State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 2948

03/10/2014 Authored by Mahoney
The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance and Policy

A bill for an act

relating to economic development; repealing obsolete, redundant, and unnecessary laws administered by the Department of Employment and Economic Development; making conforming changes; amending Minnesota Statutes 2012, sections 15.991, subdivision 1; 116C.34, subdivision 3; 116D.04, subdivision 2a; 116L.02; 116L.05, subdivision 5; 116L.20, subdivision 2; 256J.49, subdivision 4; 256J.51, subdivision 2; 268.105, subdivision 7; 268.186; repealing Minnesota Statutes 2012, sections 116C.22; 116C.23; 116C.24; 116C.25; 116C.26; 116C.261; 116C.27; 116C.28; 116C.29; 116C.30; 116C.31; 116C.32; 116C.33; 116J.037; 116J.422; 116J.578; 116J.658; 116J.68, subdivision 5; 116J.74, subdivision 7a; 116J.874, subdivisions 1, 2, 3, 4, 5; 116J.885; 116J.987; 116J.988; 116J.989; 116J.990, subdivisions 1, 2, 3, 4, 5, 6; 116L.06; 116L.10; 116L.11; 116L.12, subdivisions 1, 3, 4, 5, 6; 116L.13; 116L.14; 116L.146; 116L.15; 116L.361, subdivision 2; 116L.363; 116L.871; 116L.872; 469.109; 469.124; 469.35; 469.351; Minnesota Statutes 2013 Supplement, sections 116J.6581; 116J.70, subdivision 2a.

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

ARTICLE 1

OBSOLETE AND REDUNDANT STATUTES

Section 1. Minnesota Statutes 2012, section 268.105, subdivision 7, is amended to read:

Subd. 7. **Judicial review.** (a) The Minnesota Court of Appeals must, by writ of certiorari to the department, review the unemployment law judge's decision, provided a petition for the writ is filed with the court and a copy is served upon the unemployment law judge or the commissioner and any other involved party within 30 calendar days of the sending of the unemployment law judge's order under subdivision 2.

(b) Any employer petitioning for a writ of certiorari must pay to the court the required filing fee ~~and upon the service of the writ must furnish a cost bond to the department~~ in accordance with the Rules of Civil Appellate Procedure. If the employer

requests a written transcript of the testimony received at the evidentiary hearing conducted under subdivision 1, the employer must pay to the department the cost of preparing the transcript. That money is credited to the administration account.

(c) Upon issuance by the Minnesota Court of Appeals of a writ of certiorari as a result of an applicant's petition, the department must furnish to the applicant at no cost a written transcript of any testimony received at the evidentiary hearing conducted under subdivision 1, and, if requested, a copy of all exhibits entered into evidence. No filing fee or cost bond is required of an applicant petitioning the Minnesota Court of Appeals for a writ of certiorari.

(d) The Minnesota Court of Appeals may affirm the decision of the unemployment law judge or remand the case for further proceedings; or it may reverse or modify the decision if the substantial rights of the petitioner may have been prejudiced because the findings, inferences, conclusion, or decision are:

(1) in violation of constitutional provisions;

(2) in excess of the statutory authority or jurisdiction of the department;

(3) made upon unlawful procedure;

(4) affected by other error of law;

(5) unsupported by substantial evidence in view of the entire record as submitted; or

(6) arbitrary or capricious.

(e) The department is considered the primary responding party to any judicial action involving an unemployment law judge's decision. The department may be represented by an attorney licensed to practice law in Minnesota who is an employee of the department.

Sec. 2. Minnesota Statutes 2012, section 268.186, is amended to read:

268.186 RECORDS; AUDITS.

(a) Each employer must keep true and accurate records ~~for the periods of time and~~ on individuals performing services for the employer, containing the information the commissioner may require ~~by rule~~ under Minnesota Rules, part 3315.1010. The records must be kept for a period of not less than four years in addition to the current calendar year.

(b) For the purpose of administering this chapter, the commissioner has the power to audit, examine, or cause to be supplied or copied, any books, correspondence, papers, records, or memoranda that ~~are relevant, whether the books, correspondence, papers, records, or memoranda~~ are the property of, or in the possession of ~~the~~, an employer or any other person at any reasonable time and as often as may be necessary. Subpoenas may be issued under section 268.188, as are necessary, for an audit.

~~(b) Any~~ An employer, or other person, that refuses to allow an audit of its records by the department, or that fails to make all necessary records available for audit in Minnesota

upon request of the commissioner, may be assessed an administrative penalty of $500. The penalty collected is credited to the trust fund.

(c) An employer, or other person, that fails to provide a weekly breakdown of money earned by an applicant upon request of the commissioner, information necessary for the detection of applicant fraud under section 268.18, subdivision 2, may be assessed an administrative penalty of $100. Any notice requesting a weekly breakdown must clearly state that a $100 penalty may be assessed for failure to provide the information. The penalty collected is credited to the trust fund.

