laws 2019, First Special Session chapter 7, article 1, section 2, subdivision 5, paragraph (a), estimated to be \$205,000, is canceled.

(f) \$50,000 of the fiscal year 2021 general fund appropriation in Laws 2019, First Special Session chapter 7, article 1, section 2, subdivision 5, paragraph (d), is canceled.

(g) \$125,000 of the fiscal year 2021 general fund appropriation in Laws 2019, First Special Session chapter 7, article 1, section 2, subdivision 2, paragraph (aa), is canceled.

(h) \$1,022,000 of the fiscal year 2021 general fund appropriation in Laws 2019, First Special Session chapter 7, article 1, section 2, subdivision 4, is canceled.

(i) \$203,000 of the fiscal year 2021 general fund appropriation in Laws 2019, First Special Session chapter 7, article 1, section 3, subdivision 2, is canceled.

(j) \$102,000 of the fiscal year 2021 general fund appropriation in Laws 2019, First Special Session chapter 7, article 1, section 5, is canceled.

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

ARTICLE 2
ECONOMIC DEVELOPMENT

Section 1. Minnesota Statutes 2020, section 41A.19, is amended to read:

41A.19 REPORT; INCENTIVE PROGRAMS.

By January 15 each year, the commissioner shall report on the incentive programs under sections 41A.16, 41A.17, ~~and 41A.18,~~ 41A.20, ~~and 41A.21~~ to the legislative committees with jurisdiction over environment and agriculture policy and finance. The report shall include information on production and incentive expenditures under the programs.

Sec. 2. **[41A.21] ORIENTED STRAND BOARD PRODUCTION INCENTIVE.**

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

(b) "Commissioner" means the commissioner of agriculture.

(c) "Forest resources" means raw wood logs and material primarily made up of cellulose, hemicellulose, or lignin, or a combination of those ingredients.

(d) "Oriented strand board" or "OSB" means a material manufactured into panels using forest resources.

Subd. 2. Eligibility. (a) A facility eligible for payment under this section must source at least 80 percent of its forest resources raw materials from Minnesota. The facility must be located in Minnesota, must begin construction activities by December 31, 2022, for a specific location, must begin production at a specific location by June 30, 2025, and must not begin operating before January 1, 2022. Eligible facilities must be new OSB construction sites with total capital investment in excess of \$250,000,000. Eligible OSB production facilities must produce at least 200,000,000 OSB square feet on a 3/8 inch nominal basis of OSB each year. At least one product produced at the facility should be a wood-based wall or roof structural sheathing panel that has an integrated, cellulose-based paper overlay that serves as a water resistive barrier.

(b) No payments shall be made for OSB production that occurs after June 30, 2036, for those eligible producers under paragraph (a).

(c) An eligible producer of OSB shall not transfer the producer's eligibility for payments under this section to a facility at a different location.

(d) A producer that ceases production for any reason is ineligible to receive payments under this section until the producer resumes production.

Subd. 3. Payment amounts; limits. (a) The commissioner shall make payments to eligible producers of OSB. The amount of the payment for each eligible producer's annual production is \$7.50 per 1,000 OSB square feet on a 3/8 inch nominal basis of OSB produced at a specific location for ten years starting after the first calendar year in which production begins.

(b) Total payments under this section to an eligible OSB producer in a fiscal year may not exceed the amount necessary for 400,000,000 OSB square feet on a 3/8 inch nominal basis of OSB produced. Total payments under this section to all eligible OSB producers in a fiscal year may not exceed the amount necessary for 400,000,000 OSB square feet on a 3/8 inch nominal basis of OSB produced. If the total amount for which all producers are eligible in a quarter exceeds the amount available for payments, the commissioner shall make the payments on a pro rata basis.

(c) For purposes of this section, an entity that holds a controlling interest in more than one OSB facility is considered a single eligible producer.

Subd. 4. Forest resources requirements. Forest resources that are purchased to be used at the facility must be in compliance with one or more of the following: the Sustainable Forestry Initiative Fiber Sourcing Standard, the Forest Stewardship Council Chain of Custody Standard, or the Forest Stewardship Controlled Wood Standard. For forest resources that come from land parcels greater than 160 acres, all efforts must be made to procure from land that is certified by one or more of the following: the Forest Stewardship Council Forest Management Standard, the Sustainable Forestry Initiative Forest Management Standard, or the American Tree Farm System.

Subd. 5. **Claims.** (a) By the last day of October, January, April, and July, each eligible OSB producer shall file a claim for payment for OSB production during the preceding three calendar months. An eligible OSB producer that files a claim under this subdivision shall include a statement of the eligible producer's total board feet of OSB produced during the quarter covered by the claim. For each claim and statement of total board feet of OSB filed under this subdivision, the board feet of OSB produced must be examined by a certified public accounting firm with a valid permit to practice under chapter 326A, in accordance with Statements on Standards for Attestation Engagements established by the American Institute of Certified Public Accountants.

(b) The commissioner must issue payments by November 15, February 15, May 15, and August 15. A separate payment must be made for each claim filed.

Subd. 6. **Appropriation.** (a) In fiscal year 2025, a sum sufficient to make the payments required by this section, not to exceed \$1,500,000, is appropriated from the general fund to the commissioner. This is a onetime appropriation.

(b) From fiscal year 2026 through fiscal year 2034, a sum sufficient to make the payments required by this section, not to exceed \$3,000,000 in a fiscal year, is annually appropriated from the general fund to the commissioner.

Sec. 3. Minnesota Statutes 2020, section 116J.035, subdivision 6, is amended to read:

Subd. 6. **Receipt of gifts, money; appropriation.** (a) The commissioner may:

(1) apply for, accept, and disburse gifts, bequests, grants, payments for services, loans, or other property from the United States, the state, private foundations, or any other source;

(2) enter into an agreement required for the gifts, grants, or loans; and

(3) hold, use, and dispose of its assets according to the terms of the gift, grant, loan, or agreement.

(b) Money received by the commissioner under this subdivision must be deposited in a separate account in the state treasury and invested by the State Board of Investment. The amount deposited, including investment earnings, is appropriated to the commissioner to carry out duties under this section.

(c) Money received by the commissioner under this subdivision for State Services for the Blind is exempt from depositing gifts, bequests, charitable contributions, and similar contributions made solely into the state treasury.

Sec. 4. Minnesota Statutes 2020, section 116J.431, subdivision 2, is amended to read:

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

(1) manufacturing;

(2) technology;

(3) warehousing and distribution;

(4) research and development;

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

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

(b) Up to 15 percent of the development of a project may be for a purpose that is not included under this subdivision as an eligible project. A city or county must provide notice to the commissioner for the commissioner's approval of the proposed project.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to projects that have been funded previously under Minnesota Statutes, section 116J.431.

Sec. 5. Minnesota Statutes 2020, section 116J.431, subdivision 3, is amended to read:

Subd. 3. **Ineligible projects.** The following Projects, including but not limited to the following types, are not eligible ineligible for a grant under this section:

- (1) retail development; or
- (2) office space development, except as incidental to an eligible purpose.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to projects that have been funded previously under Minnesota Statutes, section 116J.431.

Sec. 6. Minnesota Statutes 2020, section 116J.431, is amended by adding a subdivision to read:

Subd. 3a. **Development restrictions expiration.** After ten years from the date of the grant award under this section, if an eligible project for which the public infrastructure was intended has not been developed, any other lawful project may be developed and supported by the public infrastructure. The city or county must notify the commissioner of the project.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to projects that have been funded previously under Minnesota Statutes, section 116J.431.

Sec. 7. **[116J.8749] MAIN STREET ECONOMIC REVITALIZATION PROGRAM.**

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

(b) "Borrower" means an eligible recipient receiving a loan guaranteed under this section.

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

(d) "Eligible project" means the development, redevelopment, demolition, site preparation, predesign, design, engineering, repair, or renovation of real property or capital improvements. Eligible projects must be designed to address the greatest economic development and redevelopment needs that have arisen in the community surrounding that real property since March 15, 2020. Eligible project includes but is not limited to the construction of buildings, infrastructure, and related site amenities, landscaping, or street-scaping. Eligible project does not include the purchase of real estate or business operations or business operating expenses, such as inventory, wages, or working capital.

(e) "Eligible recipient" means a:

(1) business;

(2) nonprofit organization; or

(3) developer

that is seeking funding to complete an eligible project. Eligible recipient does not include a partner organization or a local unit of government.

(f) "Guaranteed loan" means a loan guaranteed by the state for 80 percent of the loan amount for a maximum period of 15 years from the origination of the loan.

(g) "Leveraged grant" means a grant that is matched by the eligible recipient's commitment to the eligible project of nonstate funds at a level of 200 percent of the grant amount. The nonstate match may include but is not limited to funds contributed by a partner organization and insurance proceeds.

(h) "Loan guarantee trust fund" means a dedicated account established under this section for the purpose of compensation for defaulted loan guarantees.

(i) "Partner organizations" or "partners" means:

(1) foundations engaged in economic development;

(2) community development financial institutions; and

(3) community development corporations.

(j) "Program" means the Main Street Economic Revitalization Program under this section.

(k) "Subordinated loan" means a loan secured by a lien that is lower in priority than one or more specified other liens.

Subd. 2. Establishment. The commissioner shall establish the Main Street Economic Revitalization Program to make grants to partner organizations to fund leveraged grants and guaranteed loans to specific named eligible recipients for eligible projects that are designed to address the greatest economic development and redevelopment needs that have arisen in the surrounding community since March 15, 2020.

Subd. 3. Grants to partner organizations. (a) The commissioner shall make grants to partner organizations to provide leveraged grants and guaranteed loans to eligible recipients using criteria, forms, applications, and reporting requirements developed by the commissioner.

(b) To be eligible for a grant, a partner organization must:

(1) outline a plan to provide leveraged grants and guaranteed loans to eligible recipients for specific eligible projects that represent the greatest economic development and redevelopment needs in the surrounding community. This plan must include an analysis of the economic impact of the eligible projects the partner organization proposes to make these investments in;

(2) establish a process of ensuring there are no conflicts of interest in determining awards under the program; and

(3) demonstrate that the partner organization has raised funds for the specific purposes of this program to commit to the proposed eligible projects or will do so within the 15-month period following the encumbrance of funds. Existing assets and state or federal funds may not be used to meet this requirement.

(c) Grants shall be made in up to three rounds:

(1) a first round with an application date before September 1, 2021, during which no more than 50 percent of available funds will be granted;

(2) a second round with an application date after September 1, 2021, but before March 1, 2022; and

(3) a third round with an application date after June 30, 2023, if any funds remain after the first two rounds.

A partner may apply in multiple rounds for projects that were not funded in earlier rounds or for new projects.

(d) Up to four percent of a grant under this subdivision may be used by the partner organization for administration and monitoring of the program.

Subd. 4. Award criteria. In awarding grants under this section, the commissioner shall give funding preference to applications that:

(1) have the greatest regional economic impact under subdivision 3, paragraph (b), clause (1), particularly with regard to increasing the local tax base; and

(2) have the greatest portion of the estimated cost of the eligible projects met through nonstate funds.

Subd. 5. Leveraged grants to eligible recipients. (a) A leveraged grant to an eligible recipient shall be for no more than \$750,000.

(b) A leveraged grant may be used to finance no more than 30 percent of an eligible project.

(c) An eligible project must have secured commitments for all required matching funds and all required development approvals before a leveraged grant may be distributed.

Subd. 6. Guaranteed loans to eligible recipients. (a) A guaranteed loan to an eligible recipient must:

(1) be for no more than \$2,000,000;

(2) be for a term of no more than 15 years; and

(3) comply with the terms under subdivision 7.

(b) An eligible project must have all required development approvals before a guaranteed loan may be distributed.

(c) Upon origination of a guaranteed loan, the commissioner must reserve ten percent of the loan amount into the loan guarantee trust fund created under subdivision 8.

(d) No guaranteed loan may be made to an eligible recipient after December 31, 2024.

Subd. 7. Required terms for guaranteed loans. For a guaranteed loan under the program:

(1) principal and interest payments made by the borrower under the terms of the loan are to reduce the guaranteed and nonguaranteed portion of the loan on a proportionate basis. The nonguaranteed portion shall not receive preferential treatment over the guaranteed portion;

(2) the partner organization shall not accelerate repayment of the loan or exercise other remedies if the borrower defaults, unless:

(i) the borrower fails to make a required payment of principal or interest within 60 days of the due date; or

(ii) the commissioner consents in writing;

(3) in the event of a default, the partner organization may not make a demand for payment pursuant to the guarantee unless the commissioner agrees in writing that the default has materially affected the rights or security of the parties;

(4) the partner organization must timely prepare and deliver to the commissioner, annually by the date specified in the loan guarantee, an audited or reviewed financial statement for the loan, prepared by a certified public accountant according to generally accepted accounting principles, if available, and documentation that the borrower used the loan proceeds solely for an eligible project;

(5) the commissioner shall have access to loan documents at any time subsequent to the loan documents being submitted to the partner organization;

(6) the partner organization must maintain adequate records and documents concerning the loan so that the commissioner may determine the borrower's financial condition and compliance with program requirements;

(7) orderly liquidation of collateral securing the loan must be provided for in the event of default, pursuant to the loan guarantee; and

(8) the guaranteed portion of the loan may be subordinate to other loans made by lenders in the overall financing package.

Subd. 8. **Loan guarantee trust fund established.** A loan guarantee trust fund account in the special revenue fund is created in the state treasury to pay for defaulted loan guarantees. The commissioner shall administer this account. The day that this section expires, all remaining funds in the account are canceled to the general fund.

Subd. 9. **Statewide program.** In proportion to eligible demand, leveraged grants and guaranteed loans under this section shall be made so that an approximately equal dollar amount of leveraged grants and guaranteed loans are made to businesses in the metropolitan area as in the nonmetropolitan area, not to exceed 65 percent in any one area. After June 30, 2023, the department may allow leveraged grants and guaranteed loans to be made anywhere in the state without regard to geographic area.

Subd. 10. **Exemptions.** All grants and grant-making processes under this section are exempt from Minnesota Statutes, sections 16A.15, subdivision 3; 16B.97; and 16B.98, subdivisions 5, 7, and 8. The commissioner must audit the use of funds under this section in accordance with standard accounting practices. The exemptions under this subdivision expire on December 31, 2023.

Subd. 11. **Reports.** (a) By January 31, 2022, and annually until December 31, 2026, after which biennial reporting will be permitted after the commissioner consults with the legislature, partner organizations participating in the program must provide a report to the commissioner that includes descriptions of the eligible projects supported by the program, the type and amount of support provided, any economic development gains attributable to the support, and an explanation of administrative expenses.

(b) By February 15, 2022, and annually until December 31, 2026, after which biennial reporting will be permitted after the commissioner consults with the legislature, the commissioner must report to the legislative committees in the house of representatives and senate with jurisdiction over economic development about funding provided under this program based on the information received under paragraph (a) and about the performance of the loan guarantee trust fund.

Subd. 12. **Expiration.** This section expires December 31, 2036.

Sec. 8. Minnesota Statutes 2020, section 116L.40, is amended by adding a subdivision to read:

Subd. 2a. **Automation technology.** "Automation technology" means a process or procedure performed with minimal human assistance. Automation or automatic control is the use of various control systems for operating equipment such as machinery, processes in factories, or other applications with minimal or reduced human intervention. Adoption, implementation, and utilization of any one of three types of automation in production are acceptable for consideration of this program, including fixed automation, programmable automation, and flexible automation.

Sec. 9. Minnesota Statutes 2020, section 116L.40, subdivision 5, is amended to read:

Subd. 5. **Employee.** "Employee" means the individual employed in a new or existing job.

Sec. 10. Minnesota Statutes 2020, section 116L.40, subdivision 6, is amended to read:

Subd. 6. **Employer.** "Employer" means the individual, corporation, partnership, limited liability company, or association providing new jobs or investing in new automation technology and entering into an agreement.

Sec. 11. Minnesota Statutes 2020, section 116L.40, subdivision 9, is amended to read:

Subd. 9. **Program costs.** "Program costs" means all necessary and incidental costs of providing program services, ~~except that program costs are increased by \$1,000 per employee for an individual with a disability.~~ The term does not include the cost of purchasing equipment to be owned or used by the training or educational institution or service.

Sec. 12. Minnesota Statutes 2020, section 116L.40, subdivision 10, is amended to read:

Subd. 10. **Program services.** "Program services" means training and education specifically directed to new or existing jobs that are determined to be appropriate by the commissioner, including in-house training; services provided by institutions of higher education and federal, state, or local agencies; or private training or educational services. Administrative services and assessment and testing costs are included.

Sec. 13. Minnesota Statutes 2020, section 116L.41, subdivision 1, is amended to read:

Subdivision 1. **Service provision.** Upon request, the commissioner shall provide or coordinate the provision of program services under sections 116L.40 to 116L.42 to a business eligible for grants under this section ~~116L.42~~. The commissioner shall specify the form of and required information to be provided with applications for projects to be funded with grants under this section ~~116L.42~~.

Sec. 14. Minnesota Statutes 2020, section 116L.41, is amended by adding a subdivision to read:

Subd. 1a. **Job training incentive program.** (a) The commissioner may provide grants in aid of up to \$200,000 to new or expanding employers at a location in Minnesota and outside of the metropolitan area, as defined in section 473.121, subdivision 2, for the provision of program services using the guidelines in this subdivision.

(b) The program must involve training and education specifically directed to new jobs that are determined to be appropriate by the commissioner.

(c) The program must give preference to projects that provide training for economically disadvantaged people, people of color, or people with disabilities and to employers located in economically distressed areas.

(d) Employers are eligible for reimbursement of program costs of up to \$10,000 per new job for which training is provided, with an additional \$1,000 available per new job for an individual with a disability.

Sec. 15. Minnesota Statutes 2020, section 116L.41, is amended by adding a subdivision to read:

Subd. 1b. Automation incentive program. (a) The commissioner may provide grants in aid of up to \$35,000 to employers at a location in Minnesota outside of the metropolitan area, as defined in section 473.121, subdivision 2, for the provision of program services using the guidelines in this subdivision.

(b) The employer must be an existing business located in Minnesota that is in the manufacturing or skilled assembly production industry and has 150 or fewer full-time employees companywide.

(c) The employer must be invested in new automation technology within the past year or plan to invest in new automation technology within the project time frame specified in the agreement under subdivision 3.

(d) The program must involve training and education for full-time, permanent employees that is directly related to the new automation technology.

(e) The program must give preference to projects that provide training for economically disadvantaged people, people of color, or people with disabilities and to employers located in economically distressed areas.

(f) Employers are eligible for program cost reimbursement of up to \$5,000 per employee trained on new automation technology and retained.

Sec. 16. Minnesota Statutes 2020, section 116L.41, subdivision 2, is amended to read:

Subd. 2. Agreements; required terms. (a) The commissioner may enter into an agreement to establish a project with an employer that:

(1) identifies program costs to be paid from sources under the program;

(2) identifies program costs to be paid by the employer;

(3) provides that on-the-job training costs for employees may not exceed 50 percent of the annual gross wages and salaries of the new jobs in the first full year after execution of the agreement up to a maximum of \$10,000 per eligible employee;

(4) provides that each employee ~~must be paid wages at least equal to the median hourly wage for the county in which the job is located, as reported in the most recently available data from the United States Bureau of the Census, plus benefits, by the earlier of the end of the training period or 18 months of employment under the project receiving training through the project~~ must be paid wages of at least 120 percent of the federal poverty guidelines for a family of four, plus benefits; and

(5) provides that job training will be provided and the length of time of training.

(b) Before entering into a final agreement, the commissioner shall:

(1) determine that sufficient funds for the project are available ~~under section 116L.42;~~ and

(2) investigate the applicability of other training programs and determine whether the job skills partnership grant program is a more suitable source of funding for the training and whether the training can be completed in a timely manner that meets the needs of the business.

The investigation under clause (2) must be completed within 15 days or as soon as reasonably possible after the employer has provided the commissioner with all the requested information.

Sec. 17. Minnesota Statutes 2020, section 116L.42, subdivision 1, is amended to read:

Subdivision 1. **Recovery of program costs.** Amounts paid by employers for program costs are repaid by a job training grant equal to the lesser of the following:

- (1) the amount of program costs specified in the agreement for the project; or
- (2) the amount of program costs paid by the employer for ~~new~~ training employees under a project.

Sec. 18. Minnesota Statutes 2020, section 116L.42, subdivision 2, is amended to read:

Subd. 2. **Reports.** (a) By February 1, ~~2018~~ 2024, the commissioner shall report to the governor and the legislature on the program. The report must include at least:

- (1) the amount of grants issued under the program;
- (2) the number of individuals receiving training under the program, including the number of new hires who are individuals with disabilities;
- (3) the number of new hires attributable to the program, including the number of new hires who are individuals with disabilities;
- (4) an analysis of the effectiveness of the grant in encouraging employment or investments in automation technology; and
- (5) any other information the commissioner determines appropriate.

(b) The report to the legislature must be distributed as provided in section 3.195.

