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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 1122

02/01/2023

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The bill was read for the first time and referred to the Committee on State and Local Government Finance and Policy

1.1 A bill for an act
1.2 relating to state government; providing for business impact analysis of proposed
1.3 legislation; appropriating money; proposing coding for new law in Minnesota
1.4 Statutes, chapter 3.

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

1.6 Section 1. 3.99] BUSINESS IMPACT NOTES.

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

1.9 (b) "Business" means a business entity that (1) has fewer than 100 total full-time and
1.10 part-time employees, and (2) is organized for profit or as a nonprofit, including an individual,
1.11 partnership, corporation, joint venture, association, or cooperative.

1.12 (c) "Business impact" means the financial and regulatory impact estimated under
1.13 subdivision 3.

1.14 Subd. 2. Process. The Legislative Budget Office must prepare a business impact note
1.15 for any bill upon request of the chair or ranking minority member of a standing committee
1.16 or division to which the bill has been referred. Upon receiving a request, the office must
1.17 notify the bill's author or authors that the request has been made. The office may require
1.18 the head or chief administrative officer of another department or agency of state government
1.19 to supply in a timely manner any information necessary to complete the business impact
1.20 note. The office must provide a copy of a completed business impact note to the requester
1.21 and the bill's author or authors.

2.1 Subd. 3. **Contents.** (a) A business impact note must identify or estimate, as a result of
 2.2 the bill:

2.3 (1) the total financial impact for all impacted businesses, including any direct expenditures
 2.4 or savings, revenue impacts, changes in labor cost or availability, or other financial impacts;
 2.5 and

2.6 (2) the regulatory burden for businesses, including whether the bill establishes, increases,
 2.7 reduces, or eliminates a requirement that a business:

2.8 (i) provide information to any person or unit of government;

2.9 (ii) maintain information for any period of time;

2.10 (iii) pay a fee;

2.11 (iv) complete or offer training;

2.12 (v) pass a test or exam;

2.13 (vi) secure a license, registration, or other form of authorization;

2.14 (vii) submit to or pay for a background check;

2.15 (viii) submit to periodic inspection or review; or

2.16 (ix) obtain indemnification or insurance.

2.17 (b) If the Legislative Budget Office identifies or estimates an impact under paragraph
 2.18 (a), clause (2), the business impact note must indicate whether the bill increases or decreases
 2.19 the regulatory burden for an impacted business and whether the estimated change in burden
 2.20 is high, medium, or low.

2.21 (c) A business impact note must clearly indicate all assumptions and supporting data
 2.22 used by the Legislative Budget Office to estimate the bill's business impact.

2.23 Subd. 4. **Alternative methods.** A business impact note may identify alternative methods
 2.24 to achieve the bill's purpose if the Legislative Budget Office determines that an alternative
 2.25 method (1) is less costly or burdensome for impacted businesses, or (2) would otherwise
 2.26 minimize the negative financial impact or regulatory burden for impacted businesses.

2.27 Sec. 2. **APPROPRIATION.**

2.28 \$..... in fiscal year 2024 is appropriated from the general fund to the Legislative
 2.29 Coordinating Commission for the Legislative Budget Office's duties under Minnesota
 2.30 Statutes, section 3.99.