~~(c)~~ (d) The commissioner may make summaries, compilations, photographs, duplications, or reproductions of any records, or reports that the commissioner considers advisable for the preservation of the information contained therein. Any summaries, compilations, photographs, duplications, or reproductions is admissible in any proceeding under this chapter. The commissioner may duplicate records, reports, summaries, compilations, instructions, determinations, or any other written or recorded matter pertaining to the administration of this chapter.

~~(d)~~ (e) Regardless of any law to the contrary, the commissioner may provide for the destruction of any records, reports, or reproductions, or other papers that are no longer necessary for the administration of this chapter, including any required audit. In addition, the commissioner may provide for the destruction or disposition of any record, report, or other paper from which the information has been electronically captured and stored, or that has been photographed, duplicated, or reproduced.

Sec. 3. **REPEALER.**

Subdivision 1. **Environmental Coordination Procedures Act.** Minnesota Statutes 2012, sections 116C.22; 116C.23; 116C.24; 116C.25; 116C.26; 116C.261; 116C.27; 116C.28; 116C.29; 116C.30; 116C.31; 116C.32; and 116C.33, are repealed.

Subd. 2. **E-Commerce ready designations.** Minnesota Statutes 2012, section 116J.037, is repealed.

Subd. 3. **Rural policy and development center fund.** Minnesota Statutes 2012, section 116J.422, is repealed.

Subd. 4. **Bioscience subsidy.** Minnesota Statutes 2012, section 116J.578, is repealed.

Subd. 5. **Science and technology economic development project.** Minnesota Statutes 2012, section 116J.658, is repealed.

Subd. 6. **Minnesota Entrepreneur Resource Virtual Network (MERVN).** Minnesota Statutes 2013 Supplement, section 116J.6581, is repealed.

Subd. 7. **Small Business Development Center Advisory Board meetings.** Minnesota Statutes 2012, section 116J.68, subdivision 5, is repealed.

Subd. 8. **Business license assistance exceptions.** Minnesota Statutes 2013 Supplement, section 116J.70, subdivision 2a, is repealed.

Subd. 9. **Affirmative enterprise program.** Minnesota Statutes 2012, section 116J.874, subdivisions 1, 2, 3, 4, and 5, are repealed.

Subd. 10. **Biomedical Innovation and Commercialization Initiative.** Minnesota Statutes 2012, section 116J.885, is repealed.

Subd. 11. **Board of Invention.** Minnesota Statutes 2012, sections 116J.987; 116J.988; 116J.989; and 116J.990, subdivisions 1, 2, 3, 4, 5, and 6, are repealed.

Subd. 12. **HIRE education loan program.** Minnesota Statutes 2012, section 116L.06, is repealed.

Subd. 13. **Healthcare and human services worker program.** Minnesota Statutes 2012, sections 116L.10; 116L.11; 116L.12, subdivisions 1, 3, 4, 5, and 6; 116L.13; 116L.14; 116L.146; and 116L.15, are repealed.

Subd. 14. **Youthbuild advisory committee.** Minnesota Statutes 2012, section 116L.363, is repealed.

Subd. 15. **Local service unit delivery.** Minnesota Statutes 2012, sections 116L.871; and 116L.872, are repealed.

Subd. 16. **Transit improvement areas.** Minnesota Statutes 2012, sections 469.35; and 469.351, are repealed.

Subd. 17. **Area redevelopment.** Minnesota Statutes 2012, section 469.109, is repealed.

Subd. 18. **City development districts.** Minnesota Statutes 2012, section 469.124, is repealed.

ARTICLE 2

CONFORMING CHANGES

Section 1. Minnesota Statutes 2012, section 15.991, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of this section and section 15.992:

(1) "business license" or "license" has the meaning given it in section 116J.70, subdivision 2~~, and also includes licenses and other forms of approval listed in section 116J.70, subdivision 2a, clauses (7) and (8), but does not include those listed in subdivision 2a, clauses (1) to (6)~~;

(2) "customer" means an individual; a small business as defined in section 645.445, but also including a nonprofit corporation that otherwise meets the criteria in that

section; a family farm, family farm corporation, or family farm partnership as defined in section 500.24, subdivision 2; or a political subdivision as defined in section 103G.005, subdivision 14a;

(3) "initial agency" means the state agency to which a customer submits an application for a license or inquires about submitting an application; and

(4) "responsible agency" means the initial agency or another state agency that agrees to be designated the responsible agency.

Sec. 2. Minnesota Statutes 2012, section 116C.34, subdivision 3, is amended to read:

Subd. 3. **County responsibility.** The auditor of each county shall post in a conspicuous place in the auditor's office the telephone numbers of the Bureau of Business Licenses and the permit information center in the office of the applicable regional development commission~~; copies of any master applications or permit applications forwarded to the auditor pursuant to section 116C.27, subdivision 1;~~ and copies of any information published by the bureau or an information center pursuant to subdivision 1.