Sec. 19. Laws 2017, chapter 94, article 1, section 2, subdivision 2, as amended by Laws 2017, First Special Session chapter 7, section 2, is amended to read:

Subd. 2. **Business and Community Development** \$46,074,000 \$40,935,000

Appropriations by Fund

General	\$43,363,000	\$38,424,000
Remediation	\$700,000	\$700,000
Workforce Development	\$1,861,000	\$1,811,000
Special Revenue	\$150,000	-0-

(a) \$4,195,000 each year is for the Minnesota job skills partnership program under Minnesota Statutes, sections 116L.01 to 116L.17. If the appropriation for either year is insufficient, the appropriation for the other year is available. This appropriation is available until spent.

(b) \$750,000 each year is for grants to the Neighborhood Development Center for small business programs:

- (1) training, lending, and business services;
- (2) model outreach and training in greater Minnesota; and
- (3) development of new business incubators.

This is a onetime appropriation.

(c) \$1,175,000 each year is for a grant to the Metropolitan Economic Development Association (MEDA) for statewide business development and assistance services, including services to entrepreneurs with businesses that have the potential to create job opportunities for unemployed and underemployed people, with an emphasis on minority-owned businesses. This is a onetime appropriation.

(d) \$125,000 each year is for a grant to the White Earth Nation for the White Earth Nation Integrated Business Development System to provide business assistance with workforce development, outreach, technical assistance, infrastructure and operational support, financing, and other business development activities. This is a onetime appropriation.

(e)(1) \$12,500,000 each year is for the Minnesota investment fund under Minnesota Statutes, section 116J.8731. Of this amount, the commissioner of employment and economic development may use up to three percent for administration and monitoring of the program. This appropriation is available until spent.

(2) Of the amount appropriated in fiscal year 2018, \$4,000,000 is for a loan to construct and equip a wholesale electronic component distribution center investing a minimum of \$200,000,000 and constructing a facility at least 700,000 square feet in size. Loan funds may be used for purchases of materials, supplies, and equipment for the construction of the facility and are available from July 1, 2017, to June 30, 2021. The commissioner of employment and economic development shall forgive the loan after verification that the project has satisfied performance goals and contractual obligations as required under Minnesota Statutes, section 116J.8731.

(3) ~~Of the amount appropriated in fiscal year 2018, \$700,000 is for a loan to extend an effluent pipe that will deliver reclaimed water to an innovative waste to biofuel project investing a minimum of \$150,000,000 and constructing a facility that is designed to process approximately 400,000 tons of waste annually. Loan grant to the Metropolitan Council under Minnesota Statutes, section 116.195, for wastewater infrastructure to support industrial users in Rosemount that require significant water use. Grant funds are available until June 30, 2021~~ 2025.

(f) \$8,500,000 each year is for the Minnesota job creation fund under Minnesota Statutes, section 116J.8748. Of this amount, the commissioner of employment and economic development may use up to three percent for administrative expenses. This appropriation is available until expended. In fiscal year 2020 and beyond, the base amount is \$8,000,000.

(g) \$1,647,000 each year is for contaminated site cleanup and development grants under Minnesota Statutes, sections 116J.551 to 116J.558. This appropriation is available until spent. In fiscal year 2020 and beyond, the base amount is \$1,772,000.

(h) \$12,000 each year is for a grant to the Upper Minnesota Film Office.

(i) \$163,000 each year is for the Minnesota Film and TV Board. The appropriation in each year is available only upon receipt by the board of \$1 in matching contributions of money or in-kind contributions from nonstate sources for every \$3 provided by this appropriation, except that each year up to \$50,000 is available on July 1 even if the required matching contribution has not been received by that date.

(j) \$500,000 each year is from the general fund for a grant to the Minnesota Film and TV Board for the film production jobs program under Minnesota Statutes, section 116U.26. This appropriation is available until June 30, 2021.

(k) \$139,000 each year is for a grant to the Rural Policy and Development Center under Minnesota Statutes, section 116J.421.

(l)(1) \$1,300,000 each year is for the greater Minnesota business development public infrastructure grant program under Minnesota Statutes, section 116J.431. This appropriation is available until spent. If the appropriation for either year is insufficient, the appropriation for the other year is available. In fiscal year 2020 and beyond, the base amount is \$1,787,000. Funds available under this paragraph may be used for site preparation of property owned and to be used by private entities.

(2) Of the amounts appropriated, \$1,600,000 in fiscal year 2018 is for a grant to the city of Thief River Falls to support utility extensions, roads, and other public improvements related to the construction of a wholesale electronic component distribution center at least 700,000 square feet in size and investing a minimum of \$200,000,000. Notwithstanding Minnesota Statutes, section 116J.431, a local match is not required. Grant funds are available from July 1, 2017, to June 30, 2021.

(m) \$876,000 the first year and \$500,000 the second year are for the Minnesota emerging entrepreneur loan program under Minnesota Statutes, section 116M.18. Funds available under this paragraph are for transfer into the emerging entrepreneur program

special revenue fund account created under Minnesota Statutes, chapter 116M, and are available until spent. Of this amount, up to four percent is for administration and monitoring of the program. In fiscal year 2020 and beyond, the base amount is \$1,000,000.

(n) \$875,000 each year is for a grant to Enterprise Minnesota, Inc. for the small business growth acceleration program under Minnesota Statutes, section 116O.115. This is a onetime appropriation.

(o) \$250,000 in fiscal year 2018 is for a grant to the Minnesota Design Center at the University of Minnesota for the greater Minnesota community design pilot project.

(p) \$275,000 in fiscal year 2018 is from the general fund to the commissioner of employment and economic development for a grant to Community and Economic Development Associates (CEDA) for an economic development study and analysis of the effects of current and projected economic growth in southeast Minnesota. CEDA shall report on the findings and recommendations of the study to the committees of the house of representatives and senate with jurisdiction over economic development and workforce issues by February 15, 2019. All results and information gathered from the study shall be made available for use by cities in southeast Minnesota by March 15, 2019. This appropriation is available until June 30, 2020.

(q) \$2,000,000 in fiscal year 2018 is for a grant to Pillsbury United Communities for construction and renovation of a building in north Minneapolis for use as the "North Market" grocery store and wellness center, focused on offering healthy food, increasing health care access, and providing job creation and economic opportunities in one place for children and families living in the area. To the extent possible, Pillsbury United Communities shall employ individuals who reside within a five mile radius of the grocery store and wellness center. This appropriation is not available until at least an equal amount of money is committed from nonstate sources. This appropriation is available until the project is completed or abandoned, subject to Minnesota Statutes, section 16A.642.

(r) \$1,425,000 each year is for the business development competitive grant program. Of this amount, up to five percent is for administration and monitoring of the business development competitive grant program. All grant awards shall be for two consecutive years. Grants shall be awarded in the first year.

(s) \$875,000 each year is for the host community economic development grant program established in Minnesota Statutes, section 116J.548.

(t) \$700,000 each year is from the remediation fund for contaminated site cleanup and development grants under Minnesota Statutes, sections 116J.551 to 116J.558. This appropriation is available until spent.

(u) \$161,000 each year is from the workforce development fund for a grant to the Rural Policy and Development Center. This is a onetime appropriation.

(v) \$300,000 each year is from the workforce development fund for a grant to Enterprise Minnesota, Inc. This is a onetime appropriation.

(w) \$50,000 in fiscal year 2018 is from the workforce development fund for a grant to Fighting Chance for behavioral intervention programs for at-risk youth.

(x) \$1,350,000 each year is from the workforce development fund for job training grants under Minnesota Statutes, section 116L.42.

(y)(1) \$519,000 in fiscal year 2018 is for grants to local communities to increase the supply of quality child care providers in order to support economic development. At least 60 percent of grant funds must go to communities located outside of the seven-county metropolitan area, as defined under Minnesota Statutes, section 473.121, subdivision 2. Grant recipients must obtain a 50 percent nonstate match to grant funds in either cash or in-kind contributions. Grant funds available under this paragraph must be used to implement solutions to reduce the child care shortage in the state including but not limited to funding for child care business start-ups or expansions, training, facility modifications or improvements required for licensing, and assistance with licensing and other regulatory requirements. In awarding grants, the commissioner must give priority to communities that have documented a shortage of child care providers in the area.

(2) Within one year of receiving grant funds, grant recipients must report to the commissioner on the outcomes of the grant program including but not limited to the number of new providers, the number of additional child care provider jobs created, the number of additional child care slots, and the amount of local funds invested.

(3) By January 1 of each year, starting in 2019, the commissioner must report to the standing committees of the legislature having jurisdiction over child care and economic development on the outcomes of the program to date.

(z) \$319,000 in fiscal year 2018 is from the general fund for a grant to the East Phillips Improvement Coalition to create the East Phillips Neighborhood Institute (EPNI) to expand culturally tailored resources that address small business growth and create green jobs. The grant shall fund the collaborative work of Tamales y Bicicletas, Little Earth of the United Tribes, a nonprofit serving

East Africans, and other coalition members ~~towards~~ toward developing EPNI as a community space to host activities including, but not limited to, creation and expansion of small businesses, culturally specific entrepreneurial activities, indoor urban farming, job training, education, and skills development for residents of this low-income, environmental justice designated neighborhood. Eligible uses for grant funds include, but are not limited to, planning and start-up costs, staff and consultant costs, building improvements, rent, supplies, utilities, vehicles, marketing, and program activities. The commissioner shall submit a report on grant activities and quantifiable outcomes to the committees of the house of representatives and the senate with jurisdiction over economic development by December 15, 2020. This appropriation is available until June 30, 2020.

(aa) \$150,000 the first year is from the renewable development account in the special revenue fund established in Minnesota Statutes, section 116C.779, subdivision 1, to conduct the biomass facility closure economic impact study.

(bb)(1)\$300,000 in fiscal year 2018 is for a grant to East Side Enterprise Center (ESEC) to expand culturally tailored resources that address small business growth and job creation. This appropriation is available until June 30, 2020. The appropriation shall fund the work of African Economic Development Solutions, the Asian Economic Development Association, the Dayton's Bluff Community Council, and the Latino Economic Development Center in a collaborative approach to economic development that is effective with smaller, culturally diverse communities that seek to increase the productivity and success of new immigrant and minority populations living and working in the community. Programs shall provide minority business growth and capacity building that generate wealth and jobs creation for local residents and business owners on the East Side of St. Paul.

(2) In fiscal year 2019 ESEC shall use funds to share its integrated service model and evolving collaboration principles with civic and economic development leaders in greater Minnesota communities which have diverse populations similar to the East Side of St. Paul. ESEC shall submit a report of activities and program outcomes, including quantifiable measures of success annually to the house of representatives and senate committees with jurisdiction over economic development.

(cc) \$150,000 in fiscal year 2018 is for a grant to Mille Lacs County for the purpose of reimbursement grants to small resort businesses located in the city of Isle with less than \$350,000 in annual revenue, at least four rental units, which are open during both summer and winter months, and whose business was adversely impacted by a decline in walleye fishing on Lake Mille Lacs.

(dd)(1) \$250,000 in fiscal year 2018 is for a grant to the Small Business Development Center hosted at Minnesota State University, Mankato, for a collaborative initiative with the Regional Center for Entrepreneurial Facilitation. Funds available under this section must be used to provide entrepreneur and small business development direct professional business assistance services in the following counties in Minnesota: Blue Earth, Brown, Faribault, Le Sueur, Martin, Nicollet, Sibley, Watonwan, and Waseca. For the purposes of this section, "direct professional business assistance services" must include, but is not limited to, pre-venture assistance for individuals considering starting a business. This appropriation is not available until the commissioner determines that an equal amount is committed from nonstate sources. Any balance in the first year does not cancel and is available for expenditure in the second year.

(2) Grant recipients shall report to the commissioner by February 1 of each year and include information on the number of customers served in each county; the number of businesses started, stabilized, or expanded; the number of jobs created and retained; and business success rates in each county. By April 1 of each year, the commissioner shall report the information submitted by grant recipients to the chairs of the standing committees of the house of representatives and the senate having jurisdiction over economic development issues.

(ee) \$500,000 in fiscal year 2018 is for the central Minnesota opportunity grant program established under Minnesota Statutes, section 116J.9922. This appropriation is available until June 30, 2022.

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

EFFECTIVE DATE. This section is effective retroactively from July 1, 2017.

Sec. 20. Laws 2019, First Special Session chapter 7, article 1, section 2, subdivision 2, as amended by Laws 2019, First Special Session chapter 12, section 4, and Laws 2020, chapter 112, section 1, is amended to read:

Subd. 2. Business and Community Development	44,931,000	42,381,000
Appropriations by Fund		
General	40,756,000	38,206,000
Remediation	700,000	700,000
Workforce Development	3,475,000	3,475,000

(a) \$1,787,000 each year is for the greater Minnesota business development public infrastructure grant program under Minnesota Statutes, section 116J.431. This appropriation is available until June 30, 2023.

(b) \$1,425,000 each year is for the business development competitive grant program. Of this amount, up to five percent is for administration and monitoring of the business development competitive grant program. All grant awards shall be for two consecutive years. Grants shall be awarded in the first year.

(c) \$1,772,000 each year is for contaminated site cleanup and development grants under Minnesota Statutes, sections 116J.551 to 116J.558. This appropriation is available until June 30, 2023.

(d) \$700,000 each year is from the remediation fund for contaminated site cleanup and development grants under Minnesota Statutes, sections 116J.551 to 116J.558. This appropriation is available until June 30, 2023.

(e) \$139,000 each year is for the Center for Rural Policy and Development.

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

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

(h) \$125,000 each year is from the workforce development fund for a grant to the White Earth Nation for the White Earth Nation Integrated Business Development System to provide business assistance with workforce development, outreach, technical assistance, infrastructure and operational support, financing, and other business development activities. This is a onetime appropriation.

(i) \$450,000 each year is from the workforce development fund for a grant to Enterprise Minnesota, Inc. for the small business growth acceleration program under Minnesota Statutes, section 116O.115. This is a onetime appropriation.

(j) \$250,000 the first year is for a grant to the Rondo Community Land Trust for improvements to leased commercial space in the Selby Milton Victoria Project that will create long-term affordable space for small businesses and for build-out and development of new businesses.

(k) \$400,000 each year is from the workforce development fund for a grant to the Metropolitan Economic Development Association (MEDA) for statewide business development and assistance services, including services to entrepreneurs with businesses that have the potential to create job opportunities for unemployed and underemployed people, with an emphasis on minority-owned businesses. This is a onetime appropriation.

(l) \$750,000 in fiscal year 2020 is for grants to local communities to increase the supply of quality child care providers to support economic development. At least 60 percent of grant funds must go to communities located outside of the seven-county metropolitan area as defined under Minnesota Statutes, section 473.121, subdivision 2. Grant recipients must obtain a 50 percent nonstate match to grant funds in either cash or in-kind contributions. Grant funds available under this section must be used to implement projects to reduce the child care shortage in the state, including but not limited to funding for child care business start-ups or expansion, training, facility modifications or improvements required for licensing, and assistance with licensing and other regulatory requirements. In awarding grants, the commissioner must give priority to communities that have demonstrated a shortage of child care providers in the area. This is a onetime appropriation. Within one year of receiving grant funds, grant recipients must report to the commissioner on the outcomes of the grant program, including but not limited to the number of new providers, the number of additional child care provider jobs created, the number of additional child care slots, and the amount of cash and in-kind local funds invested.

(m) \$750,000 in fiscal year 2020 is for a grant to the Minnesota Initiative Foundations. This is a onetime appropriation and is available until June 30, 2023. The Minnesota Initiative Foundations must use grant funds under this section to:

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

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

(3) provide locally based training and technical assistance to rural child care business owners individually or through a learning cohort. Access to financial and business development assistance must prepare child care businesses for quality engagement and improvement by stabilizing operations, leveraging funding from other sources, and fostering business acumen that allows child care businesses to plan for and afford the cost of providing quality child care; or

(4) recruit child care programs to participate in Parent Aware, Minnesota's quality and improvement rating system, and other high quality measurement programs. The Minnesota Initiative Foundations must work with local partners to provide low-cost training, professional development opportunities, and continuing education curricula. The Minnesota Initiative Foundations must fund, through local partners, an enhanced level of coaching to rural child care providers to obtain a quality rating through Parent Aware or other high quality measurement programs.

(n)(1) \$650,000 each year from the workforce development fund is for grants to the Neighborhood Development Center for small business programs. This is a onetime appropriation.

(2) Of the amount appropriated in the first year, \$150,000 is for outreach and training activities outside the seven-county metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2.

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

(p)(1) \$11,970,000 each year is for the Minnesota investment fund under Minnesota Statutes, section 116J.8731. Of this amount, the commissioner of employment and economic development may use up to three percent for administration and monitoring of the program. In fiscal year 2022 and beyond, the base amount is \$12,370,000. This appropriation is available until expended. Notwithstanding Minnesota Statutes, section 116J.8731, funds appropriated to the commissioner for the Minnesota investment fund may be used for the redevelopment program under Minnesota Statutes, sections 116J.575 and 116J.5761, at the discretion of the commissioner. Grants under this paragraph are not subject to the grant amount limitation under Minnesota Statutes, section 116J.8731.

(2) Of the amount appropriated in the first year, ~~\$2,000,000~~ \$3,000,000 is for a loan to a paper mill in Duluth for a retrofit project that will support the ~~operation and manufacture of packaging~~ conversion of the existing Duluth paper mill for the manufacture of new paper grades. The company that owns the paper mill must ~~spend \$20,000,000 on~~ invest \$25,000,000 in project activities by ~~December 31, 2020~~ May 1, 2023, in order to be eligible to receive this loan. Loan funds may be used for purchases of materials, supplies, and equipment for the project and are available from ~~July 1, 2019~~ April 1, 2021, to ~~July 30, 2021~~ May 1, 2023. The commissioner of employment and economic development shall forgive 25 percent of the loan each year after

the second year during a five-year period if the mill has retained at least ~~150~~ 80 full-time equivalent employees and has satisfied other performance goals and contractual obligations as required under Minnesota Statutes, section 116J.8731.

(q) \$700,000 in fiscal year 2020 is for the airport infrastructure renewal (AIR) grant program under Minnesota Statutes, section 116J.439.

(r) \$100,000 in fiscal year 2020 is for a grant to FIRST in Upper Midwest to support competitive robotics teams. Funds must be used to make up to five awards of no more than \$20,000 each to Minnesota-based public entities or private nonprofit organizations for the creation of competitive robotics hubs. Awards may be used for tools, equipment, and physical space to be utilized by robotics teams. At least 50 percent of grant funds must be used outside of the seven-county metropolitan area, as defined under Minnesota Statutes, section 473.121, subdivision 2. The grant recipient shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over jobs and economic growth by February 1, 2021, on the status of awards and include information on the number and amount of awards made, the number of customers served, and any outcomes resulting from the grant. The grant requires a 50 percent match from nonstate sources.

(s) \$1,000,000 each year is for the Minnesota emerging entrepreneur loan program under Minnesota Statutes, section 116M.18. Funds available under this paragraph are for transfer into the emerging entrepreneur program special revenue fund account created under Minnesota Statutes, chapter 116M, and are available until expended. Of this amount, up to four percent is for administration and monitoring of the program.

(t) \$163,000 each year is for the Minnesota Film and TV Board. The appropriation in each year is available only upon receipt by the board of \$1 in matching contributions of money or in-kind contributions from nonstate sources for every \$3 provided by this appropriation, except that each year up to \$50,000 is available on July 1 even if the required matching contribution has not been received by that date.

(u) \$12,000 each year is for a grant to the Upper Minnesota Film Office.

(v) \$500,000 each year is from the general fund for a grant to the Minnesota Film and TV Board for the film production jobs program under Minnesota Statutes, section 116U.26. This appropriation is available until June 30, 2023.

(w) \$4,195,000 each year is for the Minnesota job skills partnership program under Minnesota Statutes, sections 116L.01 to 116L.17. If the appropriation for either year is insufficient, the appropriation for the other year is available. This appropriation is available until expended.

(x) \$1,350,000 each year is from the workforce development fund for jobs training grants under Minnesota Statutes, section 116L.42.

(y) \$2,500,000 each year is for Launch Minnesota. This is a onetime appropriation and funds are available until June 30, 2023. Of this amount:

(1) \$1,600,000 each year is for innovation grants to eligible Minnesota entrepreneurs or start-up businesses to assist with their operating needs;

(2) \$450,000 each year is for administration of Launch Minnesota; and

(3) \$450,000 each year is for grantee activities at Launch Minnesota.

(z) \$500,000 each year is from the workforce development fund for a grant to Youthprise to give grants through a competitive process to community organizations to provide economic development services designed to enhance long-term economic self-sufficiency in communities with concentrated East African populations. Such communities include but are not limited to Faribault, Rochester, St. Cloud, Moorhead, and Willmar. To the extent possible, Youthprise must make at least 50 percent of these grants to organizations serving communities located outside the seven-county metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2. This is a onetime appropriation and is available until June 30, 2022.

(aa) \$125,000 each year is for a grant to the Hmong Chamber of Commerce to train ethnically Southeast Asian business owners and operators in better business practices. This is a onetime appropriation.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2019.

