

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

**S.F. No. 5224**

(SENATE AUTHORS: DRAHEIM)

DATE  
03/25/2024

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Introduction and first reading  
Referred to Jobs and Economic Development

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to economic development; requiring consultation and reports on grants  
1.3 that exceed a certain dollar threshold; amending Minnesota Statutes 2022, section  
1.4 116L.98, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2022, section 116L.98, is amended by adding a subdivision  
1.7 to read:

1.8 Subd. 8. Requirements for grants exceeding a certain dollar threshold. (a) Before  
1.9 issuing any economic development or workforce development grant of \$500,000 or more,  
1.10 and before implementing any new grant program, the commissioner must submit draft  
1.11 measurements to the commissioner of management and budget and consult with the  
1.12 commissioner of management and budget on those measurements. The consultation required  
1.13 under this section must be completed within 30 days after the consultation is requested.  
1.14 After consultation, the commissioner must incorporate measurements agreed upon through  
1.15 consultation with the commissioner of management and budget into grant applications,  
1.16 requests for proposals, and contracts.

1.17 (b) In addition to any other reporting requirements that apply to grants, grant programs,  
1.18 or any individually specified pass-through grants, the commissioner must report separately  
1.19 to the legislature regarding grants of \$500,000 or more, including a summary of how grant  
1.20 funds were used. The report must incorporate the measurements agreed upon through  
1.21 consultation with the commissioner of management and budget under paragraph (a). If grant  
1.22 funds are allowed to be used for longer than one year, the commissioner must issue annual  
1.23 interim reports about the progress of the grant, including how much of the grant funds

2.1 remain unspent. A final report must be submitted to the legislature within 90 days of the  
2.2 expiration of the grant.

2.3 (c) As a condition of receiving a grant, a grantee must agree to provide the commissioner  
2.4 any information needed to complete the report required in paragraph (b).