Sec. 3. Minnesota Statutes 2012, section 116D.04, subdivision 2a, is amended to read:

Subd. 2a. **When prepared.** Where there is potential for significant environmental effects resulting from any major governmental action, the action shall be preceded by a detailed environmental impact statement prepared by the responsible governmental unit. The environmental impact statement shall be an analytical rather than an encyclopedic document which describes the proposed action in detail, analyzes its significant environmental impacts, discusses appropriate alternatives to the proposed action and their impacts, and explores methods by which adverse environmental impacts of an action could be mitigated. The environmental impact statement shall also analyze those economic, employment, and sociological effects that cannot be avoided should the action be implemented. To ensure its use in the decision-making process, the environmental impact statement shall be prepared as early as practical in the formulation of an action.

(a) The board shall by rule establish categories of actions for which environmental impact statements and for which environmental assessment worksheets shall be prepared as well as categories of actions for which no environmental review is required under this section. A mandatory environmental assessment worksheet shall not be required for the expansion of an ethanol plant, as defined in section 41A.09, subdivision 2a, paragraph (b), or the conversion of an ethanol plant to a biobutanol facility or the expansion of a biobutanol facility as defined in section 41A.105, subdivision 1a, based on the capacity of the expanded or converted facility to produce alcohol fuel, but must be required if

the ethanol plant or biobutanol facility meets or exceeds thresholds of other categories of actions for which environmental assessment worksheets must be prepared. The responsible governmental unit for an ethanol plant or biobutanol facility project for which an environmental assessment worksheet is prepared shall be the state agency with the greatest responsibility for supervising or approving the project as a whole.

A mandatory environmental impact statement shall not be required for a facility or plant located outside the seven-county metropolitan area that produces less than 125,000,000 gallons of ethanol, biobutanol, or cellulosic biofuel annually, if the facility or plant is: an ethanol plant, as defined in section 41A.09, subdivision 2a, paragraph (b); a biobutanol facility, as defined in section 41A.105, subdivision 1a, clause (1); or a cellulosic biofuel facility, as defined in section 41A.10, subdivision 1, paragraph (d).

(b) The responsible governmental unit shall promptly publish notice of the completion of an environmental assessment worksheet by publishing the notice in at least one newspaper of general circulation in the geographic area where the project is proposed, by posting the notice on a Web site that has been designated as the official publication site for publication of proceedings, public notices, and summaries of a political subdivision in which the project is proposed, or in any other manner determined by the board and shall provide copies of the environmental assessment worksheet to the board and its member agencies. Comments on the need for an environmental impact statement may be submitted to the responsible governmental unit during a 30-day period following publication of the notice that an environmental assessment worksheet has been completed. The responsible governmental unit's decision on the need for an environmental impact statement shall be based on the environmental assessment worksheet and the comments received during the comment period, and shall be made within 15 days after the close of the comment period. The board's chair may extend the 15-day period by not more than 15 additional days upon the request of the responsible governmental unit.

(c) An environmental assessment worksheet shall also be prepared for a proposed action whenever material evidence accompanying a petition by not less than 100 individuals who reside or own property in the state, submitted before the proposed project has received final approval by the appropriate governmental units, demonstrates that, because of the nature or location of a proposed action, there may be potential for significant environmental effects. Petitions requesting the preparation of an environmental assessment worksheet shall be submitted to the board. The chair of the board shall determine the appropriate responsible governmental unit and forward the petition to it. A decision on the need for an environmental assessment worksheet shall be made by the responsible governmental unit within 15 days after the petition is received by the

responsible governmental unit. The board's chair may extend the 15-day period by not more than 15 additional days upon request of the responsible governmental unit.

(d) Except in an environmentally sensitive location where Minnesota Rules, part 4410.4300, subpart 29, item B, applies, the proposed action is exempt from environmental review under this chapter and rules of the board, if:

(1) the proposed action is:

(i) an animal feedlot facility with a capacity of less than 1,000 animal units; or

(ii) an expansion of an existing animal feedlot facility with a total cumulative capacity of less than 1,000 animal units;

(2) the application for the animal feedlot facility includes a written commitment by the proposer to design, construct, and operate the facility in full compliance with Pollution Control Agency feedlot rules; and

(3) the county board holds a public meeting for citizen input at least ten business days prior to the Pollution Control Agency or county issuing a feedlot permit for the animal feedlot facility unless another public meeting for citizen input has been held with regard to the feedlot facility to be permitted. The exemption in this paragraph is in addition to other exemptions provided under other law and rules of the board.

(e) The board may, prior to final approval of a proposed project, require preparation of an environmental assessment worksheet by a responsible governmental unit selected by the board for any action where environmental review under this section has not been specifically provided for by rule or otherwise initiated.

(f) An early and open process shall be utilized to limit the scope of the environmental impact statement to a discussion of those impacts, which, because of the nature or location of the project, have the potential for significant environmental effects. The same process shall be utilized to determine the form, content and level of detail of the statement as well as the alternatives which are appropriate for consideration in the statement. In addition, the permits which will be required for the proposed action shall be identified during the scoping process. Further, the process shall identify those permits for which information will be developed concurrently with the environmental impact statement. The board shall provide in its rules for the expeditious completion of the scoping process. The determinations reached in the process shall be incorporated into the order requiring the preparation of an environmental impact statement.