Sec. 21. Laws 2019, First Special Session chapter 7, article 2, section 8, is amended to read:

Sec. 8. **LAUNCH MINNESOTA.**

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

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

(b) "Advisory board" means the board established under subdivision 9.

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

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

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

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

(g) ~~"High technology" includes aerospace, agricultural processing, renewable energy, energy efficiency and conservation, environmental engineering, food technology, cellulosic ethanol, information technology, materials science technology, nanotechnology, telecommunications, biotechnology, medical device products, pharmaceuticals, diagnostics, biologicals, chemistry, veterinary science, and similar fields. "Innovative technology and business" means a new novel business model or product; a derivative product incorporating new elements into an existing product; a new use for a product; or a new process or method for the manufacture, use, or assessment of any product or activity, patentability, or scalability. Innovative technology or business model does not include locally based retail, lifestyle, or business services. The business must not be primarily engaged in real estate development, insurance, banking, lending, lobbying, political consulting, information technology consulting, wholesale or retail trade, leisure, hospitality, transportation, construction, ethanol production from corn, or professional services provided by attorneys, accountants, business consultants, physicians, or health care consultants.~~

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

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

~~(j) "Minority owned business" means a business for which one or more minority group members:~~

~~(1) own at least 50 percent of the business or, in the case of a publicly owned business, own at least 51 percent of the stock; and~~

~~(2) manage the business and control the daily business operations.~~

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

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

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

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

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

- (1) planned principal operations have not commenced; or
- (2) planned principal operations have commenced, but have generated less than \$1,000,000 in revenue.

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

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

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

~~(p)~~ "Women" means persons of the female gender.

~~(q)~~ "Women-owned business" means a business for which one or more women:

(1) own at least 50 percent of the business or, in the case of a publicly owned business, own at least 51 percent of the stock; and

(2) manage the business and control the daily business operations.

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

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

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

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

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

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

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

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

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

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

Subd. 4. **Administration.** (a) The ~~department~~ commissioner shall employ an executive director in the unclassified service, one staff member to support Launch Minnesota, and one staff member in the business and community development division to manage grants. The executive director shall:

- (1) assist the commissioner and the advisory board in performing the duties of Launch Minnesota; and
- (2) comply with all state and federal program requirements, and all state and federal securities and tax laws and regulations.

(b) ~~To the extent possible, the space that~~ Launch Minnesota ~~shall~~ may occupy and lease ~~must be~~ physical space in a private coworking facility that includes office space for staff and space for community engagement for training entrepreneurs. The physical space leased under this paragraph is exempt from the requirements in Minnesota Statutes, section 16B.24, subdivision 6.

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

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

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

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

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

- (1) a business or entrepreneur located in greater Minnesota; or
- (2) a business owner, individual with a disability, or entrepreneur who is a woman, veteran, or minority group member.

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

- (1) businesses or entrepreneurs located in greater Minnesota; or
- (2) business owners, individuals with disabilities, or entrepreneurs who are women, veterans, or minority group members.

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

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

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

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

(b) The commissioner shall provide a grant of up to \$35,000 to an eligible business or entrepreneur for research and development expenses, direct business expenses, and the purchase of technical assistance or services from public higher education institutions and nonprofit entities. Research and development expenditures may include but are not limited to proof of concept activities, intellectual property protection, prototype designs and production, and commercial feasibility. Expenditures funded under this subdivision are not eligible for the research and

development tax credit under Minnesota Statutes, section 290.068. Direct business expenses may include rent, equipment purchases, and supplier invoices. Taxes imposed by federal, state, or local government entities may not be reimbursed under this paragraph. Technical assistance or services must be purchased to assist in the development or commercialization of a product or service to be eligible. Each business or entrepreneur may receive only one grant per biennium under this paragraph.

~~(e) The commissioner shall provide a grant of up to \$7,500 to reimburse an entrepreneur for housing or child care expenses for the entrepreneur or their spouse or children. Each entrepreneur may receive only one grant per biennium under this paragraph.~~

~~(d)~~ (c) The commissioner shall provide a grant of up to \$35,000 in Phase 1 or \$50,000 in Phase 2 to an eligible business or entrepreneur that, as a registered client of the Small Business Innovation Research (SBIR) program, has been awarded a first time Phase 1 or Phase 2 award pursuant to the SBIR or Small Business Technology Transfer (STTR) programs after July 1, 2019. Each business or entrepreneur may receive only one grant per biennium under this paragraph. Grants under this paragraph are not subject to the requirements of subdivision 2, paragraph ~~(j)~~ (k), but do require a recommendation from the Launch Minnesota advisory board.

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

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

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

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

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

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

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

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

Subd. 8. **Report.** (a) Launch Minnesota shall report by December 31, 2022, and again by December 31, 2023, to the chairs and ranking minority members of the committees of the house of representatives and senate having jurisdiction over economic development policy and finance. Each report shall include information on the work completed, including awards made by the department under this section and progress toward transferring ~~some~~ the activities of Launch Minnesota to an entity outside of state government.

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

Subd. 9. **Advisory board.** (a) The commissioner shall establish an advisory board to advise the executive director regarding the activities of Launch Minnesota, make the recommendations described in this section, and develop and initiate a strategic plan for transferring some activities of Launch Minnesota to a new or existing public-private partnership or nonprofit organization outside of state government.

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

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

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

Subd. 10. **Expiration.** This section expires January 1, ~~2024~~ 2026.

Sec. 22. ONETIME EXCEPTION TO RESTRICTIONS ON USE OF MINNESOTA INVESTMENT FUND LOCAL GOVERNMENT LOAN REPAYMENT FUNDS.

(a) Notwithstanding Minnesota Statutes, section 116J.8731, a home rule charter or statutory city, county, or town that has uncommitted money received from repayment of funds awarded under Minnesota Statutes, section 116J.8731, may choose to transfer 20 percent of the balance of that money to the state general fund before June 30, 2022. Any local entity that does so may then use the remaining 80 percent of the uncommitted money as a general purpose aid for any lawful expenditure.

(b) By February 15, 2023, a home rule charter or statutory city, county, or town that exercises the option under paragraph (a) shall submit to the chairs of the legislative committees with jurisdiction over economic development policy and finance an accounting and explanation of the use and distribution of the funds.

Sec. 23. MINNESOTA INVESTMENT FUND AND MINNESOTA JOB CREATION FUND REQUIREMENTS EXTENSIONS.

Notwithstanding any other law to the contrary, a recipient of a Minnesota Investment Fund grant under Minnesota Statutes, section 116J.8731, or a recipient of a Minnesota Job Creation Fund grant under Minnesota Statutes, section 116J.8748, who is unable to meet the minimum capital investment requirements, wage, or minimum job creation goals or requirements provided in a business subsidy agreement, as applicable, during or within the 12-month period following a peacetime emergency related to the COVID-19 pandemic shall be granted an extension until December 31, 2022, to meet those capital investment, wage, or job creation goals or requirements before the grant must be repaid.

EFFECTIVE DATE. This section is effective retroactively from March 15, 2020.

Sec. 24. **MAIN STREET COVID-19 RELIEF GRANT PROGRAM.**

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

(b) "Business" means both for-profit businesses and nonprofit organizations that earn revenue in ways similar to businesses, including but not limited to ticket sales and membership fees.

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

(d) "Partner organization" or "Partner" means the Minnesota Initiative Foundations and nonprofit corporations on the certified lenders list that the commissioner determines to be qualified to provide grants to businesses under this section.

(e) "Program" means the Main Street COVID-19 relief grant program under this section.

Subd. 2. **Establishment.** The commissioner shall establish the Main Street COVID-19 relief grant program to make grants to partner organizations to make grants to businesses that have been directly or indirectly impacted by executive orders related to the COVID-19 pandemic.

Subd. 3. **Grants to partner organizations.** (a) The commissioner shall make grants to partner organizations to provide grants to businesses under subdivision 4 or 5 using criteria, forms, applications, and reporting requirements developed by the commissioner.

(b) Up to four percent of a grant under this subdivision may be used by the partner organization for administration and monitoring of the program.

(c) Any funds not spent by partner organizations by June 30, 2022, must be returned to the commissioner and canceled back to the general fund.

Subd. 4. **Grants to businesses.** (a) Partners shall make grants to businesses using criteria, forms, applications, and reporting requirements developed by the commissioner.

(b) To be eligible for a grant under this subdivision, a business must:

(1) have primary business operations located in the state of Minnesota;

(2) be at least 50 percent owned by a resident of the state of Minnesota;

(3) employ the equivalent of 200 full-time workers or less;

(4) be able to demonstrate financial hardship as a result of the COVID-19 outbreak; and

(5) include as part of their application a business plan for continued operation.

(c) Preference shall be given to businesses that did not receive previous assistance from the state under:

(1) the governor's Executive Order No. 20-15;

(2) Laws 2020, First Special Session chapter 1, section 4; or

(3) Laws 2020, Seventh Special Session chapter 2, article 4 or 5.

(d) Grants under this subdivision shall be awarded by randomized selection process after applications are collected over a period of no more than ten calendar days.

(e) Grants under this subdivision shall be for the following amounts:

(1) for businesses employing the equivalent of six full-time employees or less, \$10,000;

(2) for businesses employing the equivalent of more than six full-time employees, but less than 50, \$15,000;

(3) for businesses employing the equivalent of 50 or more full-time employees, but less than 100, \$20,000; and

(4) for businesses employing the equivalent of 100 or more full-time employees, \$25,000.

(f) No business may receive more than one grant under this section.

(g) Grant funds must be used for working capital to support payroll expenses, rent or mortgage payments, utility bills, and other similar expenses that occur or have occurred since March 13, 2020, in the regular course of business, but not to refinance debt that existed at the time of the governor's COVID-19 peacetime emergency declaration.

Subd. 5. Grants to businesses renting space to other businesses. (a) Partners shall make grants to businesses using criteria, forms, applications, and reporting requirements developed by the commissioner.

(b) To be eligible for a grant under this subdivision, a business must:

(1) be an operator of privately owned permanent indoor retail space that has an ethnic cultural emphasis and at least 12 tenants that are primarily businesses with fewer than 20 employees;

(2) have primary business operations located in the state of Minnesota;

(3) be owned by a resident of the state of Minnesota;

(4) employ the equivalent of 200 full-time workers or less;

(5) be able to demonstrate financial hardship as a result of the COVID-19 outbreak; and

(6) include as part of their application a business plan for continued operation.

(c) Grants under this subdivision shall be for no more than \$300,000 and in an amount proportional to the number of tenants.

(d) Up to \$25,000 of grant funds a business receives may be used for working capital to support payroll expenses, rent or mortgage payments, utility bills, and other similar expenses that occur or have occurred since March 13, 2020, in the regular course of business, but not to refinance debt that existed at the time of the governor's COVID-19 peacetime emergency declaration.

(e) The remainder of grant funds must be used to maintain existing tenants of the operator through the issuing of credits or forgiveness of rent. Any tenant receiving such a benefit from the grant must meet the requirements under subdivision 4, paragraph (b), and shall receive preference according to subdivision 4, paragraph (c).

Subd. 6. Distribution of awards. (a) Of grant funds awarded under subdivision 4, a minimum of:

(1) \$18,000,000 must be awarded to businesses that employ the equivalent of six full-time workers or less;

(2) \$10,000,000 must be awarded to minority business enterprises, as defined in Minnesota Statutes, section 116M.14, subdivision 5;

(3) \$2,500,000 must be awarded to businesses that are majority owned and operated by veterans as defined in Minnesota Statutes, section 197.447; and

(4) \$2,500,000 must be awarded to businesses that are majority owned and operated by women.

(b) \$3,000,000 of available program funds must be awarded as grants under subdivision 5.

Subd. 7. **Exemptions.** All grants and grant making processes under this section are exempt from Minnesota Statutes, sections 16A.15, subdivision 3; 16B.97; and 16B.98, subdivisions 5, 7, and 8. The commissioner must audit the use of grant funds under this section in accordance with standard accounting practices. The exemptions under this subdivision expire on December 31, 2021.

Subd. 8. **Reports.** (a) By January 31, 2022, partner organizations participating in the program must provide a report to the commissioner that includes descriptions of the businesses supported by the program, the amounts granted, and an explanation of administrative expenses.

(b) By February 15, 2022, the commissioner must report to the legislative committees in the house of representatives and senate with jurisdiction over economic development about grants made under this section based on the information received under paragraph (a).

Sec. 25. **CAREER AND TECHNICAL EDUCATOR PILOT PROJECT.**

By the 2024-2025 academic year, Winona State University must develop a teacher preparation program that leads to initial licensure in at least one license area under Minnesota Rules, parts 8710.8000 to 8710.8080. Winona State University must partner with Minnesota State College Southeast to provide the subject matter training necessary for license areas chosen. If practical, the partnership must result in a candidate earning an associate's degree from Minnesota State College Southeast and a bachelor's degree from Winona State University. Money appropriated for this project may be used for any of the following purposes:

(1) analyzing existing course offerings at both institutions to determine compliance with the requirements of Minnesota Rules, chapter 8705 and parts 8710.8000 to 8710.8080;

(2) determining any courses that need to be adjusted or created by each institution;

(3) designing and implementing any needed course; and

(4) providing administrative support for gaining approval of the program from the Professional Educator Licensing and Standards Board.

ARTICLE 3 LABOR AND INDUSTRY

Section 1. Minnesota Statutes 2020, section 13.7905, is amended by adding a subdivision to read:

Subd. 8. **Data on individuals who are minors.** Disclosure of data on minors is governed by section 181A.112.

Sec. 2. Minnesota Statutes 2020, section 178.012, subdivision 1, is amended to read:

Subdivision 1. **Apprenticeship rules.** Federal regulations governing apprenticeship in effect on ~~July 1, 2013~~ January 18, 2017, as provided by Code of Federal Regulations, title 29, ~~part~~ parts 29, sections 29.1 to 29.6 and 29.11, and 30, are the apprenticeship rules in this state, subject to amendment by this chapter or by rule under section 178.041.

Sec. 3. Minnesota Statutes 2020, section 181.939, is amended to read:

181.939 NURSING MOTHERS, LACTATING EMPLOYEES, AND PREGNANCY ACCOMMODATIONS.

Subdivision 1. **Nursing mothers.** (a) An employer must provide reasonable ~~unpaid~~ break ~~time times~~ each day to an employee who needs to express breast milk for her infant child during the twelve months following the birth of the child. The break ~~time times~~ must, if possible, run concurrently with any break ~~time times~~ already provided to the employee. An employer is not required to provide break ~~time times~~ under this section if to do so would unduly disrupt the operations of the employer. An employer shall not reduce an employee's compensation for time used for the purpose of expressing milk.

(b) The employer must make reasonable efforts to provide a room or other location, in close proximity to the work area, other than a bathroom or a toilet stall, that is shielded from view and free from intrusion from coworkers and the public and that includes access to an electrical outlet, where the employee can express ~~her~~ milk in privacy. The employer would be held harmless if reasonable effort has been made.

(c) For the purposes of this ~~section~~ subdivision, "employer" means a person or entity that employs one or more employees and includes the state and its political subdivisions.

(d) An employer ~~may~~ shall not retaliate against an employee for asserting rights or remedies under this ~~section~~ subdivision.

Subd. 2. **Pregnancy accommodations.** (a) An employer must provide reasonable accommodations to an employee for health conditions related to pregnancy or childbirth upon request, with the advice of a licensed health care provider or certified doula, unless the employer demonstrates that the accommodation would impose an undue hardship on the operation of the employer's business. A pregnant employee shall not be required to obtain the advice of a licensed health care provider or certified doula, nor may an employer claim undue hardship for the following accommodations: (1) more frequent restroom, food, and water breaks; (2) seating; and (3) limits on lifting over 20 pounds. The employee and employer shall engage in an interactive process with respect to an employee's request for a reasonable accommodation. "Reasonable accommodation" may include but is not limited to temporary transfer to a less strenuous or hazardous position, seating, frequent restroom breaks, and limits to heavy lifting. Notwithstanding any other provision of this subdivision, an employer shall not be required to create a new or additional position in order to accommodate an employee pursuant to this subdivision and shall not be required to discharge an employee, transfer another employee with greater seniority, or promote an employee.

(b) Nothing in this subdivision shall be construed to affect any other provision of law relating to sex discrimination or pregnancy or in any way diminish the coverage of pregnancy, childbirth, or health conditions related to pregnancy or childbirth under any other provisions of any other law.

(c) An employer shall not require an employee to take a leave or accept an accommodation.

(d) An employer shall not retaliate against an employee for asserting rights or remedies under this subdivision.

(e) For the purposes of this subdivision, "employer" means a person or entity that employs fifteen or more employees and includes the state and its political subdivisions.

EFFECTIVE DATE. This section is effective January 1, 2022.

Sec. 4. **[181A.112] DATA ON INDIVIDUALS WHO ARE MINORS.**

(a) When the commissioner collects, creates, receives, maintains, or disseminates the following data on individuals who the commissioner knows are minors, the data are considered private data on individuals, as defined in section 13.02, subdivision 12, except for data classified as public data according to section 13.43:

(1) name;

(2) date of birth;

(3) Social Security number;

(4) telephone number;

(5) e-mail address;

(6) physical or mailing address;

(7) location data;

(8) online account access information; and

(9) other data that would identify participants who have registered for events, programs, or classes sponsored by the Department of Labor and Industry.

(b) Data about minors classified under this section maintain their classification as private data on individuals after the individual is no longer a minor.

Sec. 5. **[299F.48] AUTOMATIC SPRINKLER SYSTEMS IN EXISTING PUBLIC HOUSING BUILDINGS.**

Subdivision 1. **Requirements.** (a) An automatic sprinkler system must be installed in those portions of an entire existing public housing building in which an automatic sprinkler system would be required if the building were constructed on the effective date of this section. The automatic sprinkler system must comply with standards in the State Fire Code and the State Building Code and must be fully operational by August 1, 2033.

(b) For the purposes of this section, "public housing building" means housing for low-income persons and households financed by the federal government and owned and operated by the public housing authorities and agencies formed by cities and counties in which at least one story used for human occupancy is 75 feet or more above the lowest level of fire department vehicle access.

Subd. 2. **Reporting.** By August 1, 2023, the owner of a building subject to subdivision 1 shall submit to the state fire marshal a letter stating the owner's intent to comply with this section and a plan for achieving compliance by the deadline in subdivision 1.

Subd. 3. **Extensions.** The commissioner of public safety, or the state fire marshal as the commissioner's designee, may grant extensions to the deadline for reporting under subdivision 2 or the deadline for compliance under subdivision 1. Any extension must observe the spirit and intent of this section and be tailored to ensure public welfare and safety. To be eligible for an extension, the building owner must apply to the commissioner of public safety and demonstrate a genuine inability to comply within the time prescribed despite appropriate effort to do so.

Subd. 4. **Effect on other laws.** This section does not supersede the State Building Code or State Fire Code.

Sec. 6. Minnesota Statutes 2020, section 326B.07, subdivision 1, is amended to read:

Subdivision 1. **Membership.** (a) The Construction Codes Advisory Council consists of the following members:

(1) the commissioner or the commissioner's designee representing the department's Construction Codes and Licensing Division;

(2) the commissioner of public safety or the commissioner of public safety's designee representing the Department of Public Safety's State Fire Marshal Division;

(3) one member, appointed by the commissioner, with expertise in and engaged in each of the following occupations or industries:

- (i) certified building officials;
- (ii) fire chiefs or fire marshals;
- (iii) licensed architects;
- (iv) licensed professional engineers;
- (v) commercial building owners and managers;
- (vi) the licensed residential building industry;
- (vii) the commercial building industry;
- (viii) the heating and ventilation industry;
- (ix) a member of the Plumbing Board;
- (x) a member of the Board of Electricity;
- (xi) a member of the Board of High Pressure Piping Systems;
- (xii) the boiler industry;
- (xiii) the manufactured housing industry;
- (xiv) public utility suppliers;
- (xv) the Minnesota Building and Construction Trades Council; ~~and~~
- (xvi) local units of government;
- (xvii) the energy conservation industry; and
- (xviii) building accessibility.

(b) The commissioner or the commissioner's designee representing the department's Construction Codes and Licensing Division shall serve as chair of the advisory council. For members who are not state officials or employees, compensation and removal of members of the advisory council are governed by section 15.059. The terms of the members of the advisory council shall be four years. The terms of eight of the appointed members shall be coterminous with the governor and the terms of the remaining nine appointed members shall end on the first Monday in January one year after the terms of the other appointed members expire. An appointed member may be reappointed. Each council member shall appoint an alternate to serve in their absence.

Sec. 7. Minnesota Statutes 2020, section 326B.092, subdivision 7, is amended to read:

Subd. 7. **License fees and license renewal fees.** (a) The license fee for each license is the base license fee plus any applicable board fee, continuing education fee, and contractor recovery fund fee and additional assessment, as set forth in this subdivision.

(b) For purposes of this section, "license duration" means the number of years for which the license is issued except that if the initial license is not issued for a whole number of years, the license duration shall be rounded up to the next whole number.

