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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

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The bill was read for the first time and referred to the Higher Education and Work Force Development Policy and Finance  
Division

A bill for an act

relating to economic development; amending scope of the Minnesota investment  
fund to promote environmentally safe production and products; amending  
Minnesota Statutes 2006, section 116J.8731, subdivisions 1, 4.

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

Section 1. Minnesota Statutes 2006, section 116J.8731, subdivision 1, is amended to  
read:

Subdivision 1. **Purpose.** The Minnesota investment fund is created to provide  
financial assistance, through partnership with communities, for the creation of new  
employment or to maintain existing employment, and for business start-up, expansions,  
and retention. It shall accomplish these goals by the following means:

(1) creation or retention of permanent private-sector jobs in order to create  
above-average economic growth consistent with environmental protection, which includes  
investments in technology and equipment that increase productivity and provide for a  
higher wage;

(2) stimulation or leverage of private investment to ensure economic renewal and  
competitiveness;

(3) increasing the local tax base, based on demonstrated measurable outcomes, to  
guarantee a diversified industry mix;

(4) improving the quality of existing jobs, based on increases in wages or  
improvements in the job duties, training, or education associated with those jobs;

(5) improvement of employment and economic opportunity for citizens in the region  
to create a reasonable standard of living, consistent with federal and state guidelines  
on low- to moderate-income persons; ~~and~~

2.1 (6) stimulation of productivity growth through improved manufacturing or new  
 2.2 technologies, including cold weather testing; and

2.3 (7) promoting businesses that convert to manufacturing environmentally safe  
 2.4 production and products.

2.5 Sec. 2. Minnesota Statutes 2006, section 116J.8731, subdivision 4, is amended to read:

2.6 Subd. 4. **Eligible projects.** Assistance must be evaluated on the existence of the  
 2.7 following conditions:

2.8 (1) creation of new jobs, retention of existing jobs, or improvements in the quality of  
 2.9 existing jobs as measured by the wages, skills, or education associated with those jobs;

2.10 (2) increase in the tax base;

2.11 (3) the project can demonstrate that investment of public dollars induces private  
 2.12 funds;

2.13 (4) the project can demonstrate an excessive public infrastructure or improvement  
 2.14 cost beyond the means of the affected community and private participants in the project;

2.15 (5) the project provides higher wage levels to the community or will add value to  
 2.16 current workforce skills;

2.17 (6) the project encourages environmentally safe production and products;

2.18 (7) whether assistance is necessary to retain existing business; and

2.19 ~~(7)~~ (8) whether assistance is necessary to attract out-of-state business.

2.20 A grant or loan cannot be made based solely on a finding that the conditions in  
 2.21 clause ~~(6) or (7) or (8)~~ exist. A finding must be made that a condition in clause (1), (2),  
 2.22 (3), (4), ~~or (5), or (6)~~ also exists.

2.23 Applications recommended for funding shall be submitted to the commissioner.