(g) The responsible governmental unit shall, to the extent practicable, avoid duplication and ensure coordination between state and federal environmental review and between environmental review and environmental permitting. Whenever practical, information needed by a governmental unit for making final decisions on permits

or other actions required for a proposed project shall be developed in conjunction with the preparation of an environmental impact statement. When an environmental impact statement is prepared for a project requiring multiple permits for which two or more agencies' decision processes include either mandatory or discretionary hearings before a hearing officer prior to the agencies' decision on the permit, the agencies may, notwithstanding any law or rule to the contrary, conduct the hearings in a single consolidated hearing process if requested by the proposer. All agencies having jurisdiction over a permit that is included in the consolidated hearing shall participate. The responsible governmental unit shall establish appropriate procedures for the consolidated hearing process, including procedures to ensure that the consolidated hearing process is consistent with the applicable requirements for each permit regarding the rights and duties of parties to the hearing, and shall utilize the earliest applicable hearing procedure to initiate the hearing. ~~The procedures of section 116C.28, subdivision 2, apply to the consolidated hearing.~~

(h) An environmental impact statement shall be prepared and its adequacy determined within 280 days after notice of its preparation unless the time is extended by consent of the parties or by the governor for good cause. The responsible governmental unit shall determine the adequacy of an environmental impact statement, unless within 60 days after notice is published that an environmental impact statement will be prepared, the board chooses to determine the adequacy of an environmental impact statement. If an environmental impact statement is found to be inadequate, the responsible governmental unit shall have 60 days to prepare an adequate environmental impact statement.

(i) The proposer of a specific action may include in the information submitted to the responsible governmental unit a preliminary draft environmental impact statement under this section on that action for review, modification, and determination of completeness and adequacy by the responsible governmental unit. A preliminary draft environmental impact statement prepared by the project proposer and submitted to the responsible governmental unit shall identify or include as an appendix all studies and other sources of information used to substantiate the analysis contained in the preliminary draft environmental impact statement. The responsible governmental unit shall require additional studies, if needed, and obtain from the project proposer all additional studies and information necessary for the responsible governmental unit to perform its responsibility to review, modify, and determine the completeness and adequacy of the environmental impact statement.

Sec. 4. Minnesota Statutes 2012, section 116L.02, is amended to read:

116L.02 JOB SKILLS PARTNERSHIP PROGRAM.

(a) The Minnesota Job Skills Partnership program is created to act as a catalyst to bring together employers with specific training needs with educational or other nonprofit institutions which can design programs to fill those needs. The partnership shall work closely with employers to prepare, train and place prospective or incumbent workers in identifiable positions as well as assisting educational or other nonprofit institutions in developing training programs that coincide with current and future employer requirements. The partnership shall provide grants to educational or other nonprofit institutions for the purpose of training workers. A participating business must match the grant-in-aid made by the Minnesota Job Skills Partnership. The match may be in the form of funding, equipment, or faculty.

~~(b) The partnership program shall administer the health care and human services worker training and retention program under sections 116L.10 to 116L.15.~~

~~(c)~~ (b) The partnership program is authorized to use funds to pay for training for individuals who have incomes at or below 200 percent of the federal poverty line. The board may grant funds to eligible recipients to pay for board-certified training. Eligible recipients of grants may include public, private, or nonprofit entities that provide employment services to low-income individuals.

Sec. 5. Minnesota Statutes 2012, section 116L.05, subdivision 5, is amended to read:

Subd. 5. **Use of workforce development funds.** After March 1 of any fiscal year, the board may use workforce development funds for the purposes outlined in sections 116L.02~~,~~ and 116L.04~~, and 116L.10 to 116L.14,~~ or to provide incumbent worker training services under section 116L.18 if the following conditions have been met:

(1) the board examines relevant economic indicators, including the projected number of layoffs for the remainder of the fiscal year and the next fiscal year, evidence of declining and expanding industries, the number of initial applications for and the number of exhaustions of unemployment benefits, job vacancy data, and any additional relevant information brought to the board's attention;

(2) the board accounts for all allocations made in section 116L.17, subdivision 2;

(3) based on the past expenditures and projected revenue, the board estimates future funding needs for services under section 116L.17 for the remainder of the current fiscal year and the next fiscal year;

(4) the board determines there will be unspent funds after meeting the needs of dislocated workers in the current fiscal year and there will be sufficient revenue to meet the needs of dislocated workers in the next fiscal year; and

(5) the board reports its findings in clauses (1) to (4) to the chairs of legislative committees with jurisdiction over the workforce development fund, to the commissioners of revenue and management and budget, and to the public.

Sec. 6. Minnesota Statutes 2012, section 116L.20, subdivision 2, is amended to read:

Subd. 2. **Disbursement of special assessment funds.** (a) The money collected under this section shall be deposited in the state treasury and credited to the workforce development fund to provide for employment and training programs. The workforce development fund is created as a special account in the state treasury.