(c) If there is a continuing education requirement for renewal of the license, then a continuing education fee must be included in the renewal license fee. The continuing education fee for all license classifications is \$5.

~~(e)~~ (d) The base license fee shall depend on whether the license is classified as an entry level, master, journeyworker, or business license, and on the license duration. The base license fee shall be:

License Classification	License Duration	
	1 year	2 years
Entry level	\$10	\$20
Journeyworker	\$20	\$40
Master	\$40	\$80
Business		\$180

~~(d) If there is a continuing education requirement for renewal of the license, then a continuing education fee must be included in the renewal license fee. The continuing education fee for all license classifications shall be: \$10 if the renewal license duration is one year; and \$20 if the renewal license duration is two years.~~

(e) If the license is issued under sections 326B.31 to 326B.59 or 326B.90 to 326B.925, then a board fee must be included in the license fee and the renewal license fee. The board fee for all license classifications shall be: \$4 if the license duration is one year; and \$8 if the license duration is two years.

(f) If the application is for the renewal of a license issued under sections 326B.802 to 326B.885, then the contractor recovery fund fee required under section 326B.89, subdivision 3, and any additional assessment required under section 326B.89, subdivision 16, must be included in the license renewal fee.

(g) Notwithstanding the fee amounts described in paragraphs ~~(e)~~ (d) to (f), for the period ~~July 1, 2017~~ October 1, 2021, through September 30, ~~2021~~ 2023, the following fees apply:

License Classification	License Duration	
	1 year	2 years
Entry level	\$10	\$20
Journeyworker	\$15	\$30
Master	\$30	\$60
Business		\$120

~~If there is a continuing education requirement for renewal of the license, then a continuing education fee must be included in the renewal license fee. The continuing education fee for all license classifications shall be \$5.~~

Sec. 8. Minnesota Statutes 2020, section 326B.108, subdivision 1, is amended to read:

Subdivision 1. **Definition.** For purposes of this section, "place of public accommodation" means a publicly or privately owned facility that is designed for occupancy by ~~200~~ 100 or more people and is a sports or entertainment arena, stadium, theater, community or convention hall, special event center, indoor amusement facility or water park, or indoor swimming pool.

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

Sec. 9. Minnesota Statutes 2020, section 326B.108, subdivision 3, is amended to read:

Subd. 3. **Enforcement.** Effective July 1, 2017, in a municipality that has not adopted the code by ordinance under section 326B.121, subdivision 2, the commissioner shall enforce this section in accordance with section 326B.107, subdivision 1.

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

Sec. 10. Minnesota Statutes 2020, section 326B.108, is amended by adding a subdivision to read:

Subd. 5. Fire sprinklers required. Automatic sprinkler systems for fire protection purposes are required in a place of public accommodation if, on or after August 1, 2008:

(1) the facility was constructed, added to, or altered; and

(2) the facility has an occupant load of 300 or more.

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

Sec. 11. Minnesota Statutes 2020, section 326B.133, subdivision 8, is amended to read:

Subd. 8. **Continuing education requirements; extension of time.** (a) This subdivision establishes the number of continuing education hours required within each two-year certification period.

A certified building official shall accumulate ~~38~~ 35 hours of continuing education in any education program that is approved under Minnesota Rules, part 1301.1000.

A certified building official-limited shall accumulate ~~38~~ 35 hours of continuing education in any education program that is approved under Minnesota Rules, part 1301.1000.

An accessibility specialist must accumulate nine hours of approved continuing education hours in any of the education programs that are provided under Minnesota Rules, part 1301.1000, subpart 1 or 2. The nine hours must be in courses relating to building accessibility, plan review, field inspection, or building code administration.

Continuing education programs may be approved as established in rule.

(b) Subject to sections 326B.101 to 326B.194, the commissioner may by rule establish or approve continuing education programs for certified building officials dealing with matters of building code administration, inspection, and enforcement.

Each person certified as a building official for the state must satisfactorily complete applicable educational programs established or approved by the commissioner to renew certification.

(c) The state building official may grant an extension of time to comply with continuing education requirements if the certificate holder requesting the extension of time shows cause for the extension. The request for the extension must be in writing. For purposes of this section, the certificate holder's current certification effective dates shall remain the same. The extension does not relieve the certificate holder from complying with the continuing education requirements for the next two-year period.

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

Sec. 12. Minnesota Statutes 2020, section 326B.42, is amended by adding a subdivision to read:

Subd. 1d. Commercial chemical dispensing system. "Commercial chemical dispensing system" means a method of dispensing and diluting concentrated chemical solution in a commercial setting.

Sec. 13. Minnesota Statutes 2020, section 326B.42, is amended by adding a subdivision to read:

Subd. 1e. Commercial dishwashing machine. "Commercial dishwashing machine" means a machine designed for commercial use to clean and sanitize plates, glasses, cups, bowls, utensils, and trays by applying sprays of detergent solution, with or without blasting media granules, and a sanitizing final rinse and the backflow prevention installed complies with ANSI/ASSE 1004 or is certified to National Sanitization Foundation (NSF) 3.

Sec. 14. Minnesota Statutes 2020, section 326B.46, subdivision 1, is amended to read:

Subdivision 1. **License required.** (a) No individual shall engage in or work at the business of a master plumber, restricted master plumber, journeyworker plumber, and restricted journeyworker plumber unless licensed to do so by the commissioner. A license is not required for individuals performing building sewer or water service installation who have completed pipe laying training as prescribed by the commissioner. A license is not required for individuals servicing or installing a commercial chemical dispensing system or servicing or replacing a commercial dishwashing machine, including connecting a commercial chemical dispensing system or commercial dishwashing machine to a water line or drain line, provided that:

(1) the individual servicing or installing the commercial chemical dispensing system or servicing or replacing the commercial dishwashing machine is an employee of the manufacturer or distributor of the commercial chemical dispensing system or commercial dishwashing machine;

(2) the individual servicing or installing the commercial chemical dispensing system or servicing or replacing the commercial dishwashing machine has a minimum of 25 hours of classroom or laboratory training, a minimum of 20 hours of in-field training with a qualified technician on the types of systems being installed, followed by a minimum of 100 hours of supervised field experience. The training and experience curriculum required under this clause must be approved by the commissioner, in consultation with the manufacturer or distributor, but the commissioner shall not require training or experience hours in excess of the amounts specified in this clause;

(3) the manufacturer or distributor of the commercial chemical dispensing system or commercial dishwashing machine must meet the insurance requirements of section 326B.46, subdivision 2, paragraph (c);

(4) the connection is a push fit fitting, compression fitting, or threaded pipe fitting to an existing water line or drain, which has been initially installed by a licensed plumber; and

(5) the commercial chemical dispensing system complies with ASSE 1055 or contains code-approved integral backflow protection.

A master plumber may also work as a journeyworker plumber, a restricted journeyworker plumber, and a restricted master plumber. A journeyworker plumber may also work as a restricted journeyworker plumber. Anyone not so licensed may do plumbing work which complies with the provisions of the minimum standards prescribed by the Plumbing Board on premises or that part of premises owned and actually occupied by the worker as a residence, unless otherwise forbidden to do so by a local ordinance.

(b) No person shall engage in the business of planning, superintending, or installing plumbing or shall install plumbing in connection with the dealing in and selling of plumbing material and supplies unless at all times a licensed master plumber, or in cities and towns with a population of fewer than 5,000 according to the last federal census, a restricted master plumber, who shall be responsible for proper installation, is in charge of the plumbing work of the person.

(c) Except as provided in subdivision 1a, no person shall perform or offer to perform plumbing work with or without compensation unless the person obtains a contractor's license. A contractor's license does not of itself qualify its holder to perform the plumbing work authorized by holding a master, journeyworker, restricted master, or restricted journeyworker license.

Sec. 15. Minnesota Statutes 2020, section 326B.89, subdivision 1, is amended to read:

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

(b) "Gross annual receipts" means the total amount derived from residential contracting or residential remodeling activities, regardless of where the activities are performed, and must not be reduced by costs of goods sold, expenses, losses, or any other amount.

(c) "Licensee" means a person licensed as a residential contractor or residential remodeler.

(d) "Residential real estate" means a new or existing building constructed for habitation by one to four families, and includes detached garages intended for storage of vehicles associated with the residential real estate.

(e) "Fund" means the contractor recovery fund.

(f) "Owner" when used in connection with real property, means a person who has any legal or equitable interest in real property and includes a condominium or townhome association that owns common property located in a condominium building or townhome building or an associated detached garage. Owner does not include any real estate developer or any owner using, or intending to use, the property for a business purpose and not as owner-occupied residential real estate.

(g) "Cycle One" means the time period between July 1 and December 31.

(h) "Cycle Two" means the time period between January 1 and June 30.

Sec. 16. Minnesota Statutes 2020, section 326B.89, subdivision 4, is amended to read:

Subd. 4. **Purpose of fund.** (a) The purpose of this fund is to:

(1) compensate owners or lessees of residential real estate who meet the requirements of this section;

(2) reimburse the department for all legal and administrative expenses, disbursements, and costs, including staffing costs, incurred in administering and defending the fund;

(3) pay for educational or research projects in the field of residential contracting to further the purposes of sections 326B.801 to 326B.825; and

(4) provide information to the public on residential contracting issues.

(b) No money from this fund may be transferred or spent unless the commissioner determines that the money is being transferred or spent for one of the purposes in paragraph (a).

Sec. 17. Minnesota Statutes 2020, section 326B.89, subdivision 5, is amended to read:

Subd. 5. **Payment limitations.** The commissioner shall not pay compensation from the fund to an owner or a lessee in an amount greater than \$75,000 per licensee. The commissioner shall not pay compensation from the fund to owners and lessees in an amount that totals more than ~~\$300,000~~ \$550,000 per licensee. The commissioner shall only pay compensation from the fund for a final judgment that is based on a contract directly between the licensee and the homeowner or lessee that was entered into prior to the cause of action and that requires licensure as a residential building contractor or residential remodeler.

Sec. 18. Minnesota Statutes 2020, section 326B.89, subdivision 9, is amended to read:

Subd. 9. **Satisfaction of applications for compensation.** The commissioner shall pay compensation from the fund to an owner or a lessee pursuant to the terms of an agreement that has been entered into under subdivision 7, clause (1), or pursuant to a final order that has been issued under subdivision 7, clause (2), or subdivision 8 by ~~December 1 of the fiscal year following the fiscal year during which the agreement was entered into or during which the order became final, subject to the limitations of this section.~~ At the end of each fiscal year the commissioner shall calculate the amount of compensation to be paid from the fund pursuant to agreements that have been entered into under subdivision 7, clause (1), and final orders that have been issued under subdivision 7, clause (2), or subdivision 8. If the calculated amount exceeds the amount available for payment, then the commissioner shall allocate the amount available among the owners and the lessees in the ratio that the amount agreed to or ordered to be paid to each owner or lessee bears to the amount calculated. The commissioner shall mail notice of the allocation to all owners and lessees not less than 45 days following the end of the fiscal year. 31 for applications submitted by July 1 or June 30 for applications submitted by January 1 of the fiscal year. The commissioner shall not pay compensation to owners or lessees that totals more than \$275,000 per licensee during Cycle One of a fiscal year nor shall the commissioner pay out during Cycle One if the payout will result in the exhaustion of a licensee's fund. If compensation paid to owners or lessees in Cycle One would total more than \$275,000 or would result in exhaustion of a licensee's fund in Cycle One, the commissioner shall not make a final determination of compensation for claims against the licensee until the completion of Cycle Two. If the claims against a licensee for the fiscal year result in the exhaustion of a licensee's fund or the fund as a whole, the commissioner must prorate the amount available among the owners and lessees based on the amount agreed to or ordered to be paid to each owner or lessee. The commissioner shall mail notice of the proration to all owners and lessees no later than March 31 of the current fiscal year. Any compensation paid by the commissioner in accordance with this subdivision shall be deemed to satisfy and extinguish any right to compensation from the fund based upon the verified application of the owner or lessee.

Sec. 19. Laws 2014, chapter 211, section 13, as amended by Laws 2015, First Special Session chapter 1, article 7, section 1, Laws 2016, chapter 189, article 7, section 42, and Laws 2017, chapter 94, article 12, section 1, is amended to read:

Sec. 13. **EFFECTIVE DATE.**

Sections 1 to 3 and 6 to 11 are effective July 1, 2020, to June 30, 2021, and on July 1, 2023. Sections 4, 5, and 12 are effective July 1, 2014.

EFFECTIVE DATE. The amendments to this section are effective retroactively from June 30, 2020, except that any investigation and proceedings related to an unfair labor practice charge currently pending before the Public Employee Relations Board as of the date of enactment of this section shall be conducted according to the process in place under Minnesota Statutes, sections 179A.052 and 179A.13, as of July 1, 2020, and the board shall retain

jurisdiction over any pending charge. Following enactment of this section and until July 1, 2023, any employee, employer, employee or employer organization, exclusive representative, or any other person or organization aggrieved by an unfair labor practice as defined in Minnesota Statutes, section 179A.13, may bring an action for injunctive relief and for damages caused by the unfair labor practice in the district court of the county in which the practice is alleged to have occurred.

Sec. 20. Laws 2019, First Special Session chapter 7, article 1, section 3, subdivision 4, is amended to read:

Subd. 4. Workers' Compensation	14,882,000	11,882,000
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\$3,000,000 the first year is from the workers' compensation fund for workers' compensation system upgrades. This amount is available until June 30, ~~2021~~ 2023. This is a onetime appropriation.

Sec. 21. **LOGGERS SAFETY GRANT PROGRAM.**

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

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

(c) "Program" means the loggers safety grant program under this section.

Subd. 2. **Establishment.** The commissioner shall establish a loggers safety grant program to provide matching funding for logging industry employers to make safety improvements recommended by an on-site safety survey.

Subd. 3. **Grant eligibility.** (a) To be eligible for a grant under this section, an employer must:

(1) be an employer in the logging industry, or a closely associated field, with at least one employee;

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

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

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

(1) purchasing and installing recommended safety equipment;

(2) operating or maintaining recommended safety equipment;

(3) property, if the property is necessary to meet the recommendations of the on-site safety survey;

(4) training required to operate recommended safety equipment; and

(5) tuition reimbursement for educational costs related to the recommendations of the on-site safety survey.

Subd. 4. **Evaluation criteria.** The commissioner shall evaluate applications, submitted on forms developed by the commissioner, based on whether the proposed project:

(1) is technically and economically feasible;

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

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

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

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

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

Subd. 5. **Awards.** (a) Grants under this section shall provide a match of up to \$25,000 for private funds committed by the employer to implement the recommended safety equipment or practices.

(b) Grants will be awarded to all applicants that meet the eligibility and evaluation criteria under subdivisions 3 and 4. If there are more eligible requests than funding, awards will be prorated.

(c) Grant recipients are not eligible to apply for another grant under Minnesota Statutes, chapter 176, until two years after the date of the award.

Subd. 6. **Report.** By January 15, 2023, the commissioner must report to the legislative committees in the house of representatives and senate with jurisdiction over labor and industry about grants made under this program.

Sec. 22. **REPEALER.**

Minnesota Statutes 2020, section 181.9414, is repealed.

EFFECTIVE DATE. This section is effective January 1, 2022.

ARTICLE 4 UNEMPLOYMENT INSURANCE

Section 1. Minnesota Statutes 2020, section 268.035, subdivision 21c, is amended to read:

Subd. 21c. **Reemployment assistance training.** (a) An applicant is in "reemployment assistance training" when:

(1) (i) a reasonable opportunity for suitable employment for the applicant does not exist in the labor market area and additional training will assist the applicant in obtaining suitable employment;

~~(2)~~ (ii) the curriculum, facilities, staff, and other essentials are adequate to achieve the training objective;

~~(3)~~ (iii) the training is vocational or short term academic training directed to an occupation or skill that will substantially enhance the employment opportunities available to the applicant in the applicant's labor market area;

~~(4)~~ (iv) the training course is full time by the training provider; and

~~(5)~~ (v) the applicant is making satisfactory progress in the training;

(2) the applicant can provide proof of enrollment in one or more programs offered by an adult basic education consortium under section 124D.518. Programs may include but are not limited to:

- (i) general educational development diploma preparation;
- (ii) local credit completion adult high school diploma preparation;
- (iii) state competency-based adult high school diploma preparation;
- (iv) basic skills enhancement training focused on math, functional literacy, reading, or writing;
- (v) computer skills training; or
- (vi) English as a second language instruction;

(3) the applicant can provide proof of enrollment in an English as a second language program taught by a licensed instructor;

(4) the applicant can provide proof of enrollment in an over-the-road truck driving training program offered by a college or university within the Minnesota state system; or

(5) the applicant can provide proof of enrollment in a program funded under section 116L.99.

(b) Full-time training provided through the dislocated worker program, the Trade Act of 1974, as amended, or the North American Free Trade Agreement is "reemployment assistance training," if that training course is in accordance with the requirements of that program.

(c) Apprenticeship training provided in order to meet the requirements of an apprenticeship program under chapter 178 is "reemployment assistance training."

(d) An applicant is in reemployment assistance training only if the training course has actually started or is scheduled to start within 30 calendar days.

EFFECTIVE DATE. This section is effective July 3, 2022.

Sec. 2. Minnesota Statutes 2020, section 268.085, subdivision 2, is amended to read:

Subd. 2. **Not eligible.** An applicant is ineligible for unemployment benefits for any week:

- (1) that occurs before the effective date of a benefit account;
- (2) that the applicant, at any time during the week, has an outstanding misrepresentation overpayment balance under section 268.18, subdivision 2, including any penalties and interest;
- ~~(3) that occurs in a period when the applicant is a student in attendance at, or on vacation from a secondary school including the period between academic years or terms;~~
- ~~(3)~~ (3) that the applicant is incarcerated or performing court-ordered community service. The applicant's weekly unemployment benefit amount is reduced by one-fifth for each day the applicant is incarcerated or performing court-ordered community service;
- ~~(5)~~ (4) that the applicant fails or refuses to provide information on an issue of ineligibility required under section 268.101;

~~(6)~~ (5) that the applicant is performing services 32 hours or more, in employment, covered employment, noncovered employment, volunteer work, or self-employment regardless of the amount of any earnings; or

~~(7)~~ (6) with respect to which the applicant has filed an application for unemployment benefits under any federal law or the law of any other state. If the appropriate agency finally determines that the applicant is not entitled to establish a benefit account under federal law or the law of any other state, this clause does not apply.

EFFECTIVE DATE. This section is effective July 3, 2022.

Sec. 3. Minnesota Statutes 2020, section 268.085, subdivision 4a, is amended to read:

Subd. 4a. **Social Security disability benefits.** (a) An applicant who is receiving, has received, or has filed for primary Social Security disability benefits for any week is ineligible for unemployment benefits for that week, unless:

(1) the Social Security Administration approved the collecting of primary Social Security disability benefits each month the applicant was employed during the base period; or

(2) the applicant provides a statement from an appropriate health care professional who is aware of the applicant's Social Security disability claim and the basis for that claim, certifying that the applicant is available for suitable employment.

(b) If an applicant meets the requirements of paragraph (a), clause (1) or (2), there is no deduction from the applicant's weekly benefit amount for any Social Security disability benefits.

~~(c) If an applicant meets the requirements of paragraph (a), clause (2), there must be deducted from the applicant's weekly unemployment benefit amount 50 percent of the weekly equivalent of the primary Social Security disability benefits the applicant is receiving, has received, or has filed for, with respect to that week.~~

~~If the Social Security Administration determines that the applicant is not entitled to receive primary Social Security disability benefits for any week the applicant has applied for those benefits, then this paragraph does not apply to that week.~~

~~(d)~~ (c) Information from the Social Security Administration is conclusive, absent specific evidence showing that the information was erroneous.

~~(e)~~ (d) This subdivision does not apply to Social Security survivor benefits.

EFFECTIVE DATE. This section is effective July 3, 2022.

Sec. 4. Minnesota Statutes 2020, section 268.133, is amended to read:

268.133 UNEMPLOYMENT BENEFITS WHILE IN ENTREPRENEURIAL TRAINING.

Unemployment benefits are available to dislocated workers participating in the converting layoffs into Minnesota businesses (CLIMB) program under section 116L.17, subdivision 11. Applicants participating in CLIMB are considered in reemployment assistance training under section 268.035, subdivision 21c. All requirements under section 268.069, subdivision 1, must be met, except the commissioner may waive:

(1) the deductible earnings provisions in section 268.085, subdivision 5; and

(2) the 32 hours of work limitation in section 268.085, subdivision 2, clause ~~(6)~~ (5). A maximum of 500 applicants may receive a waiver at any given time.

EFFECTIVE DATE. This section is effective July 3, 2022.

