



2019 Minnesota Legislative Session Results

As one of the only divided legislatures in the country, legislative leaders and Governor Walz worked through a series of negotiations to forge compromises on a host of issues. Leaders came to an agreement on the state budget for the next two years, and a special session was called to pass the agreed upon bills. There are a number of tech issues that were included in the final agreement:

Omnibus Jobs Bill: ([view bill](#))

- SciTechsperience—lines 18.22-19.9 SciTech was funded at \$1.75 million over the next biennium. This long-standing successful program remains in place to serve STEM employers and students alike. Funding at this level will help connect 400 STEM students with paid internships at small businesses across Minnesota.
- Minnesota Innovation Collaborative (renamed Launch Minnesota)—lines 50.7-56.10 The Minnesota Innovation Collaborative, an initiative designed to support a series of programs designed to accelerate the growth of startups and innovative companies, was renamed Launch Minnesota and funded at \$5 million over the next biennium. A state matching grant program at \$50,000 per recipient per biennium for Phase 2 SBIR/STTR recipients is included (lines 54.18-54.24) as part of the innovation grant programs.

Omnibus Agriculture, Rural Development and Housing Bill: ([view bill](#))

- Border-to-Border Broadband Development Grant Program—line 145 The Border-to-Border Broadband Development Grant Program is designed to provide state resources that help make the financial case for new and existing providers to invest in building broadband infrastructure into unserved and underserved areas of the state. The program is funded at \$20 million/year for the next two years. This is the first time that the program has received biennial funding.

Omnibus Tax Bill: ([view bill](#) | [view bill details](#))

- Angel Tax Credit program— lines 57.13- 68.22. \$10 million has been allocated for the Angel Investment Tax Credit Program. This program is effective for taxable years beginning after December 31, 2018 and before January 1, 2020; and taxable years beginning after December 31, 2020 and before January 1, 2022. While no funding is available in 2020, MHTA is excited to have secured funding for 2019 and 2021. There were some other changes, such as including veteran-owned businesses in the category of targeted businesses (women, minority-owned, and greater MN businesses). The investment threshold was also lowered to \$7,500 for these targeted businesses.
- Data Center Sales Tax Exemption— lines 226.3- 228.26. The Data Center Sales Tax Exemption, which provides incentives for companies to build data or network operation centers in Minnesota, saw no changes this session after being under threat from the Department of Revenue.

MnTech will continue to educate legislators and advocate for policies that will strengthen Minnesota's science and technology ecosystem. The legislature has adjourned until noon on Tuesday, February 11, 2020.