(b) All money in the fund not otherwise appropriated or transferred is appropriated to the Job Skills Partnership Board for the purposes of section 116L.17 and as provided for in paragraph (d). The board must act as the fiscal agent for the money and must disburse that money for the purposes of section 116L.17, not allowing the money to be used for any other obligation of the state. All money in the workforce development fund shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as are provided by law for the other special accounts in the state treasury, except that all interest or net income resulting from the investment or deposit of money in the fund shall accrue to the fund for the purposes of the fund.

(c) Reimbursement for costs related to collection of the special assessment shall be in an amount negotiated between the commissioner and the United States Department of Labor.

(d) If the board determines that the conditions of section 116L.05, subdivision 5, have been met, the board may use funds for the purposes outlined in ~~sections~~ section 116L.04 ~~and 116L.10 to 116L.14,~~ or to provide incumbent worker training services under section 116L.18.

Sec. 7. Minnesota Statutes 2012, section 256J.49, subdivision 4, is amended to read:

Subd. 4. **Employment and training service provider.** "Employment and training service provider" means:

(1) a public, private, or nonprofit agency with which a county has contracted to provide employment and training services and which is included in the county's service agreement submitted under section 256J.626, subdivision 4;

(2) a county agency, if the county has opted to provide employment and training services and the county has indicated that fact in the service agreement submitted under section 256J.626, subdivision 4; or

(3) a local public health department under section 145A.17, subdivision 4a, that a county has designated to provide employment and training services and is included in the county's service agreement submitted under section 256J.626, subdivision 4.

~~Notwithstanding section 116L.871,~~ An employment and training services provider meeting this definition may deliver employment and training services under this chapter.

Sec. 8. Minnesota Statutes 2012, section 256J.51, subdivision 2, is amended to read:

Subd. 2. **Appeal; alternate approval.** ~~(a)~~ An employment and training service provider that is not included by a county agency in the service agreement under section 256J.626, subdivision 4, and that meets the criteria in paragraph (b), may appeal its exclusion to the commissioner of employment and economic development, and may request alternative approval by the commissioner of employment and economic development to provide services in the county.

~~(b) An employment and training services provider that is requesting alternative approval must demonstrate to the commissioner that the provider meets the standards specified in section 116L.871, subdivision 1, paragraph (b), except that the provider's past experience may be in services and programs similar to those specified in section 116L.871, subdivision 1, paragraph (b).~~

Sec. 9. **REPEALER.**

Subdivision 1. **Reference to Minnesota Statutes, section 116J.70, subdivision 2a.** Minnesota Statutes 2012, section 116J.74, subdivision 7a, is repealed.

Subd. 2. **Reference to Minnesota Statutes, section 116L.363.** Minnesota Statutes 2012, section 116L.361, subdivision 2, is repealed.

APPENDIX
Article locations in 14-5167

116C.22 CITATION.

Sections 116C.22 to 116C.34 may be cited as the Minnesota Environmental Coordination Procedures Act.

116C.23 PURPOSE.

It shall be the purpose of sections 116C.22 to 116C.34:

(1) to provide an optional procedure to assist those who, in the course of satisfying the requirements of state government prior to undertaking a project which contemplates the use of the state's air, land, or water resources, must obtain more than one state permit, by establishing a mechanism in state government which will coordinate administrative decision-making procedures, and related quasi-judicial and judicial review, pertaining to these permits;

(2) to provide to the members of the public a better and easier opportunity to present their views comprehensively on proposed uses of natural resources and related environmental matters prior to the making of decisions on these uses by state or local agencies;

(3) to provide to the members of the public a greater degree of certainty in terms of permit requirements of state and local government;

(4) to provide better coordination and understanding between state and local agencies in the administration of the various programs relating to air, water, and land resources; and

(5) to establish the opportunity for members of the public to obtain information pertaining to requirements of federal and state law which must be satisfied prior to undertaking a project in this state.

116C.24 DEFINITIONS.

Subdivision 1. **Applicability.** For the purposes of sections 116C.22 to 116C.34, the terms defined in this section have the meanings given them.

Subd. 1a. **Agency.** "Agency" means a state department, commission, board or other agency of the state however titled or a local governmental unit or instrumentality, only when that unit or instrumentality is acting within existing legal authority to grant or deny a permit that otherwise would be granted or denied by a state agency.

Subd. 2. **Board.** "Board" means the Minnesota Environmental Quality Board.

Subd. 2a. **Commissioner.** "Commissioner" means the commissioner of employment and economic development.

Subd. 3. **Coordination unit.** "Coordination unit" means the Bureau of Business Licenses established pursuant to sections 116J.73 to 116J.76.

Subd. 4. **Local governmental unit.** "Local governmental unit" means a county, city, town, or special district with legal authority to issue a permit.

Subd. 5. **Permit.** "Permit" means a license, permit, certificate, certification, approval, compliance schedule, or other similar document pertaining to a regulatory or management program related to the protection, conservation, or use of, or interference with, the natural resources of land, air or water, which is required to be obtained from a state agency prior to constructing or operating a project in this state.