Sec. 5. Minnesota Statutes 2020, section 268.136, subdivision 1, is amended to read:

Subdivision 1. **Shared work plan requirements.** An employer may submit a proposed shared work plan for an employee group to the commissioner for approval in a manner and format set by the commissioner. The proposed shared work plan must include:

(1) a certified statement that the normal weekly hours of work of all of the proposed participating employees were full time or regular part time but are now reduced, or will be reduced, with a corresponding reduction in pay, in order to prevent layoffs;

(2) the name and Social Security number of each participating employee;

(3) the number of layoffs that would have occurred absent the employer's ability to participate in a shared work plan;

(4) a certified statement that each participating employee was first hired by the employer at least ~~one year~~ three months before the proposed shared work plan is submitted and is not a seasonal, temporary, or intermittent worker;

(5) the hours of work each participating employee will work each week for the duration of the shared work plan, which must be at least 50 percent of the normal weekly hours but no more than 80 percent of the normal weekly hours, except that the plan may provide for a uniform vacation shutdown of up to two weeks;

(6) a certified statement that any health benefits and pension benefits provided by the employer to participating employees will continue to be provided under the same terms and conditions as though the participating employees' hours of work each week had not been reduced;

(7) a certified statement that the terms and implementation of the shared work plan is consistent with the employer's obligations under state and federal law;

(8) an acknowledgment that the employer understands that unemployment benefits paid under a shared work plan will be used in computing the future tax rate of a taxpaying employer or charged to the reimbursable account of a nonprofit or government employer;

(9) the proposed duration of the shared work plan, which must be at least two months and not more than one year, although a plan may be extended for up to an additional year upon approval of the commissioner;

(10) a starting date beginning on a Sunday at least 15 calendar days after the date the proposed shared work plan is submitted; and

(11) a signature of an owner or officer of the employer who is listed as an owner or officer on the employer's account under section 268.045.

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

Sec. 6. **CONTINUED SUSPENSION OF FIVE-WEEK BUSINESS OWNER BENEFIT LIMITATION.**

Notwithstanding Minnesota Statutes, section 268.085, subdivision 9, the five-week limitation for receipt of unemployment benefits for business owners is suspended for applicants for unemployment insurance benefit accounts established between December 27, 2020, and September 4, 2021.

EFFECTIVE DATE. This section is effective retroactively from December 27, 2020.

Sec. 7. **LEAVE OF ABSENCE DUE TO COVID-19.**

Notwithstanding Minnesota Statutes, section 268.085, subdivision 13a, for an applicant applying for an unemployment insurance benefit account established between December 27, 2020, and September 4, 2021, a leave of absence is presumed to be an involuntary leave of absence and not ineligible if:

(1) a determination has been made by health authorities or by a health care professional that the presence of the applicant in the workplace would jeopardize the health of others, whether or not the applicant has actually contracted a communicable disease;

(2) a quarantine or isolation order has been issued to the applicant pursuant to Minnesota Statutes, sections 144.419 to 144.4196;

(3) there is a recommendation from health authorities or from a health care professional that the applicant should self-isolate or self-quarantine due to elevated risk from COVID-19 due to being immunocompromised;

(4) the applicant has been instructed by the applicant's employer not to come to the employer's place of business due to an outbreak of a communicable disease; or

(5) the applicant has received a notification from a school district, day care, or other child care provider that either (i) classes are canceled, or (ii) the applicant's ordinary child care is unavailable, provided that the applicant made reasonable effort to obtain other child care and requested time off or other accommodation from the employer and no reasonable accommodation was available.

EFFECTIVE DATE. This section is effective retroactively from December 27, 2020.

Sec. 8. **REPORT ON IMPACT TO UNEMPLOYMENT INSURANCE TRUST FUND.**

By January 14, 2022, the commissioner of employment and economic development shall submit a report to chairs and ranking minority members of the legislative committees having jurisdiction over economic development detailing the impact to the Minnesota unemployment insurance trust fund of eligibility for secondary school students and removal of the Social Security offset.

Sec. 9. **REPEALER.**

Minnesota Statutes 2020, section 268.085, subdivision 4, is repealed.

EFFECTIVE DATE. This section is effective July 3, 2022."

Delete the title and insert:

"A bill for an act relating to state government; establishing a biennial budget for Department of Employment and Economic Development, Department of Labor and Industry, Bureau of Mediation Services, and Workers' Compensation Court of Appeals; modifying various provisions governing economic development, labor and industry, unemployment insurance, higher education, transportation, and agriculture; establishing Main Street Economic Revitalization Loan Program; establishing Main Street COVID-19 Relief grants; modifying fees; classifying data; requiring reports; appropriating money; amending Minnesota Statutes 2020, sections 13.7905, by adding a subdivision; 41A.19; 116J.035, subdivision 6; 116J.431, subdivisions 2, 3, by adding a subdivision; 116L.40, subdivisions 5, 6, 9, 10, by adding a subdivision; 116L.41, subdivisions 1, 2, by adding subdivisions; 116L.42, subdivisions 1, 2; 178.012, subdivision 1; 181.939; 268.035, subdivision 21c; 268.085, subdivisions 2, 4a; 268.133; 268.136, subdivision 1; 326B.07, subdivision 1; 326B.092, subdivision 7; 326B.108, subdivisions 1, 3, by

adding a subdivision; 326B.133, subdivision 8; 326B.42, by adding subdivisions; 326B.46, subdivision 1; 326B.89, subdivisions 1, 4, 5, 9; Laws 2014, chapter 211, section 13, as amended; Laws 2017, chapter 94, article 1, section 2, subdivision 2, as amended; Laws 2019, First Special Session chapter 7, article 1, sections 2, subdivision 2, as amended; 3, subdivision 4; article 2, section 8; proposing coding for new law in Minnesota Statutes, chapters 41A; 116J; 181A; 299F; repealing Minnesota Statutes 2020, sections 181.9414; 268.085, subdivision 4."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Moran from the Committee on Ways and Means to which was referred:

H. F. No. 4, A bill for an act relating to housing; appropriating money to the Minnesota Housing Finance Agency for the economic development and housing challenge program.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
APPROPRIATIONS

Section 1. **USE OF FEDERAL FUNDS FOR HOMEOWNER ASSISTANCE.**

The commissioner of management and budget shall not use any money received by the state from the Homeowner Assistance Fund under Public Law 117-2, the American Rescue Plan, to reimburse the federal coronavirus relief fund for money allocated to the Housing Finance Agency according to the federal coronavirus relief fund action order number 44 that was approved by the commissioner on July 27, 2020.

Sec. 2. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agency for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2022" and "2023" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2022</u>	<u>2023</u>

Sec. 3. **HOUSING FINANCE AGENCY**

<u>Subdivision 1. Total Appropriation</u>	<u>\$67,798,000</u>	<u>\$57,798,000</u>
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(a) The amounts that may be spent for each purpose are specified in the following subdivisions.

(b) Unless otherwise specified, this appropriation is for transfer to the housing development fund for the programs specified in this section. Except as otherwise indicated, this transfer is part of the agency's permanent budget base.

Subd. 2. Challenge Program

15,725,000

12,925,000

(a) This appropriation is for the economic development and housing challenge program under Minnesota Statutes, sections 462A.07, subdivision 14, and 462A.33.

(b) Of this amount, \$1,208,000 each year shall be made available during the first 11 months of the fiscal year exclusively for housing projects for American Indians. Any funds not committed to housing projects for American Indians in the first 11 months of the fiscal year shall be available for any eligible activity under Minnesota Statutes, sections 462A.07, subdivision 14, and 462A.33.

Subd. 3. Workforce Housing Development

2,000,000

2,000,000

This appropriation is for the Greater Minnesota workforce housing development program under Minnesota Statutes, section 462A.39. If requested by the applicant and approved by the agency, funded properties may include a portion of income and rent restricted units. Funded properties may include owner-occupied homes.

Subd. 4. Manufactured Home Park Infrastructure Grants

2,750,000

1,000,000

This appropriation is for manufactured home park infrastructure grants under Minnesota Statutes, section 462A.2035, subdivision 1b.

Subd. 5. Workforce Homeownership Program

3,500,000

250,000

This appropriation is for the workforce homeownership program under Minnesota Statutes, section 462A.38.

Subd. 6. Housing Trust Fund

11,646,000

11,646,000

This appropriation is for deposit in the housing trust fund account created under Minnesota Statutes, section 462A.201, and may be used for the purposes provided in that section.

Subd. 7. Homework Starts with Home

1,750,000

1,750,000

This appropriation is for the homework starts with home program under Minnesota Statutes, sections 462A.201, subdivision 2, paragraph (a), clause (4), and 462A.204, subdivision 8, to provide assistance to homeless or highly mobile families with children eligible for enrollment in a prekindergarten through grade 12 academic program.

Subd. 8. Rental Assistance for Mentally Ill4,338,0004,338,000

This appropriation is for the rental housing assistance program for persons with a mental illness or families with an adult member with a mental illness under Minnesota Statutes, section 462A.2097. Among comparable proposals, the agency shall prioritize those proposals that target, in part, eligible persons who desire to move to more integrated, community-based settings.

Subd. 9. Family Homeless Prevention10,269,00010,269,000

This appropriation is for the family homeless prevention and assistance programs under Minnesota Statutes, section 462A.204.

Subd. 10. Home Ownership Assistance Fund1,885,000885,000

This appropriation is for the home ownership assistance program under Minnesota Statutes, section 462A.21, subdivision 8. The agency shall continue to strengthen its efforts to address the disparity gap in the homeownership rate between white households and Indigenous American Indians and communities of color. To better understand and address the disparity gap, the agency is required to collect, on a voluntary basis, demographic information regarding race, color, national origin, and sex of applicants for agency programs intended to benefit homeowners and homebuyers.

Subd. 11. Affordable Rental Investment Fund4,218,0004,218,000

(a) This appropriation is for the affordable rental investment fund program under Minnesota Statutes, section 462A.21, subdivision 8b, to finance the acquisition, rehabilitation, and debt restructuring of federally assisted rental property and for making equity take-out loans under Minnesota Statutes, section 462A.05, subdivision 39.

(b) The owner of federally assisted rental property must agree to participate in the applicable federally assisted housing program and to extend any existing low-income affordability restrictions on the housing for the maximum term permitted.

(c) The appropriation also may be used to finance the acquisition, rehabilitation, and debt restructuring of existing supportive housing properties and naturally occurring affordable housing as determined by the commissioner. For purposes of this paragraph, "supportive housing" means affordable rental housing with links to services necessary for individuals, youth, and families with children to maintain housing stability.

Subd. 12. Owner-Occupied Housing Rehabilitation2,772,0002,772,000

(a) This appropriation is for the rehabilitation of owner-occupied housing under Minnesota Statutes, section 462A.05, subdivisions 14 and 14a.

(b) Notwithstanding any law to the contrary, grants or loans under this subdivision may be made without rent or income restrictions of owners or tenants. To the extent practicable, grants or loans must be made available statewide.

Subd. 13. Rental Housing Rehabilitation

3,743,000

3,743,000

(a) This appropriation is for the rehabilitation of eligible rental housing under Minnesota Statutes, section 462A.05, subdivision 14. In administering a rehabilitation program for rental housing, the agency may apply the processes and priorities adopted for administration of the economic development and housing challenge program under Minnesota Statutes, section 462A.33, and may provide grants or forgivable loans if approved by the agency.

(b) Notwithstanding any law to the contrary, grants or loans under this subdivision may be made without rent or income restrictions of owners or tenants. To the extent practicable, grants or loans must be made available statewide.

Subd. 14. Homeownership Education, Counseling, and Training

857,000

857,000

This appropriation is for the homeownership education, counseling, and training program under Minnesota Statutes, section 462A.209.

Subd. 15. Capacity-Building Grants

645,000

645,000

This appropriation is for nonprofit capacity-building grants under Minnesota Statutes, section 462A.21, subdivision 3b. Of this amount, \$125,000 each year is for support of the Homeless Management Information System (HMIS), and \$70,000 in fiscal year 2022 and \$70,000 in fiscal year 2023 are for Open Access Connections. The appropriations for Open Access Connections are onetime.

Subd. 16. Build Wealth MN

500,000

500,000

This appropriation is for a grant to Build Wealth Minnesota to provide a family stabilization plan program including program outreach, financial literacy education, and budget and debt counseling.

Subd. 17. Local Housing Trust Fund Grants

1,000,000

-0-

(a) This appropriation is for grants to local housing trust funds established under Minnesota Statutes, section 462C.16, to incentivize local funding.

(b) A grantee is eligible to receive a grant amount equal to 100 percent of the new public revenue committed to the local housing trust fund from any source other than the state or federal government, up to \$150,000, and depending on funding availability, an amount equal to 50 percent of the new public revenue committed to the local housing trust fund from any source other than the state or federal government that is more than \$150,000 but not more than \$300,000.

(c) The agency shall consult with interested stakeholders when developing the guidelines, applications, and procedures for the program.

(d) A grantee must use grant funds within five years of receipt for purposes: (1) authorized under Minnesota Statutes, section 462C.16, subdivision 3; and (2) benefiting households with incomes at or below 115 percent of the state median income. A grantee must return any grant funds not used for these purposes within eight years of receipt to the commissioner of the Minnesota Housing Finance Agency for deposit into the economic development and housing challenge program under Minnesota Statutes, section 462A.33.

Subd. 18. **Task Force on Shelter**

200,000

-0-

This appropriation is to implement the task force on shelter established under article 6.

Subd. 19. **Availability of Funds**

Money appropriated in the first year in this article is available the second year.

ARTICLE 2
HOUSING POLICY

Section 1. Minnesota Statutes 2020, section 12A.09, subdivision 3, is amended to read:

Subd. 3. **Capacity building grants.** Grants may be made under section 462A.21, subdivision 3b₂;

(1) to local units of government, including regional consortia, in the disaster area ~~and~~;

(2) to nonprofit organizations; and

(3) to federally recognized American Indian Tribes or subdivisions located in Minnesota, and Tribal housing corporations

working in the disaster area to assess housing and related needs, develop and implement community or regional plans to meet those needs, and provide capacity to implement recovery plans.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 2. Minnesota Statutes 2020, section 256C.02, is amended to read:

256C.02 PUBLIC ACCOMMODATIONS.

People who are blind or people with a visual or physical disability have the same right as the able-bodied to the full and free use of the streets, highways, sidewalks, walkways, public buildings, public facilities, and other public places; and are entitled to full and equal accommodations, advantages, facilities, and privileges of all common carriers, airplanes, motor vehicles, railroad trains, motor buses, boats, or any other public conveyances or modes of transportation, hotels, lodging places, places of public accommodation, amusement, or resort, and other places to which the general public is invited, subject only to the conditions and limitations established by law and applicable alike to all persons.

Every person who is totally or partially blind, or person who is deaf, or person with a physical disability, or any person training a dog to be a service dog shall have the right to be accompanied by a service dog in any of the places listed in section 363A.19. The person shall be liable for any damage done to the premises or facilities by such dog. ~~The service dog must be capable of being properly identified as from a recognized school for seeing eye, hearing ear, service, or guide dogs.~~

Sec. 3. Minnesota Statutes 2020, section 273.11, subdivision 12, is amended to read:

Subd. 12. **Community land trusts.** (a) A community land trust, as defined under chapter 462A, is (i) a community-based nonprofit corporation organized under chapter 317A, which qualifies for tax exempt status under 501(c)(3), or (ii) a "city" as defined in section 462C.02, subdivision 6, which has received funding from the Minnesota housing finance agency for purposes of the community land trust program. The Minnesota Housing Finance Agency shall set the criteria for community land trusts.

~~(b) All occupants of a community land trust building must have a family income of less than 80 percent of the greater of (1) the state median income, or (2) the area or county median income, as most recently determined by the Department of Housing and Urban Development. Before the community land trust can rent or sell a unit to an applicant, the community land trust shall verify to the satisfaction of the administering agency or the city that the family income of each person or family applying for a unit in the community land trust building is within the income criteria provided in this paragraph section 462A.30, subdivision 9. The administering agency or the city shall verify to the satisfaction of the county assessor that the occupant meets the income criteria under this paragraph section 462A.30, subdivision 9. The property tax benefits under paragraph (c) shall be granted only to property owned or rented by persons or families within the qualifying income limits. The family income criteria and verification is only necessary at the time of initial occupancy in the property.~~

(c) A unit which is owned by the occupant and used as a homestead by the occupant qualifies for homestead treatment as class 1a under section 273.13, subdivision 22. A unit which is rented by the occupant and used as a homestead by the occupant shall be class 4a or 4b property, under section 273.13, subdivision 25, whichever is applicable. Any remaining portion of the property not used for residential purposes shall be classified by the assessor in the appropriate class based upon the use of that portion of the property owned by the community land trust. The land upon which the building is located shall be assessed at the same classification rate as the units within the building, provided that if the building contains some units assessed as class 1a and some units assessed as class 4a or 4b, the market value of the land will be assessed in the same proportions as the value of the building.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 4. Minnesota Statutes 2020, section 326B.106, subdivision 7, is amended to read:

Subd. 7. **Window fall prevention device code.** (a) The commissioner of labor and industry shall adopt rules for window fall prevention devices as part of the State Building Code. Window fall prevention devices include, but are not limited to, safety screens, hardware, guards, and other devices that comply with the standards established by the commissioner of labor and industry. The rules shall require compliance with standards for window fall prevention devices developed by ASTM International, contained in the International Building Code as the model

language with amendments deemed necessary to coordinate with the other adopted building codes in Minnesota. The rules shall establish a scope that includes the applicable building occupancies, and the types, locations, and sizes of windows that will require the installation of fall devices.

(b) In one- and two-family dwellings and townhouses, as defined in Minnesota Rules, part 1309.0202, subpart 1, window fall prevention devices are not required when: (1) the lowest part of the window opening of an operable window is a minimum of 24 inches above the finished floor of the room in which the window is located; or (2) the lowest part of the opening of an operable window is located 72 inches or less above the exterior grade below.

Sec. 5. Minnesota Statutes 2020, section 363A.09, subdivision 5, is amended to read:

Subd. 5. **Real property full and equal access.** It is an unfair discriminatory practice for a person to deny full and equal access to real property provided for in sections 363A.08 to 363A.19, and 363A.28, subdivision 10, to a person who ~~is totally or partially blind, deaf, or has a physical or sensory~~ has a disability and who uses a service animal, ~~if the service animal can be properly identified as being from a recognized program which trains service animals to aid persons who are totally or partially blind or deaf or have physical or sensory disabilities.~~ The person may not be required to pay extra compensation for the service animal but is liable for damage done to the premises by the service animal.

Sec. 6. Minnesota Statutes 2020, section 462A.05, subdivision 14, is amended to read:

Subd. 14. **Rehabilitation loans.** It may agree to purchase, make, or otherwise participate in the making, and may enter into commitments for the purchase, making, or participation in the making, of eligible loans for rehabilitation, with terms and conditions as the agency deems advisable, to persons and families of low and moderate income, and to owners of existing residential housing for occupancy by such persons and families, for the rehabilitation of existing residential housing owned by them. The loans may be insured or uninsured and may be made with security, or may be unsecured, as the agency deems advisable. The loans may be in addition to or in combination with long-term eligible mortgage loans under subdivision 3. They may be made in amounts sufficient to refinance existing indebtedness secured by the property, if refinancing is determined by the agency to be necessary to permit the owner to meet the owner's housing cost without expending an unreasonable portion of the owner's income thereon. No loan for rehabilitation shall be made unless the agency determines that the loan will be used primarily to make the housing more desirable to live in, to increase the market value of the housing, for compliance with state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing, or to accomplish energy conservation related improvements. In unincorporated areas and municipalities not having codes and standards, the agency may, solely for the purpose of administering the provisions of this chapter, establish codes and standards. ~~Except for accessibility improvements under this subdivision and subdivisions 14a and 24, clause (1), no secured loan for rehabilitation of any owner occupied property shall be made in an amount which, with all other existing indebtedness secured by the property, would exceed 110 percent of its market value, as determined by the agency.~~ No loan under this subdivision for the rehabilitation of owner-occupied housing shall be denied solely because the loan will not be used for placing the owner-occupied residential housing in full compliance with all state, county, or municipal building, housing maintenance, fire, health, or similar codes and standards applicable to housing. Rehabilitation loans shall be made only when the agency determines that financing is not otherwise available, in whole or in part, from private lenders upon equivalent terms and conditions. Accessibility rehabilitation loans authorized under this subdivision may be made to eligible persons and families without limitations relating to the maximum incomes of the borrowers if:

(1) the borrower or a member of the borrower's family requires a level of care provided in a hospital, skilled nursing facility, or intermediate care facility for persons with developmental disabilities;

(2) home care is appropriate; and

(3) the improvement will enable the borrower or a member of the borrower's family to reside in the housing.

