



OFFICE OF GOVERNOR MARK DAYTON

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Minnesota Job Creation Fund

A New Tool to Attract and Support Businesses

Minnesota needs effective tools to create jobs and make our state more competitive. That's why Governor Dayton's budget invests \$25 million in ongoing funding for the Minnesota Job Creation Fund, a new statewide performance based job creation program. This investment will create and support thousands of Minnesota jobs by making our state a more competitive place to do business and leveraging \$450 million in additional private investment.

What is the Minnesota Job Creation Fund?

Minnesota is generally considered to be among the most modest states in terms of business incentives. But a properly structured incentive program can tip the scale and make Minnesota an even more attractive place to do business. That is what the Minnesota Job Creation Fund is designed to do. It would more effectively provide targeted incentives, awarded on a project-by-project basis, to businesses that need state incentives to expand or locate here in Minnesota.

A More Accountable Alternative

Since 2004, one of the state's most utilized incentive programs has been JOBZ, which is set to expire in 2015. Over time, DEED modified JOBZ to address program weaknesses, but the program continues to have structural deficiencies including a lack of accountability. The Minnesota Job Creation Fund will replace JOBZ, providing a more accountable alternative.

- » **This Initiative is Accountable.** Based on set goals, incentives available in this program will only be provided after those goals are met.
- » **This Initiative is Transparent.** The benefit each firm receives will be readily available, unlike tax incentive programs.
- » **This Initiative Will Deliver Jobs.** Enrolled firms need to create at least 10 FTE jobs and invest a minimum of \$500,000. The program will create thousands of jobs in two years.
- » **This Initiative is Fair and Responsible.** This solution offers a statewide solution without zones; incentives will be capped, which allows for a predictable budget.
- » **This Initiative is Strategic.** Benefits will be capped and provided for a limited period of time to ensure a high ROI.

Providing Real Incentives for Businesses

The Minnesota Job Creation Fund provides a maximum award of \$1 million following performance achievement through two innovative capital investment and job creation incentive award components.