Nothing in sections 116C.22 to 116C.34 shall relate to the granting of a proprietary interest in publicly owned property through a sale, lease, easement, use permit, license or other conveyance.

Subd. 6. **Person.** "Person" means an individual, an association or partnership, or a cooperative, or a municipal, public or private corporation, including but not limited to a state agency and a county.

Subd. 7. **Project.** "Project" means a new activity or an expansion of or addition to an existing activity, which is fixed in location and for which permits are required from an agency prior to construction or operation, including but not limited to industrial and commercial operations and developments. Sections 116C.22 to 116C.34 shall not apply to projects which are:

(1) covered by chapter 93 or 216E or section 216B.243; or

(2) initiated for the purpose of taconite tailings disposal or mining, or the producing or beneficiating of copper, nickel or copper-nickel.

116C.25 ENVIRONMENTAL PERMITS COORDINATION UNIT.

The commissioner of employment and economic development shall direct the Bureau of Business Licenses to act as the coordination unit to implement and administer the provisions of

sections 116C.22 to 116C.34. The commissioner shall employ necessary staff to work for the coordination unit on a continuous basis.

116C.26 APPLICATION PROCEDURE.

Subdivision 1. **Master application.** A person proposing a project which may require more than one permit may, prior to the initial construction of the project or prior to the initial operation of the project if construction of the project required no state permits, submit a master application to the coordination unit requesting the issuance of all state permits necessary for construction and operation of the project. The master application shall be on a form furnished by the coordination unit and shall contain precise information as to the location of the project, and shall describe the nature of the project including any contemplated discharges of wastes therefrom and any uses of, or interferences with, natural resources. No master application shall be accepted for processing by the coordination unit pursuant to sections 116C.22 to 116C.34, unless it is accompanied by the certifications issued not more than 120 days prior to the date of the master application as required by section 116C.31. No master application shall be accepted for processing by the coordination unit pursuant to sections 116C.22 to 116C.34, unless it is accompanied by a certification from the board that either an environmental impact statement concerning the project has been completed or that an environmental impact statement is not required concerning the project.

Subd. 2. **Notice; response.** Upon receipt of a completed master application, the coordination unit shall immediately notify in writing each agency having a possible interest in the master application arising from requirements pertaining to a permit program under its jurisdiction. The notification from the coordination unit shall be accompanied by a copy of the master application together with the date by which the agency shall respond to the notice. Each notified agency shall respond in writing to the coordination unit within the specified date, not exceeding 20 days from receipt, as determined by the coordination unit, advising whether the agency does or does not have an interest in the master application. If an agency timely responds that it has an interest in the master application, the response shall include information concerning the specific permit programs under its jurisdiction which are pertinent to the project described in the master application. The agency response shall also advise the coordination unit whether a public hearing concerning the master application as provided in section 116C.28 would or would not be required or of value considering the overall public interest.

Subd. 3. **Subsequent permit requirement.** Each notified agency which responds within the specified date that it does not have an interest in the master application or which does not respond as required by subdivision 2 within the specified date, shall not subsequently require a permit of the applicant for the project described in the master application; provided the bar to requiring a permit subsequently shall not be applicable if:

(a) the master application provided to the notified agency contained false, misleading, or deceptive information, or lacked information, which would reasonably lead an agency to misjudge its interest in a master application; or

(b) subsequent laws or rules require additional permits; or

(c) unusual circumstances prevented the agency from notifying the coordination unit and the agency can establish that failure to require a permit would result in substantial harm to the public health or welfare, in which case the board may order that the permit be required.

Subd. 4. **Application forms.** The coordination unit shall submit application forms concerning the permit programs identified in the affirmative responses under subdivision 2 to the applicant with a direction to complete and return them to the coordination unit within 90 days.

Subd. 5. **Transmittal to agency.** Within ten days of receipt of the full set of completed application forms by the coordination unit, each application shall be transmitted to the appropriate agency for the performance of its responsibilities of decision making in accordance with the procedures of sections 116C.22 to 116C.33.

Subd. 6. **Date.** If an agency has a procedure for setting priorities in issuing a permit according to the date of the application for the permit, the date used shall be the date upon which a master application is received by the coordination unit.

116C.261 ENVIRONMENTAL PERMIT PLAN TIMELINE REQUIREMENT.

(a) If environmental review under chapter 116D will be conducted for a project and a state agency is the responsible government unit, that state agency shall prepare:

(1) a plan that will coordinate administrative decision-making practices, including monitoring, analysis and reporting, and public comments and hearings; and

(2) a timeline for the issuance of all federal, state, and local permits required for the project.

(b) The plan and timeline shall be delivered to the project proposer by the time the environmental assessment worksheet or draft environmental impact statement is published in the EQB Monitor.

116C.27 NOTICE.