The agency may waive any requirement that the housing units in a residential housing development be rented to persons of low and moderate income if the development consists of four or less dwelling units, one of which is occupied by the owner.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 7. Minnesota Statutes 2020, section 462A.05, subdivision 14a, is amended to read:

Subd. 14a. **Rehabilitation loans; existing owner-occupied residential housing.** It may make loans to persons and families of low and moderate income to rehabilitate or to assist in rehabilitating existing residential housing owned and occupied by those persons or families. Rehabilitation may include replacement of manufactured homes. No loan shall be made unless the agency determines that the loan will be used primarily for rehabilitation work necessary for health or safety, essential accessibility improvements, or to improve the energy efficiency of the dwelling. No loan for rehabilitation of owner-occupied residential housing shall be denied solely because the loan will not be used for placing the residential housing in full compliance with all state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing. The amount of any loan shall not exceed the lesser of (a) a maximum loan amount determined under rules adopted by the agency not to exceed ~~\$27,000~~ \$37,500, or (b) the actual cost of the work performed, or (c) that portion of the cost of rehabilitation which the agency determines cannot otherwise be paid by the person or family without the expenditure of an unreasonable portion of the income of the person or family. Loans made in whole or in part with federal funds may exceed the maximum loan amount to the extent necessary to comply with federal lead abatement requirements prescribed by the funding source. In making loans, the agency shall determine the circumstances under which and the terms and conditions under which all or any portion of the loan will be repaid and shall determine the appropriate security for the repayment of the loan. Loans pursuant to this subdivision may be made with or without interest or periodic payments.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 8. Minnesota Statutes 2020, section 462A.07, subdivision 2, is amended to read:

Subd. 2. **Technical assistance; residential housing.** It may provide general technical services and support to assist in the planning, processing, design, construction or rehabilitation, and inspection of residential housing for occupancy by persons and families of low and moderate income and to increase the capacity of entities to meet the housing needs in the state.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 9. Minnesota Statutes 2020, section 462A.30, subdivision 9, is amended to read:

Subd. 9. **Persons and families of low and moderate income.** "Persons and families of low and moderate income" means persons or families whose income does not exceed:

(1) ~~80~~ 115 percent of the greater of state median income, or area or county median income as determined by the Department of Housing and Urban Development; or

(2) the amount that qualifies the organization for tax exempt status under United States Code, title 26, section 501(c)(3), whichever is less.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 10. **[504B.113] SERVICE AND SUPPORT ANIMAL DOCUMENTATION.**

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

(b) "Service animal" has the meaning given in Code of Federal Regulations, title 28, section 36.104, as amended.

(c) "Support animal" means an animal that: (1) provides emotional support that alleviates one or more identified symptoms or effects of a person's disability; and (2) does not need to be trained to perform a specific disability-related task.

(d) "Tenant" means a current tenant or a prospective tenant.

(e) "Licensed professional" means a provider of care who is:

(1) a person licensed by the Board of Medical Practice under chapter 147;

(2) a physician assistant licensed under chapter 147A;

(3) a nurse, as defined in section 148.171, subdivision 9, licensed under chapter 148;

(4) a psychologist licensed under chapter 148;

(5) a mental health professional licensed under chapter 148B;

(6) a social worker licensed under chapter 148E;

(7) a counselor licensed under chapter 148F; or

(8) any professional listed in clauses (1) to (7) who holds a valid license in any other state, provided the professional has an existing treatment relationship with the tenant requesting a reasonable accommodation.

A licensed professional does not include any person who operates primarily to provide certification for a service or support animal.

(f) "Reasonable accommodation" means the granting of a waiver by a landlord of a no-pets or pet-fee policy for a person with a disability consistent with the Fair Housing Act, United States Code, title 42, sections 3601 to 3619, as amended, and section 504 of the Rehabilitation Act of 1973, United States Code, title 29, section 701, as amended.

(g) "Disability" has the meaning given in section 363A.03, subdivision 12.

Subd. 2. Request for documentation permitted. (a) A landlord may require a tenant to provide supporting documentation for each service or support animal for which the tenant requests a reasonable accommodation under any provision of law. A landlord must not require supporting documentation from a tenant if the tenant's disability or disability-related need for a service or support animal is readily apparent or already known to the landlord.

(b) Upon a landlord's request, the tenant must provide supporting documentation from a licensed professional confirming the tenant's disability and the relationship between the tenant's disability and the need for a service or support animal. A landlord must not require the tenant to disclose or provide access to medical records or medical providers or provide any other information or documentation of a person's physical or mental disability.

Subd. 3. Additional fees or deposits prohibited. A landlord must not require a tenant with a reasonable accommodation under this section to pay an additional fee, charge, or deposit for the service or support animal. A tenant is liable to the landlord for any damage to the premises caused by the service or support animal.

Subd. 4. Prohibited conduct. A tenant must not, directly or indirectly through statements or conduct, knowingly:

(1) misrepresent themselves as a person with a disability that requires the use of a service or support animal; or

(2) provide fraudulent supporting documentation under this section.

Subd. 5. **Penalty.** If a tenant violates this section, the landlord may deny the tenant's rental application or request for a service or support animal. Nothing in this section shall be construed to prohibit an eviction action based on a breach of the lease.

Sec. 11. **[504B.116] PRORATED RENT REQUIRED.**

(a) When a lease term for a residential unit ends on a date before the last day of the final month, the amount of rent to be paid for the final month owed for the final month of rent must be prorated at the average daily rate for that month so that the tenant only pays for the actual number of days that occupancy is allowed. This provision applies to all leases, including leases requiring the last month of rent to be paid in advance. Any attempted waiver of this section by a landlord and tenant, by contract or otherwise, shall be void and unenforceable.

(b) For purposes of this section, prorated rent must be calculated using the actual number of calendar days for the calendar month in which the lease expires.

EFFECTIVE DATE. This section is effective September 1, 2021, and applies to leases entered into on or after that date.

ARTICLE 3
MANUFACTURED HOMES

Section 1. **[168A.1411] MANUFACTURED HOME AFFIXED TO REAL PROPERTY OWNED BY COOPERATIVE.**

Subdivision 1. Certificates surrendered for cancellation; cooperatives. (a) When a manufactured home is to be affixed or is affixed, as defined in section 273.125, subdivision 8, paragraph (b), to real property owned by a Minnesota nonprofit corporation or a Minnesota cooperative, the owner of the manufactured home may surrender the manufacturer's certificate of origin or certificate of title to the department for cancellation so that the manufactured home becomes an improvement to real property and is no longer titled as personal property. The department must not issue a certificate of title for a manufactured home under chapter 168A if the manufacturer's certificate of origin is or has been surrendered under this subdivision, except as provided in section 168A.142. Upon surrender of the manufacturer's certificate of origin or the certificate of title, the department must issue notice of surrender to the owner and upon recording an affidavit of affixation, which the county recorder or registrar of titles, as applicable, must accept, the manufactured home is deemed to be an improvement to real property. An affidavit of affixation by the owner of the manufactured home must include the following information:

(1) the name, residence address, and mailing address of owner or owners of the manufactured home;

(2) the legal description of the real property in which the manufactured home is, or will be, located;

(3) a copy of the surrendered manufacturer's certificate of origin or certificate of title and the notice of surrender;

(4) a written statement from the county auditor or county treasurer of the county where the manufactured home is located stating that all property taxes payable in the current year, as provided under section 273.125, subdivision 8, paragraph (b), have been paid or are not applicable; and

(5) the signature of the person who executes the affidavit, properly executed before a person authorized to authenticate an affidavit in this state.

(b) A certified copy of the affidavit must be delivered to the county auditor of the county in which the real property to which the manufactured home was affixed is located.

(c) The department is not liable for any errors, omissions, misstatements, or other deficiencies or inaccuracies in documents presented to the department under this section if the documents presented appear to satisfy the requirements of this section. The department has no obligation to investigate the accuracy of statements contained in the documents.

Subd. 2. **Affidavit form; cooperatives.** An affidavit of affixation must be in substantially the following form and must contain the following information:

MANUFACTURED HOME AFFIDAVIT OF AFFIXATION IN A COOPERATIVE

PURSUANT TO MINNESOTA STATUTES, SECTION 168A.1411

Homeowner, being duly sworn, on his or her oath, states as follows:

1. Homeowner owns the manufactured home ("home") described as follows:

.....

<u>New/Used</u>	<u>Year</u>	<u>Manufacturer's Name</u>	<u>Model Name or Model No.</u>	<u>Manufacturer's Serial No.</u>	<u>Length/Width</u>
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2. A copy of the surrendered manufacturer's certificate of origin or certificate of title is attached.

3. A copy of the notice of surrender issued from the Minnesota Department of Public Safety Driver and Vehicle Services is attached.

4. The home is or will be located at the following "Property Address":

.....

Street or Route City County State Zip Code

5. The legal description of the property address ("land") is as follows or as attached hereto:

.....
.....
.....

6. The owner of the land is a Minnesota nonprofit corporation or Minnesota cooperative that owns the land and whose membership entitles the homeowner to occupy a specific portion of the land.

7. The home is, or will be promptly upon delivery, anchored to the land by attachment to a permanent foundation and connected to appropriate residential utilities (e.g., water, gas, electricity, sewer).

8. The homeowner intends that the home be an immovable permanent improvement to the land, free of any personal property security interest.

9. A copy of the written statement from the county auditor or county treasurer of the county in which the manufactured home is then located, stating that all property taxes payable in the current year (pursuant to Minnesota Statutes, section 273.125, subdivision 8, paragraph (b)), have been paid, or are not applicable, is attached.

.....
Notary Signature

Notary Printed Name
Notary Public, State of
Qualified in the County of
My commission expires

Official seal:

[only if the owner of the land is a Minnesota nonprofit corporation or cooperative]:

The undersigned is the of, a Minnesota [nonprofit corporation or cooperative], which owns the land described above. I hereby certify that the homeowner described above is a member of the [nonprofit corporation or cooperative] whose membership entitles the homeowner to occupy [insert legal description of the homeowner's lot or, if the corporation or cooperative has filed a scaled drawing as permitted by Minnesota Statutes, section 168A.1411, subdivision 5, Lot shown on such scaled drawing].

.....
Signature block for nonprofit or cooperative

.....
Acknowledgment of officer of nonprofit or cooperative

Subd. 3. **Perfected security interest prevents surrender.** The department may not cancel a certificate of title if, under this chapter, a security interest has been perfected on the manufactured home. If a security interest has been perfected, the department must notify the owner that each secured party must release or satisfy the security interest prior to proceeding with surrender of the manufacturer's certificate of origin or certificate of title to the department for cancellation. Permanent attachment to real property or the recording of an affidavit of affixation does not extinguish an otherwise valid security interest in or tax lien on the manufactured home, unless the requirements of subdivisions 1 to 3, including the release of any security interest, have been satisfied.

Subd. 4. **Notice of security interest.** When a perfected security interest exists, or will exist, on the manufactured home at the time the manufactured home is affixed to real property, and the owner has not satisfied the requirements of subdivision 1, the owner of the manufactured home, or its secured party, may record a notice with the county recorder, or with the registrar of titles, if the land is registered, stating that the manufactured home located on the property is encumbered by a perfected security interest and is not an improvement to real property. The notice must state the name and address of the secured party as set forth on the certificate of title, the legal description of the real property, and the name and address of the record fee owner of the real property on which the manufactured home is affixed. When the security interest is released or satisfied, the secured party must attach a copy of the release or satisfaction to a notice executed by the secured party containing the county recorder or registrar of titles document number of the notice of security interest. The notice of release or satisfaction must be recorded with the county recorder, or registrar of titles, if the land is registered. Neither the notice described in this subdivision nor the security interest on the certificate of title is deemed to be an encumbrance on the real property. The notices provided for in this subdivision need not be acknowledged.

Subd. 5. **Scaled drawing.** (a) If the portion of the land occupied by the homeowner has not been subdivided, the nonprofit or cooperative owner shall have prepared and recorded against the land a scaled drawing prepared by a licensed professional land surveyor who shall certify that:

- (1) the scaled drawing accurately depicts all information required by this subdivision; and
 - (2) the work was undertaken by, or reviewed and approved by, the certifying land surveyor.
- (b) The scaled drawing shall show:

- (1) the dimensions and location of all existing material structural improvements and roadways;
- (2) the extent of any encroachments by or upon any portion of the land;
- (3) the location and dimensions of all recorded easements within the land burdening any portion of the land;
- (4) the distance and direction between noncontiguous parcels of real estate;
- (5) the location and dimensions of the front, rear, and side boundaries of each lot that a member of the cooperative or nonprofit corporation has a right to occupy and that lot's unique lot number; and
- (6) the legal description of the land.

Sec. 2. **[168A.1412] MANUFACTURED HOME AFFIXED TO REAL PROPERTY.**

Subdivision 1. **Manufactured home as real property.** A manufactured home may be made an improvement to real property, and no longer titled as personal property, pursuant to this section. A manufactured home constitutes an improvement to real property when:

- (1) the manufactured home is to be affixed or is affixed, as defined in section 273.125, subdivision 8, paragraph (b), to the real property;
- (2) the certificate of title is surrendered and canceled pursuant to subdivision 2, or the manufacturer's certificate or statement of origin is canceled pursuant to subdivision 3; and
- (3) an affidavit of affixation pursuant to subdivision 5 is recorded with the county recorder or registrar of titles, as applicable.

Subd. 2. **Surrender of certificate of title.** (a) The owner of the manufactured home may surrender the manufacturer's certificate of title to the commissioner for cancellation. Upon receipt of the certificate of title, the commissioner must issue notice of cancellation to the owner of the manufactured home. In the event the certificate of title is lost, stolen, mutilated, destroyed, or becomes illegible, the owner may submit a written request for cancellation of the title which includes the serial number of the manufactured home and states that the certificate of title is lost, stolen, mutilated, destroyed, or has become illegible. Upon receipt of the request and verification of ownership in Driver and Vehicle Services Division records, the commissioner must issue notice of cancellation to the owner of the manufactured home and must not require the owner to deliver the certificate of title or obtain a duplicate certificate of title. After canceling a certificate of title, the commissioner must not allow transfer of the title to the manufactured home as personal property. The commissioner must not require the owner of the manufactured home to deliver the affidavit of affixation described in subdivision 5 in order for the commissioner to issue notice of cancellation.

(b) The commissioner must not cancel a certificate of title if, under this chapter, a security interest has been perfected on the manufactured home. If a security interest has been perfected, the commissioner must notify the owner of the manufactured home that each secured party must release or satisfy the security interest prior to cancellation of the certificate of title by the commissioner. Affixing the manufactured home to real property or recording an affidavit of affixation without cancellation of the certificate of title does not extinguish an otherwise valid security interest in or tax lien on the manufactured home.

Subd. 3. **Surrender of manufacturer's certificate of origin.** The owner of the manufactured home may surrender the manufacturer's certificate of origin to the commissioner for cancellation. Upon delivery of the original certificate of origin, the commissioner must issue notice of cancellation to the owner of the manufactured home. The commissioner must not issue a certificate of title for a manufactured home if the manufacturer's certificate of

origin is or has been canceled under this subdivision, except as provided in section 168A.142. The commissioner must not require the owner of the manufactured home to deliver the affidavit of affixation described in subdivision 5 in order for the commissioner to cancel the certificate of origin.

Subd. 4. **Verification.** The commissioner is not liable for any errors, omissions, misstatements, or other deficiencies or inaccuracies in documents presented to the commissioner under this section if the documents presented appear to satisfy the requirements of this section. The commissioner has no obligation to investigate the accuracy of statements contained in the documents to verify that the manufactured home has been affixed to the real property.

Subd. 5. **Affidavit of affixation.** An affidavit of affixation must be in substantially the following form and must contain the following information and attachments described in the form. The county recorder or registrar of titles, as applicable, must accept any such affidavit. The county recorder or registrar of titles, as applicable, must provide a copy of the recorded affidavit of affixation to the county auditor of the county for the real property described therein or otherwise inform the county auditor that the home is to be taxed as an improvement to the real property to which it is affixed:

MANUFACTURED HOME AFFIDAVIT OF AFFIXATION

PURSUANT TO MINNESOTA STATUTES, SECTION 168A.1412

..... ("Affiant"), being first duly sworn, on oath states, or affirms under penalties of perjury that:

1. I am an owner of the manufactured home ("Manufactured Home") described as follows:

- Manufacturer's name:
- Make:
- Model number:
- Model year:
- Serial number:
- Dimensions:
- Other descriptive information (if any):

2. The Manufactured Home is or will be (check one) affixed, in accordance with Minnesota Statutes, section 273.125, subdivision 8, to real property in County, Minnesota, with the street address of:

- Street or route:
- City:
- State:
- Zip code:

and legally described as follows ("Land"):
.....
.....
.....

Check here if all or part of the described real property is Registered (Torrens)

3. A copy of the notice of cancellation issued from the Minnesota Department of Public Safety Driver and Vehicle Services pursuant to Minnesota Statutes, section 168A.1412, subdivision 2 or 3, is attached.

4. The owner(s) of the Manufactured Home is/are the owner(s) of the Land.

5. The Affiant makes this affidavit to demonstrate that the Manufactured Home is an improvement to real property, no longer titled as personal property, and free of any personal property security interest.

Affiant

.....
(Signature)

Signed and sworn to (or affirmed) before me this day of,

Notary Stamp or Seal

.....
Signature of notarial officer Title (and Rank):

My commission expires:

This instrument was drafted by, and when recorded return to

.....

Subd. 6. **Notice of security interest.** When a perfected security interest exists, or will exist, on the manufactured home at the time the manufactured home is affixed to real property, and the owner has not satisfied the requirements of subdivision 1, the owner of the manufactured home, or its secured party, may record a notice with the county recorder, or with the registrar of titles, if the land is registered, stating that the manufactured home located on the property is encumbered by a perfected security interest and is not an improvement to real property. The notice must state the name and address of the secured party as set forth on the certificate of title, the legal description of the real property, and the name and address of the record fee owner of the real property on which the manufactured home is affixed. When the security interest is released or satisfied, the secured party must attach a copy of the release or satisfaction to a notice executed by the secured party containing the county recorder or registrar of titles document number of the notice of security interest. The notice of release or satisfaction must be recorded with the county recorder, or registrar of titles, if the land is registered. Neither the notice described in this subdivision nor the security interest on the certificate of title is deemed to be an encumbrance on the real property. The notices provided for in this subdivision need not be acknowledged.

Sec. 3. Minnesota Statutes 2020, section 273.125, subdivision 8, is amended to read:

Subd. 8. Manufactured homes; sectional structures. (a) In this section, "manufactured home" means a structure transportable in one or more sections, which is built on a permanent chassis, and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and contains the plumbing, heating, air conditioning, and electrical systems in it. Manufactured home includes any accessory structure that is an addition or supplement to the manufactured home and, when installed, becomes a part of the manufactured home.

(b) Except as provided in paragraph (c), a manufactured home that meets each of the following criteria must be valued and assessed as an improvement to real property, the appropriate real property classification applies, and the valuation is subject to review and the taxes payable in the manner provided for real property:

(1) the owner of the unit holds title to the land on which it is situated is held by: (i) the owner of the unit; or (ii) a Minnesota nonprofit corporation or a Minnesota cooperative to which the owner is a member;

(2) the unit is affixed to the land by a permanent foundation or is installed at its location in accordance with the Manufactured Home Building Code in sections 327.31 to 327.34, and rules adopted under those sections, or is affixed to the land like other real property in the taxing district; and

(3) the unit is connected to public utilities, has a well and septic tank system, or is serviced by water and sewer facilities comparable to other real property in the taxing district.

(c) A manufactured home that meets each of the following criteria must be assessed at the rate provided by the appropriate real property classification but must be treated as personal property, and the valuation is subject to review and the taxes payable in the manner provided in this section:

(1) the owner of the unit is a lessee of the land under the terms of a lease, or the unit is located in a manufactured home park but is not the homestead of the park owner;

(2) the unit is affixed to the land by a permanent foundation or is installed at its location in accordance with the Manufactured Home Building Code contained in sections 327.31 to 327.34, and the rules adopted under those sections, or is affixed to the land like other real property in the taxing district; and

(3) the unit is connected to public utilities, has a well and septic tank system, or is serviced by water and sewer facilities comparable to other real property in the taxing district.

(d) Sectional structures must be valued and assessed as an improvement to real property if the owner of the structure holds title to the land on which it is located or is a qualifying lessee of the land under section 273.19. In this paragraph "sectional structure" means a building or structural unit that has been in whole or substantial part manufactured or constructed at an off-site location to be wholly or partially assembled on site alone or with other units and attached to a permanent foundation.

(e) The commissioner of revenue may adopt rules under the Administrative Procedure Act to establish additional criteria for the classification of manufactured homes and sectional structures under this subdivision.

(f) A storage shed, deck, or similar improvement constructed on property that is leased or rented as a site for a manufactured home, sectional structure, park trailer, or travel trailer is taxable as provided in this section. In the case of property that is leased or rented as a site for a travel trailer, a storage shed, deck, or similar improvement on the site that is considered personal property under this paragraph is taxable only if its total estimated market value is over \$10,000. The property is taxable as personal property to the lessee of the site if it is not owned by the owner of the site. The property is taxable as real estate if it is owned by the owner of the site. As a condition of permitting the owner of the manufactured home, sectional structure, park trailer, or travel trailer to construct improvements on the leased or rented site, the owner of the site must obtain the permanent home address of the lessee or user of the site. The site owner must provide the name and address to the assessor upon request.

Sec. 4. **REVISOR INSTRUCTION.**

The revisor of statutes must change all cross-references to Minnesota Statutes, section 168A.141, to Minnesota Statutes, section 168A.1412.