Subdivision 1. **Publication.** The coordination unit immediately after transmittal of the completed applications to the appropriate agency shall cause a notice to be published at the applicant's expense once each week on the same day of the week for three consecutive weeks in a newspaper of general circulation within each county in which the project is proposed to be constructed or operated. The notice shall describe the nature of the master application including, with reasonable specificity, the project proposed, its location, the various permits applied for, and the agency having jurisdiction over each permit. Except as provided in subdivision 2, the notice shall also state the time and place of the public hearing, to be held not less than 20 days after the date of last publication of the notice. It shall further state that a copy of the master application and a copy of all permit applications for the project are available for public inspection in the office of the county auditor of each county in which the project is proposed to be constructed or operated, as well as in other locations which the coordination unit may designate.

Subd. 2. **Public hearing.** If the responses to the master application received by the coordination unit from the state agencies unanimously state the position that a public hearing in relation to a master application would not be of value in consideration of the overall public interest and are not required by any other law or rule, the provisions of subdivision 1 pertaining to the time and place of a public hearing shall not be included in the notice. In place thereof the notice shall state that members of the public may present relevant views and supporting materials in writing to the coordination unit concerning any of the permits applied for within 30 days after the last date of publication of the notice in a newspaper.

116C.28 PUBLIC HEARING.

Subdivision 1. **Process.** When one or more agencies notifies the coordination unit that a public hearing is required or appropriate on matters relating to the project described in the master application, the coordination unit shall set the time and place for a hearing in which each of the affected agencies shall participate. The hearing shall be held pursuant to the contested case provisions of chapter 14 and section 116C.27.

Subd. 2. **Representation at hearing.** Each participating state agency shall be represented at the public hearing by its chief administrative officer or a designee. The representative of any state agency within whose jurisdiction a specific application lies shall participate in the portion of the hearing pertaining to submission of information, views, and supporting materials which are relevant to its application. The administrative law judge may, when appropriate, continue a hearing from time to time and place to place. The hearing shall be recorded in any manner suitable for transcription pursuant to chapter 14.

Subd. 3. **Agency's final decision.** Within 60 days of receipt of the administrative law judge's report, each state agency which is a party to the hearing shall forward its final decision on permit applications within its jurisdiction to the coordination unit, provided that this date may be extended by the chair of the board for reasonable cause. Every final decision shall set forth the basis for the decision together with a final order denying the permit or granting the permit including the specifying of any conditions under which the permit is issued.

Subd. 4. **Procedure if no hearing is held.** If notice has been published pursuant to section 116C.27, subdivision 2, and no public hearing is conducted, the coordination unit shall, not less than 30 days after the last notice publication in the newspaper, submit a copy of all views and supporting material received by it to each agency having jurisdiction concerning any permit application described in the notice. Concurrently therewith, the coordination unit shall notify each state agency, in writing, of the date not to exceed 60 days by which final decisions on applications shall be forwarded to the coordination unit; provided that this date may be extended by the chair of the board for reasonable cause. Each final decision shall set forth the information required by subdivision 3.

Subd. 5. **Incorporation into one document.** As soon as all final decisions are received by the coordination unit from the various participating state agencies, the coordination unit shall immediately incorporate them, without modification, into one document and shall transmit the document to the applicant either personally or by certified mail.

116C.29 WITHDRAWAL OF AGENCY PARTICIPATION.

After an agency has responded that it has an interest in the master application, it may withdraw from further participation in the processing of that master application at any time by written notification to the coordination unit, if it subsequently appears to the agency that it has no permit programs under its jurisdiction which are applicable to the project.

116C.30 APPLICATION.

Subdivision 1. **Appeal.** A person aggrieved by a final decision of an agency in granting or denying a permit shall seek redress directly and individually from that agency in the manner provided by chapter 14, or any other statute authorizing either judicial or administrative review of an agency decision.

Subd. 2. **Agency jurisdiction.** Each state agency having jurisdiction to approve or deny an application for a permit shall have continuing power as vested in it prior to February 15, 1977, to make such determinations. Nothing in sections 116C.22 to 116C.34 shall lessen or reduce such powers, and such sections shall modify only the procedures to be followed in the carrying out of such powers.

Subd. 3. **Additional information.** A state agency may in the performance of its responsibilities of decision making under sections 116C.22 to 116C.33, request or receive additional information from an applicant.

Subd. 4. **Fee schedules.** Fee schedules authorized by statute for an application or permit shall continue to be applicable even though the application or permit is processed under the provisions set forth in sections 116C.22 to 116C.33. The coordination unit shall not charge the applicant or participating agencies a fee for its services.

Subd. 5. **No applicability.** Sections 116C.22 to 116C.33 shall have no applicability to an application for a permit renewal, amendment, extension, or other similar document required subsequent to the completion of decisions and proceedings under sections 116C.27 to 116C.29, or to a replacement thereof or to a quasi-judicial or judicial proceeding held pursuant to an order of remand or similar order by a court in relation to a final decision of a state agency.

Subd. 6. **Land use; zoning.** Nothing in sections 116C.22 to 116C.34 shall modify in any manner whatsoever the applicability or inapplicability of any land use rule, statute or local zoning ordinance to the lands of any state agency.

116C.31 LOCAL CERTIFICATION.