Sec. 5. **REPEALER.**

Minnesota Statutes 2020, section 168A.141, is repealed.

ARTICLE 4
BONDING PROVISIONS

Section 1. Minnesota Statutes 2020, section 462A.37, is amended by adding a subdivision to read:

Subd. 2h. **Additional authorization.** (a) In addition to the amount authorized in subdivisions 2 to 2g, the agency may issue up to \$100,000,000 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged. Of this authorization, proceeds from the sale of bonds authorized in this section must be applied as follows unless modified under paragraph (b):

(1) \$18,333,000 for uses under subdivision 2, paragraph (a), clause (7); and

(2) \$15,000,000 for acquisition of manufactured home parks and for manufactured home park improvements and infrastructure under subdivision 2, paragraph (a), clause (4).

(b) The agency must use its best efforts to award grants and loans for the purposes allocated in paragraph (a), clauses (1) and (2). If the agency has not committed the full amount of the allocations by January 16, 2024, to the described purposes due to a lack of qualifying projects, the allocated amount may be applied to other purposes authorized in subdivision 2.

EFFECTIVE DATE. This section is effective January 16, 2022.

Sec. 2. Minnesota Statutes 2020, section 462A.37, subdivision 5, is amended to read:

Subd. 5. **Additional appropriation.** (a) The agency must certify annually to the commissioner of management and budget the actual amount of annual debt service on each series of bonds issued under this section.

(b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure bonds issued under subdivision 2a remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$6,400,000 annually. The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure bonds issued under subdivision 2b remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$800,000 annually. The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(d) Each July 15, beginning in 2019 and through 2040, if any housing infrastructure bonds issued under subdivision 2c remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$2,800,000 annually. The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(e) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure bonds issued under subdivision 2d remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(f) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure bonds issued under subdivision 2e remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(g) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure bonds issued under subdivision 2f remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(h) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure bonds issued under subdivision 2g remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(i) Each July 15, beginning in 2023 and through 2044, if any housing infrastructure bonds issued under subdivision 2h remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

⊕ (j) The agency may pledge to the payment of the housing infrastructure bonds the payments to be made by the state under this section.

Sec. 3. Minnesota Statutes 2020, section 474A.21, is amended to read:

474A.21 APPROPRIATION; RECEIPTS.

Any fees collected by the department under sections 474A.01 to 474A.21 must be deposited in a separate account in the ~~general~~ special revenue fund. The amount necessary to refund application deposits is appropriated to the department from the separate account in the ~~general~~ special revenue fund for that purpose. The interest accruing on application deposits and any application deposit not refunded as provided under section 474A.061, subdivision 4 or 7, or 474A.091, subdivision 5, or forfeited as provided under section 474A.131, subdivision 1, paragraph (b), or subdivision 2, must be deposited in the housing trust fund account under section 462A.201.

Sec. 4. **HOUSING POOL BONDING AUTHORITY APPLICATION DEPOSIT REFUND.**

Notwithstanding Minnesota Statutes, sections 474A.061, subdivisions 1a, paragraph (a), and 7; and 474A.21, due to the unique circumstances of the COVID-19 pandemic, issuers that returned all of their allocation of bonding authority from the 2020 housing pool shall receive a refund of the amount of the application deposit submitted with the issuer's 2020 housing pool application, less any amount previously refunded. Any application deposit money that has not yet been transferred under Minnesota Statutes, section 474A.21, as of the date of final enactment that is connected to full returns of bonding authority from the 2020 housing pool is not required to be deposited in the fund under Minnesota Statutes, section 462A.201; and the department may instead retain that money in the separate account in the special revenue fund under Minnesota Statutes, section 474A.21. The amount necessary to refund the application deposits under this section is appropriated to the department from the separate account in the special revenue fund under Minnesota Statutes, section 474A.21. For purposes of this section, "department" means the Department of Management and Budget.

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

Sec. 5. **ADJUSTMENT TO HOUSING INFRASTRUCTURE BOND AUTHORIZATION.**

(a) The housing infrastructure bond authorization in Minnesota Statutes, section 462A.37, subdivision 2h, is reduced by the amount of new federal funds appropriated and dedicated for loans and grants for the same purposes authorized in Minnesota Statutes, section 462A.37, subdivision 2, paragraph (a), or for any specific purpose that falls within one or more of the purposes authorized in Minnesota Statutes, section 462A.37, subdivision 2, paragraph (a), enacted by Congress as part of an infrastructure bill or other bill that is not the annual Transportation Housing and Urban Development appropriations bill between June 1, 2021, and December 31, 2021. The allocations in Minnesota Statutes, section 462A.37, subdivision 2h, paragraph (a), clauses (1) and (2), are reduced by the amount of federal funds that are appropriated for and dedicated to the purposes specified in Minnesota Statutes, section 462A.37, subdivision 2h, paragraph (a), clauses (1) and (2).

(b) The Minnesota Housing Finance Agency must report to the chairs and ranking minority members of the committees in the senate and the house of representatives with jurisdiction over housing policy and finance by January 15, 2022, as to the amount that the authorization and allocations in Minnesota Statutes, section 462A.37, subdivision 2h, are reduced under this section.

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

ARTICLE 5
EVICTION MORATORIUM PHASEOUT

Section 1. **EXECUTIVE ORDERS 20-14, 20-73, AND 20-79 VOID.**

Notwithstanding Minnesota Statutes, chapter 12, or any other law to the contrary, Executive Orders 20-14, 20-73, and 20-79 are null and void.

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

Sec. 2. **EVICTION MORATORIUM PHASEOUT.**

(a) For purposes of this section, a "COVID-19 emergency rental assistance program" means an emergency rental assistance program authorized under the federal Consolidated Appropriations Act, 2021, Public Law 116-260, or the federal American Rescue Plan Act, 2021, Public Law 117-2.

(b) Notwithstanding any law to the contrary, the following actions are prohibited:

(1) termination or nonrenewal of residential leases, except:

(i) at the request of a tenant or where the termination is due to the tenant seriously endangering the safety of others or significantly damaging property;

(ii) for violations under Minnesota Statutes, section 504B.171, subdivision 1;

(iii) for material violations of the lease other than nonpayment of rent; and

(iv) from and after 45 days after the date of enactment of this act, for those with outstanding rent who are ineligible for rental assistance through a COVID-19 emergency rental assistance program;

(2) filing of eviction actions under Minnesota Statutes, section 504B.285 or 504B.291, except:

(i) where the tenant seriously endangers the safety of others or significantly damages property;

(ii) for violations under Minnesota Statutes, section 504B.171, subdivision 1;

(iii) from and after 15 days after the date of enactment of this act, for material violations of the lease other than nonpayment of rent; and

(iv) from and after 75 days after the date of enactment of this act, for those with outstanding rent who are ineligible for rental assistance through a COVID-19 emergency rental assistance program;

(3) termination of a residential rental agreement or filing an eviction action under Minnesota Statutes, section 327C.09, except for terminations or eviction actions under Minnesota Statutes, section 327C.09, subdivision 3, or under Minnesota Statutes, section 327C.09, subdivision 5, if the case is based on the resident endangering the safety of other residents or park personnel; and

(4) delivery of default notices by owners of security interests in manufactured homes located in Minnesota pursuant to Minnesota Statutes, section 327.64. A secured party is also prohibited from commencing an action for a court order to remove an occupant from a manufactured home.

(c) Notwithstanding paragraph (b), a landlord may file an eviction action or proceed with an eviction action against a tenant:

(1) who is eligible for assistance through a COVID-19 emergency rental assistance program; and

(2) who refuses to apply for assistance through the program, refuses to provide information needed by the landlord to apply for assistance on the tenant's behalf, or refuses to provide the landlord with proof that the tenant applied for assistance through the program.

(d) Nothing in this section shall:

(1) prohibit an action where the tenant or occupant abandons the premises and relief is sought under Minnesota Statutes, section 504B.271 or 504B.365;

(2) reduce the rent owed by the tenant to the landlord, prevent the landlord from collecting rent owed, or reduce arrears owed by a tenant for rent; or

(3) prohibit a tenant who is ineligible for assistance through a COVID-19 emergency rental assistance program from applying for or obtaining rental assistance through other programs.

(e) This section expires 105 days after the date of enactment of this act.

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

Sec. 3. **COVID-19 EMERGENCY RENTAL ASSISTANCE NOTIFICATION.**

(a) At least 15 days prior to filing an eviction action against a tenant based on nonpayment of rent, a landlord must provide a written notice to the tenant with the following information:

(1) the state eviction moratorium has ended and the tenant may soon be subject to an eviction action;

(2) the total amount of rent past due; and

(3) a tenant should visit renthelpmn.org or call 211 to see if they are eligible for financial assistance.

(b) If the court finds that proper notice was not provided, the court may exercise discretion in staying an eviction proceeding until proper notice is provided.

(c) Where a landlord has substantially complied with this section, a lack of strict compliance with this section is not a defense to an action brought under Minnesota Statutes, chapter 504B, and shall not constitute grounds for dismissal of such an action.

(d) This section expires 105 days after the date of enactment of this act.

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

Sec. 4. **EVICCTIONS; PENDING APPLICATIONS FOR RENTAL ASSISTANCE.**

Notwithstanding any law to the contrary, including section 2, the filing of an eviction action or proceeding with an eviction action based on nonpayment of rent against a tenant with a pending application for assistance through an emergency rental assistance program authorized under the federal Consolidated Appropriations Act, 2021, Public

Law 116-260, or the federal American Rescue Plan Act, 2021, Public Law 117-2, is prohibited. If the tenant reasonably has access to the information, the tenant must provide the landlord or court with proof of a pending application and reason for a delay, if any, in processing the tenant's application. This section expires June 1, 2022.

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

ARTICLE 6
TASK FORCE ON SHELTER

Section 1. **TASK FORCE ON SHELTER.**

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

(b) "Director" means the state director of the Minnesota Interagency Council on Homelessness.

(c) "Homeless" or "homelessness" means lacking a fixed, regular, and adequate nighttime residence.

(d) "Resident" means a person residing in a shelter, including all members of a family unit.

(e) "Shelter" means an indoor sleeping and sanitary dwelling, whether in a fixed or rotating location, intended for individuals and families experiencing homelessness, provided by a unit of government, a nonprofit organization, or a place of worship.

Subd. 2. **Establishment.** A task force on shelter is established to:

(1) develop standards for the provision of shelter; and

(2) examine the need for, and the feasibility and cost of, establishing state oversight of shelter.

Subd. 3. **Membership.** (a) The task force consists of the following 24 members appointed by the director:

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

(2) the commissioner of corrections, or a designee;

(3) the commissioner of health, or a designee;

(4) the commissioner of public safety, or a designee;

(5) the commissioner of transportation, or a designee;

(6) the commissioner of veterans affairs, or a designee;

(7) three public members who have experienced homelessness and resided in a shelter, at least one of whom has resided in a shelter in greater Minnesota;

(8) one public member who has experienced homelessness and chose to remain unsheltered;

(9) one representative of Street Voices of Change;

(10) one representative of Freedom from the Streets;

(11) two representatives from organizations that advocate on behalf of persons with disabilities;

(12) one representative from an organization that advocates on behalf of persons experiencing homelessness;

(13) one representative from an organization that provides legal services to persons experiencing homelessness;

(14) four representatives of organizations representing shelter providers, two of which must provide shelter in the seven-county metropolitan area, two of which must provide shelter in greater Minnesota, one of which must also provide shelter to families, and one of which must also be a victim service provider that is funded to provide shelter to survivors of domestic violence and sexual assault;

(15) two representatives from cities, one representing a metropolitan city and the other representing a city in greater Minnesota; and

(16) two representatives from counties, one representing a metropolitan county and the other representing a county in greater Minnesota.

(b) Appointments must be made no later than August 1, 2021.

(c) Task force members shall serve without compensation, except for public members. Members eligible for compensation shall receive expenses as provided in Minnesota Statutes, section 15.059, subdivision 6.

(d) Vacancies shall be filled by the director consistent with the qualifications of the vacating member required by this subdivision.

Subd. 4. **Meetings; officers.** (a) The director shall convene the first meeting of the task force no later than August 15, 2021, and shall provide physical or virtual meeting space as necessary for the task force to conduct its work.

(b) At its first meeting, the task force shall elect a chair and vice-chair from among the task force members and may elect other officers as necessary.

(c) The task force shall meet at least once every two months.

(d) Meetings of the task force are subject to Minnesota Statutes, chapter 13D.

Subd. 5. **Duties.** The task force must:

(1) examine existing shelter policies and practices in shelters of all types, including shelter in the seven-county metropolitan area, suburbs, and greater Minnesota, and shelter for single adults, families, and survivors of domestic violence;

(2) engage stakeholders, which include but are not limited to:

(i) shelter providers;

(ii) people who have experienced homelessness and resided in shelter;

(iii) relevant state and local agencies; and

(iv) other persons or organizations with expertise in homelessness; and

(3) make recommendations to the legislature regarding standards that will strengthen the shelter system and ensure that shelters have the ability and resources to provide safe and appropriate shelter services to those who need them.

Subd. 6. **Administrative support.** The Minnesota Housing Finance Agency must provide administrative support and meeting space for the task force.

Subd. 7. **Report.** (a) No later than February 1, 2022, the task force shall submit an initial report to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over housing and preventing homelessness on its findings and recommendations.

(b) No later than August 31, 2022, the task force shall submit a final report to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over housing and preventing homelessness on its findings and recommendations.

Subd. 8. **Expiration.** The task force expires the day following submission of the final report under subdivision 7.

EFFECTIVE DATE. This section is effective July 1, 2021."

Delete the title and insert:

"A bill for an act relating to state government; establishing a budget for the Minnesota Housing Finance Agency; modifying various housing policy provisions; expanding requirements and uses of housing infrastructure bonds and rehabilitation loans; expanding accommodation requirements for service and support animals; expanding property ownership options to owners of manufactured homes; providing for an eviction moratorium phaseout; establishing a task force on shelter; making technical and conforming changes; requiring a report; appropriating money; amending Minnesota Statutes 2020, sections 12A.09, subdivision 3; 256C.02; 273.11, subdivision 12; 273.125, subdivision 8; 326B.106, subdivision 7; 363A.09, subdivision 5; 462A.05, subdivisions 14, 14a; 462A.07, subdivision 2; 462A.30, subdivision 9; 462A.37, subdivision 5, by adding a subdivision; 474A.21; proposing coding for new law in Minnesota Statutes, chapters 168A; 504B; repealing Minnesota Statutes 2020, section 168A.141."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1 and 4 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Franke, Jurgens and West introduced:

H. F. No. 49, A bill for an act relating to labor and industry; requiring outside contractors to have specific training to perform work at petroleum refineries; amending Minnesota Statutes 2020, section 177.27, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor, Industry, Veterans and Military Affairs Finance and Policy.

Gruenhagen introduced:

H. F. No. 50, A bill for an act relating to family law; amending grandparent visitation rights; amending Minnesota Statutes 2020, section 257C.08, subdivisions 1, 2, 3; repealing Minnesota Statutes 2020, section 257C.08, subdivision 7.

The bill was read for the first time and referred to the Committee on Judiciary Finance and Civil Law.

MOTIONS AND RESOLUTIONS

Bahr moved that the name of Heinrich be added as an author on H. F. No. 28. The motion prevailed.

Nash moved that the name of Munson be added as an author on H. F. No. 37. The motion prevailed.

Lueck moved that the name of Bliss be added as an author on H. F. No. 41. The motion prevailed.

TAKEN FROM THE TABLE

Winkler moved that H. F. No. 7 be taken from the table. The motion prevailed.

H. F. No. 7 was again reported to the House.

LAY ON THE TABLE

Winkler moved that the pending O'Neill motion offered on Friday, June 18, 2021 that H. F. No. 7 be re-referred to the Committee on Higher Education Finance and Policy be laid on the table. The motion prevailed.

Bernardy moved to amend H. F. No. 7 as follows:

Page 10, line 23, delete "43" and insert "42"

O'Neill moved to amend the Bernardy amendment to H. F. No. 7 as follows:

Page 1, after line 2, insert:

"Page 10, delete subdivision 42"

A roll call was requested and properly seconded.

The Speaker called Vang to the Chair.

Speaker pro tempore Vang called Carlson to the Chair.

The question was taken on the O'Neill amendment to the Bernardy amendment and the roll was called. There were 60 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Akland	Bennett	Daudt	Franson	Haley	Igo
Albright	Bliss	Demuth	Garofalo	Hamilton	Johnson
Anderson	Boe	Dettmer	Green	Heinrich	Jurgens
Backer	Burkel	Drazkowski	Grossell	Heintzeman	Kiel
Bahr	Daniels	Erickson	Gruenhagen	Hertaus	Koznick

Kresha	Miller	Neu Brindley	Petersburg	Raleigh	Swedzinski
Lucero	Mortenson	Novotny	Pfarr	Rasmusson	Theis
Lueck	Mueller	O'Driscoll	Pierson	Robbins	Torkelson
McDonald	Nash	Olson, B.	Poston	Schomacker	Urdahl
Mekeland	Nelson, N.	O'Neill	Quam	Scott	West

Those who voted in the negative were:

Acomb	Edelson	Hausman	Liebling	Nelson, M.	Thompson
Agbaje	Elkins	Her	Lillie	Noor	Vang
Bahner	Feist	Hollins	Lippert	Olson, L.	Wazlawik
Becker-Finn	Fischer	Hornstein	Lislegard	Pelowski	Winkler
Berg	Frazier	Howard	Long	Pinto	Wolgamott
Bernardy	Frederick	Huot	Mariani	Pryor	Xiong, J.
Bierman	Freiberg	Jordan	Marquart	Reyer	Xiong, T.
Boldon	Gomez	Keeler	Masin	Richardson	Youakim
Carlson	Greenman	Klevorn	Moller	Sandell	Spk. Hortman
Christensen	Hansen, R.	Koegel	Moran	Sandstede	
Davnie	Hanson, J.	Kotyza-Witthuhn	Morrison	Stephenson	
Ecklund	Hassan	Lee	Murphy	Sundin	

The motion did not prevail and the amendment to the amendment was not adopted.

The question recurred on the Bernardy amendment to H. F. No. 7. The motion prevailed and the amendment was adopted.

LAY ON THE TABLE

Winkler moved that H. F. No. 7, as amended, be laid on the table. The motion prevailed.

TAKEN FROM THE TABLE

Winkler moved that H. F. No. 13 be taken from the table. The motion prevailed.

H. F. No. 13 was reported to the House.

Green moved to amend H. F. No. 13 as follows:

Page 28, after line 8, insert:

"Subd. 10. Eminent Domain

A watershed district may not use the power of eminent domain to acquire land for a water retention project funded with money appropriated under this section."

Renumber the subdivisions in sequence

Page 42, after line 19, insert:

"Subd. 4. **Eminent Domain**

A watershed district may not use the power of eminent domain to acquire land for a water retention project funded with money appropriated under this section."

A roll call was requested and properly seconded.

Marquart was excused between the hours of 4:00 p.m. and 8:00 p.m.

The question was taken on the Green amendment and the roll was called. There were 60 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Akland	Daudt	Haley	Kresha	Neu Brindley	Raleigh
Albright	Demuth	Hamilton	Lucero	Novotny	Rasmusson
Anderson	Dettmer	Heinrich	Lueck	O'Driscoll	Robbins
Backer	Drazkowski	Heintzeman	McDonald	Olson, B.	Schomacker
Bahr	Erickson	Hertaus	Mekeland	O'Neill	Scott
Bennett	Franson	Igo	Miller	Petersburg	Swedzinski
Bliss	Garofalo	Johnson	Mortenson	Pfarr	Theis
Boe	Green	Jurgens	Mueller	Pierson	Torkelson
Burkel	Grossell	Kiel	Nash	Poston	Urdahl
Daniels	Gruenhagen	Koznick	Nelson, N.	Quam	West

Those who voted in the negative were:

Acomb	Edelson	Hausman	Liebling	Olson, L.	Wazlawik
Agbaje	Elkins	Her	Lillie	Pelowski	Winkler
Bahner	Feist	Hollins	Lippert	Pinto	Wolgamott
Becker-Finn	Fischer	Hornstein	Lislegard	Pryor	Xiong, J.
Berg	Frazier	Howard	Long	Reyer	Xiong, T.
Bernardy	Frederick	Huot	Mariani	Richardson	Youakim
Bierman	Freiberg	Jordan	Masin	Sandell	Spk. Hortman
Boldon	Gomez	Keeler	Moller	Sandstede	
Carlson	Greenman	Klevorn	Morrison	Stephenson	
Christensen	Hansen, R.	Koegel	Murphy	Sundin	
Davnie	Hanson, J.	Kotyza-Witthuhn	Nelson, M.	Thompson	
Ecklund	Hassan	Lee	Noor	Vang	

The motion did not prevail and the amendment was not adopted.

Lueck moved to amend H. F. No. 13 as follows:

Page 4, line 2, delete "permanent"

Page 5, line 17, delete "permanent"

Page 5, line 30, delete "permanent"

Page 6, line 1, delete "permanent"

Page 6, line 12, delete "permanent"

Page 7, line 8, delete "permanent"

Page 7, line 33, delete "permanent"

Page 8, line 5, delete "permanent"

Page 9, line 1, delete "permanent"

Page 9, line 15, delete "permanent"

Page 10, line 10, delete "permanent"

Page 10, line 25, delete "permanent"

Page 11, line 6, delete "permanent"

Page 11, line 14, delete "permanent"

Page 11, line 24, delete "permanent"

Page 13, line 16, delete "permanent"

Page 13, line 23, delete "permanent"

Page 13, line 31, delete "permanent"

Page 13, line 33, delete "permanently protected"

Page 14, line 14, delete "permanent"

Page 14, line 21, delete "permanent"

Page 15, line 3, delete "permanent"

Page 15, line 17, delete "permanent"

Page 15, line 28, delete "permanent"

Page 15, line 35, delete "permanent"

Page 16, line 16, delete "permanent"

Page 16, line 23, delete "permanent"

Page 16, line 31, delete "permanent"

Page 17, line 4, delete "permanent"

Page 17, line 21, delete "permanent"

Page 17, line 36, delete "permanent"

Page 18, line 8, delete "permanent"

Page 18, line 23, delete "permanent"

Page 18, line 33, delete "permanent"

Page 19, line 4, delete "permanent"

Page 19, line 10, delete "permanent"

Page 19, line 17, delete "permanent"

Page 19, line 29, delete "permanent"

Page 21, line 18, delete "permanent"

Page 22, line 30, delete everything before "Grants"

Page 28, after line 8, insert:

"Subd. 10. Conservation Easements

Notwithstanding Minnesota Statutes, section 97A.056, subdivision 13, paragraph (a), the duration of a conservation easement acquired with money appropriated in this section may not exceed 15 years."

Renumber the subdivisions in sequence

The motion did not prevail and the amendment was not adopted.

Green moved to amend H. F. No. 13 as follows:

Page 97, delete lines 21 to 26

Page 97, line 27, delete "(d)" and insert "(c)"

Page 99, line 33, delete everything after the period

Page 99, delete lines 34 and 35

Page 100, delete lines 1 to 8

The motion did not prevail and the amendment was not adopted.

Speaker pro tempore Carlson called Vang to the Chair.

Neu Brindley moved to amend H. F. No. 13 as follows:

Page 99, line 33, after the period, insert "Of this amount, \$500,000 in the first year is for a book on the use of emergency powers in Minnesota during the COVID-19 pandemic and \$500,000 in the first year is for a book on the history of Minnesota's reinsurance program."

Page 104, line 20, after the period, insert "Of this amount, \$750,000 in the first year is to produce a documentary on the use of emergency powers in Minnesota during the COVID-19 pandemic and \$750,000 in the first year is to produce a documentary on Minnesota's reinsurance program."

Winkler moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by Speaker pro tempore Vang.

MOTIONS AND RESOLUTIONS, Continued

The question recurred on the Neu Brindley amendment to H. F. No. 13. The motion did not prevail and the amendment was not adopted.

H. F. No. 13, A bill for an act relating to state government; appropriating money from outdoor heritage, clean water, parks and trails, and arts and cultural heritage funds; modifying and extending prior appropriations; modifying restrictions on using money from outdoor heritage fund; modifying joint exercise of powers provisions; requiring reports; amending Minnesota Statutes 2020, sections 97A.056, subdivision 9; 471.59, subdivision 1; Laws 2017, chapter 91, article 2, sections 3; 5; 6; 8; Laws 2019, First Special Session chapter 2, article 2, sections 3; 4; 5; 6; 7; 8; 9; article 4, section 2, subdivision 6; Laws 2020, chapter 104, article 1, section 2, subdivision 5.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 90 yeas and 39 nays as follows:

Those who voted in the affirmative were:

Acomb	Bernardy	Dettmer	Frazier	Heintzeman	Keeler
Agbaje	Bierman	Ecklund	Frederick	Hollins	Klevorn
Akland	Boe	Edelson	Freiberg	Hornstein	Koegel
Anderson	Boldon	Elkins	Gomez	Howard	Kotzya-Witthuhn
Bahner	Carlson	Feist	Greenman	Huot	Koznick
Becker-Finn	Christensen	Fischer	Hansen, R.	Igo	Lee
Bennett	Daniels	Franke	Hanson, J.	Jordan	Liebling
Berg	Davnie	Franson	Hausman	Jurgens	Lillie

Lippert	Moller	Olson, B.	Reyer	Sundin	West
Lislegard	Moran	Olson, L.	Richardson	Theis	Winkler
Long	Morrison	Pelowski	Robbins	Thompson	Wolgamott
Lueck	Mueller	Petersburg	Sandell	Torkelson	Xiong, J.
Mariani	Murphy	Pinto	Sandstede	Urdahl	Xiong, T.
Marquart	Nelson, M.	Pryor	Schultz	Vang	Youakim
Masin	Noor	Raleigh	Stephenson	Wazlawik	Spk. Hortman

Those who voted in the negative were:

Albright	Drazkowski	Hamilton	McDonald	Neu Brindley	Rasmusson
Backer	Erickson	Heinrich	Mekeland	Novotny	Schomacker
Bahr	Garofalo	Hertaus	Miller	O'Driscoll	Scott
Bliss	Green	Johnson	Mortenson	O'Neill	Swedzinski
Burkel	Grossell	Kiel	Munson	Pfarr	
Daudt	Gruenhagen	Kresha	Nash	Poston	
Demuth	Haley	Lucero	Nelson, N.	Quam	

The bill was passed and its title agreed to.

TAKEN FROM THE TABLE

Winkler moved that H. F. No. 8 be taken from the table. The motion prevailed.

H. F. No. 8 was again reported to the House.

Anderson withdrew his pending motion offered on Friday, June 18, 2021 that H. F. No. 8 be re-referred to the Committee on Agriculture Finance and Policy.

H. F. No. 8, A bill for an act relating to agriculture; establishing a budget for the Department of Agriculture, the Board of Animal Health, the Agricultural Utilization Research Institute, and the Office of Broadband Development; creating a program and an account; requiring reports; appropriating money; amending Minnesota Statutes 2020, section 17.055, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 32D.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 112 yeas and 20 nays as follows:

Those who voted in the affirmative were:

Acomb	Bernardy	Demuth	Frazier	Hassan	Jordan
Agbaje	Bierman	Dettmer	Frederick	Hausman	Jurgens
Akland	Bliss	Ecklund	Freiberg	Her	Keeler
Albright	Boe	Edelson	Gomez	Hertaus	Kiel
Anderson	Boldon	Elkins	Greenman	Hollins	Klevorn
Backer	Burkel	Erickson	Gruenhagen	Hornstein	Koegel
Bahner	Carlson	Feist	Haley	Howard	Kotyza-Witthuhn
Becker-Finn	Christensen	Fischer	Hamilton	Huot	Koznick
Bennett	Daniels	Franke	Hansen, R.	Igo	Lee
Berg	Davnie	Franson	Hanson, J.	Johnson	Liebling

Lillie	Miller	Noor	Poston	Stephenson	West
Lippert	Moller	O'Driscoll	Pryor	Sundin	Winkler
Lislegard	Moran	Olson, B.	Raleigh	Swedzinski	Wolgamott
Long	Morrison	Olson, L.	Reyer	Theis	Xiong, J.
Lueck	Mueller	Pelowski	Richardson	Thompson	Xiong, T.
Mariani	Murphy	Petersburg	Sandell	Torkelson	Youakim
Marquart	Nash	Pfarr	Sandstede	Urdahl	Spk. Hortman
Masin	Nelson, M.	Pierson	Schomacker	Vang	
McDonald	Nelson, N.	Pinto	Schultz	Wazlawik	

Those who voted in the negative were:

Bahr	Green	Kresha	Munson	Quam
Daudt	Grossell	Lucero	Neu Brindley	Rasmusson
Drazkowski	Heinrich	Mekeland	Novotny	Robbins
Garofalo	Heintzeman	Mortenson	O'Neill	Scott

The bill was passed and its title agreed to.

TAKEN FROM THE TABLE

Winkler moved that H. F. No. 7, as amended, be taken from the table. The motion prevailed.

H. F. No. 7, as amended, was again reported to the House.

Scott moved to amend H. F. No. 7, as amended, as follows:

Page 10, delete subdivision 39

Renumber the subdivisions in sequence and correct the internal references

Page 16, line 9, delete "621,968,000" and insert "622,468,000" and delete "621,968,000" and insert "622,468,000"

Adjust amounts accordingly

Page 17, line 18, delete "\$620,818,000" and insert "\$621,318,000"

Page 17, after line 18, insert:

"(g) \$500,000 in fiscal year 2022 and \$500,000 in fiscal year 2023 are for safety and security improvements on the University of Minnesota, Twin Cities campus."

Page 65, delete section 42

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Scott amendment and the roll was called. There were 62 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Akland	Demuth	Hamilton	Lueck	O'Driscoll	Schomacker
Albright	Dettmer	Heinrich	McDonald	Olson, B.	Scott
Anderson	Drazkowski	Heintzeman	Mekeland	O'Neill	Swedzinski
Backer	Erickson	Hertaus	Miller	Petersburg	Theis
Bahr	Franke	Igo	Mortenson	Pfarr	Torkelson
Bennett	Franson	Johnson	Mueller	Pierson	Urdahl
Bliss	Garofalo	Jurgens	Munson	Poston	West
Boe	Green	Kiel	Nash	Quam	
Burkel	Grossell	Koznick	Nelson, N.	Raleigh	
Daniels	Gruenhagen	Kresha	Neu Brindley	Rasmusson	
Daudt	Haley	Lucero	Novotny	Sandstede	

Those who voted in the negative were:

Acomb	Edelson	Her	Lillie	Noor	Vang
Agbaje	Elkins	Hollins	Lippert	Olson, L.	Wazlawik
Bahner	Feist	Hornstein	Lislegard	Pelowski	Winkler
Becker-Finn	Fischer	Howard	Long	Pinto	Wolgamott
Berg	Frazier	Huot	Mariani	Pryor	Xiong, J.
Bernardy	Frederick	Jordan	Marquart	Reyer	Xiong, T.
Bierman	Freiberg	Keeler	Masin	Richardson	Youakim
Boldon	Gomez	Klevorn	Moller	Sandell	Spk. Hortman
Carlson	Greenman	Koegel	Moran	Schultz	
Christensen	Hansen, R.	Kotyza-Witthuhn	Morrison	Stephenson	
Davnie	Hanson, J.	Lee	Murphy	Sundin	
Ecklund	Hausman	Liebling	Nelson, M.	Thompson	

The motion did not prevail and the amendment was not adopted.

Novotny offered an amendment to H. F. No. 7, as amended.

Speaker pro tempore Vang called Carlson to the Chair.

POINT OF ORDER

Wolgamott raised a point of order pursuant to rule 4.05, relating to Amendment Limits, that the Novotny amendment was not in order. Speaker pro tempore Carlson ruled the point of order well taken and the Novotny amendment out of order.

Daudt appealed the decision of Speaker pro tempore Carlson.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of Speaker pro tempore Carlson stand as the judgment of the House?" and the roll was called. There were 69 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Acomb	Edelson	Hausman	Liebling	Noor	Thompson
Agbaje	Elkins	Her	Lillie	Olson, L.	Vang
Bahner	Feist	Hollins	Lippert	Pelowski	Wazlawik
Becker-Finn	Fischer	Hornstein	Long	Pinto	Winkler
Berg	Frazier	Howard	Mariani	Pryor	Wolgamott
Bernardy	Frederick	Huot	Marquart	Reyer	Xiong, J.
Bierman	Freiberg	Jordan	Masin	Richardson	Xiong, T.
Boldon	Gomez	Keeler	Moller	Sandell	Youakim
Carlson	Greenman	Klevorn	Moran	Sandstede	Spk. Hortman
Christensen	Hansen, R.	Koegel	Morrison	Schultz	
Davnie	Hanson, J.	Kotyza-Witthuhn	Murphy	Stephenson	
Ecklund	Hassan	Lee	Nelson, M.	Sundin	

Those who voted in the negative were:

Akland	Demuth	Hamilton	Lueck	O'Driscoll	Schomacker
Albright	Dettmer	Heinrich	McDonald	Olson, B.	Scott
Anderson	Drazkowski	Heintzeman	Mekeland	O'Neill	Swedzinski
Backer	Erickson	Hertaus	Miller	Petersburg	Theis
Bahr	Franke	Igo	Mortenson	Pfarr	Torkelson
Bennett	Franson	Johnson	Mueller	Pierson	Urdahl
Bliss	Garofalo	Jurgens	Munson	Poston	West
Boe	Green	Kiel	Nash	Quam	
Burkel	Grossell	Koznick	Nelson, N.	Raleigh	
Daniels	Gruenhagen	Kresha	Neu Brindley	Rasmusson	
Daudt	Haley	Lucero	Novotny	Robbins	

So it was the judgment of the House that the decision of Speaker pro tempore Carlson should stand.

Johnson moved to amend H. F. No. 7, as amended, as follows:

Page 17, after line 18, insert:

"(g) The appropriation in this subdivision for fiscal year 2022 and fiscal year 2023 is not available unless and until the Board of Regents of the University of Minnesota certifies to the commissioner of management and budget that the university has not reduced the number of officers at the University of Minnesota Police Department."

A roll call was requested and properly seconded.

The question was taken on the Johnson amendment and the roll was called. There were 61 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Akland	Bennett	Daudt	Franke	Gruenhagen	Hertaus
Albright	Bliss	Demuth	Franson	Haley	Igo
Anderson	Boe	Dettmer	Garofalo	Hamilton	Johnson
Backer	Burkel	Drazkowski	Green	Heinrich	Jurgens
Bahr	Daniels	Erickson	Grossell	Heintzeman	Kiel

Koznick	Miller	Novotny	Pierson	Schomacker	West
Kresha	Mueller	O'Driscoll	Poston	Scott	
Lucero	Munson	Olson, B.	Quam	Swedzinski	
Lueck	Nash	O'Neill	Raleigh	Theis	
McDonald	Nelson, N.	Petersburg	Rasmusson	Torkelson	
Mekeland	Neu Brindley	Pfarr	Robbins	Urdahl	

Those who voted in the negative were:

Acomb	Edelson	Hausman	Liebling	Nelson, M.	Thompson
Agbaje	Elkins	Her	Lillie	Noor	Vang
Bahner	Feist	Hollins	Lippert	Olson, L.	Wazlawik
Becker-Finn	Fischer	Hornstein	Lislegard	Pelowski	Winkler
Berg	Frazier	Howard	Long	Pinto	Wolgamott
Bernardy	Frederick	Huot	Mariani	Pryor	Xiong, J.
Bierman	Freiberg	Jordan	Marquart	Reyer	Xiong, T.
Boldon	Gomez	Keeler	Masin	Richardson	Youakim
Carlson	Greenman	Klevorn	Moller	Sandell	Spk. Hortman
Christensen	Hansen, R.	Koegel	Moran	Sandstede	
Davnie	Hanson, J.	Kotyza-Witthuhn	Morrison	Schultz	
Ecklund	Hassan	Lee	Murphy	Stephenson	

The motion did not prevail and the amendment was not adopted.

Lucero moved to amend H. F. No. 7, as amended, as follows:

Page 2, line 22, delete "100,000" and insert "145,000" and delete "100,000" and insert "145,000"

Page 3, delete subdivision 12

Renumber the subdivisions in sequence and correct the internal references

A roll call was requested and properly seconded.

The question was taken on the Lucero amendment and the roll was called.

Pursuant to rule 2.05, Mariani was excused from voting on the Lucero amendment to H. F. No. 7, as amended.

There were 61 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Akland	Demuth	Hamilton	Lueck	Olson, B.	Scott
Albright	Dettmer	Heinrich	McDonald	O'Neill	Swedzinski
Anderson	Drazkowski	Heintzeman	Mekeland	Petersburg	Theis
Backer	Erickson	Hertaus	Miller	Pfarr	Torkelson
Bahr	Franke	Igo	Mueller	Pierson	Urdahl
Bennett	Franson	Johnson	Munson	Poston	West
Bliss	Garofalo	Jurgens	Nash	Quam	
Boe	Green	Kiel	Nelson, N.	Raleigh	
Burkel	Grossell	Koznick	Neu Brindley	Rasmusson	
Daniels	Gruenhagen	Kresha	Novotny	Robbins	
Daudt	Haley	Lucero	O'Driscoll	Schomacker	

Those who voted in the negative were:

Acomb	Edelson	Hausman	Liebling	Noor	Thompson
Agbaje	Elkins	Her	Lillie	Olson, L.	Vang
Bahner	Feist	Hollins	Lippert	Pelowski	Wazlawik
Becker-Finn	Fischer	Hornstein	Lislegard	Pinto	Winkler
Berg	Frazier	Howard	Long	Pryor	Wolgamott
Bernardy	Frederick	Huot	Marquart	Reyer	Xiong, J.
Bierman	Freiberg	Jordan	Masin	Richardson	Xiong, T.
Boldon	Gomez	Keeler	Moller	Sandell	Youakim
Carlson	Greenman	Klevorn	Moran	Sandstede	Spk. Hortman
Christensen	Hansen, R.	Koegel	Morrison	Schultz	
Davnie	Hanson, J.	Kotzya-Witthuhn	Murphy	Stephenson	
Ecklund	Hassan	Lee	Nelson, M.	Sundin	

The motion did not prevail and the amendment was not adopted.

H. F. No. 7, A bill for an act relating to higher education; providing funding and policy changes for the Office of Higher Education, Minnesota State Colleges and Universities, the University of Minnesota, and the Mayo Clinic; creating and modifying certain student aid programs; restricting limitations on student access to transcripts; modifying certain school accountability provisions; expanding the hunger-free campus designation; establishing a pilot project; requiring reports; appropriating money; amending Minnesota Statutes 2020, sections 136A.101, subdivision 5a; 136A.121, subdivisions 2, 6, 9; 136A.123, subdivision 1; 136A.125, subdivisions 2, 4; 136A.126, subdivisions 1, 4; 136A.1275; 136A.1704; 136A.1791; 136A.246, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, by adding a subdivision; 136A.63, subdivision 2; 136A.645; 136A.653, subdivision 5; 136A.675; 136A.68; 136A.822, subdivision 12; 136A.8225; 136A.823, by adding a subdivision; 136A.827, subdivisions 4, 8; 136F.20, by adding a subdivision; 136F.245; 136F.305; 136F.38, subdivision 3; Laws 2014, chapter 312, article 1, section 4, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 136A; 136F; repealing Minnesota Statutes 2020, sections 136A.1703; 136A.823, subdivision 2; 136F.245, subdivision 3; Minnesota Rules, parts 4830.9050; 4830.9060; 4830.9070; 4830.9080; 4830.9090.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Pursuant to rule 2.05, Mariani was excused from voting on final passage of H. F. No. 7, as amended.

There were 71 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Acomb	Edelson	Hassan	Kotzya-Witthuhn	Morrison	Stephenson
Agbaje	Elkins	Hausman	Koznick	Murphy	Sundin
Bahner	Feist	Her	Lee	Nelson, M.	Thompson
Becker-Finn	Fischer	Hollins	Liebling	Noor	Vang
Berg	Franke	Hornstein	Lillie	Pelowski	Wazlawik
Bernardy	Frazier	Howard	Lippert	Pinto	Winkler
Bierman	Frederick	Huot	Lislegard	Pryor	Wolgamott
Boldon	Freiberg	Jordan	Long	Reyer	Xiong, J.
Carlson	Gomez	Jurgens	Marquart	Richardson	Xiong, T.
Christensen	Greenman	Keeler	Masin	Sandell	Youakim
Davnie	Hansen, R.	Klevorn	Moller	Sandstede	Spk. Hortman
Ecklund	Hanson, J.	Koegel	Moran	Schultz	

Those who voted in the negative were:

Akland	Daudt	Haley	Lueck	O'Driscoll	Schomacker
Albright	Demuth	Hamilton	McDonald	Olson, B.	Scott
Anderson	Dettmer	Heinrich	Mekeland	O'Neill	Swedzinski
Backer	Drazkowski	Heintzeman	Miller	Petersburg	Theis
Bahr	Erickson	Hertaus	Mueller	Pfarr	Torkelson
Bennett	Franson	Igo	Munson	Poston	Urdahl
Bliss	Garofalo	Johnson	Nash	Quam	West
Boe	Green	Kiel	Nelson, N.	Raleigh	
Burkel	Grossell	Kresha	Neu Brindley	Rasmusson	
Daniels	Gruenhagen	Lucero	Novotny	Robbins	

The bill was passed, as amended, and its title agreed to.

ADJOURNMENT

Winkler moved that when the House adjourns today it adjourn until 10:00 a.m., Monday, June 21, 2021. The motion prevailed.

Winkler moved that the House adjourn. The motion prevailed, and Speaker pro tempore Carlson declared the House stands adjourned until 10:00 a.m., Monday, June 21, 2021.

PATRICK D. MURPHY, Chief Clerk, House of Representatives