Subdivision 1. **Generally.** No master application shall be processed pursuant to sections 116C.22 to 116C.33 unless it is accompanied by a certification issued not more than 120 days prior to the date the master application is first received by the coordination unit, from the local governmental units in whose jurisdiction the proposed project is located, certifying that the project is in compliance with all zoning ordinances, subdivision regulations, and environmental regulations administered by the local governmental unit and certifying that the preparation of any environmental impact statement which the local governmental unit is authorized to require pursuant to local ordinance, state statute, or board rule, has been completed or deemed not necessary. If the local governmental unit has required any environmental impact statement concerning the project, a copy of the completed environmental impact statement shall be attached to the local governmental unit's certification. If the local governmental unit has no zoning ordinances, subdivision regulations, or environmental regulations, the certification from the local governmental unit shall so state. A local governmental unit may accept applications for certifications as provided in this section and shall rule upon the same expeditiously to insure that the purposes of sections 116C.22 to 116C.33 are accomplished fully. After issuing a certification for the purposes of this section, no local government shall rescind it even though the local government may have changed its zoning ordinances, subdivision regulations, or environmental regulations. A change of zoning ordinances, subdivision regulations, or environmental regulations shall not invalidate a previously given certification for the purpose of securing a state permit under sections 116C.22 to 116C.33. Upon certification, the local government may change such zoning ordinances, subdivision regulations, or environmental regulations, but not so as to affect the proposed project until the procedures of sections 116C.22 to 116C.33, including any administrative or judicial reviews, are completed.

Subd. 2. **Appeal.** A ruling by a local governmental unit denying an application for certification shall not be appealable under sections 116C.22 to 116C.34. The denial of an

application for certification by a local governmental unit shall not preclude the applicant from filing a permit application under any other available statute or procedure.

116C.32 RULES; COOPERATION.

The commissioner shall as soon as practicable adopt rules, not inconsistent with rules of procedure established by the Office of Administrative Hearings, to implement the provisions of sections 116C.22 to 116C.34, including master application procedures, notice procedures, and public hearing procedures and costs.

116C.33 CONFLICT WITH FEDERAL REQUIREMENTS.

Subdivision 1. **Federal requirements prevail.** If in a final order of a court of competent jurisdiction, any part of sections 116C.22 to 116C.34 as enacted or administered is found to be in conflict with federal requirements which are a condition precedent to the allocation of federal funds authorized to this state, the conflicting part of sections 116C.22 to 116C.34 shall be void to the limited extent necessary to remove the conflict and the remainder of sections 116C.22 to 116C.34 shall remain effective.

Subd. 2. **Modification.** The commissioner, to the limited extent necessary to comply with procedural requirements of federal statutes relating to permit systems operated by the state, may modify the notice, timing, hearing, and related procedural matters provided in sections 116C.22 to 116C.34.

116J.037 CERTIFICATION OF ELECTRONIC-COMMERCE-READY CITIES AND COUNTIES.

A county or statutory or home rule charter city of Minnesota shall be designated an electronic-commerce-ready city or county by the Department of Employment and Economic Development and may be annually recertified as an electronic-commerce-ready city or county if it:

(1) has formed effective public-private partnerships with communication providers, the business community, banks, schools, health care, government, and nonprofit social and service organizations to become electronic commerce ready;

(2) makes available training and continuing education to develop an electronic-commerce-ready workforce;

(3) develops a plan for electronic commerce readiness that reflects resource integration across economic and government sectors, including current and future investments by business, government, education, and health care to achieve cooperative community and economic development benefits;

(4) uses local funding sources to catalyze and sustain information technology investments to adapt to new business priorities as electronic commerce grows; and

(5) maintains public access sites to ensure access to electronic commerce applications and community networking tools, such as electronic mail.

116J.422 RURAL POLICY AND DEVELOPMENT CENTER FUND.

A rural policy and development center fund is established as an account in the state treasury. The commissioner of management and budget shall credit to the account the amounts authorized under this section and appropriations and transfers to the account. The state Board of Investment shall ensure that account money is invested under section 11A.24. All money earned by the account must be credited to the account. The principal of the account and any unexpended earnings must be invested and reinvested by the state Board of Investment.

Gifts and donations, including land or interests in land, may be made to the account. Noncash gifts and donations must be disposed of for cash as soon as the board prudently can maximize the value of the gift or donation. Gifts and donations of marketable securities may be held or be disposed of for cash at the option of the board. The cash receipts of gifts and donations of cash or capital assets and marketable securities disposed of for cash must be credited immediately to the principal of the account. The value of marketable securities at the time the gift or donation is made must be credited to the principal of the account and any earnings from the marketable securities are earnings of the account. The earnings in the account are annually

appropriated to the board of the center for rural policy and development to carry out the duties of the center.

116J.578 BIOSCIENCE SUBSIDY.

Any bioscience or biotechnology project financed in whole or in part by state appropriations or other public subsidies must document how and to what it extent the project will provide a benefit to consumers in the form of more affordable pricing of the products or services being publicly subsidized. The documentation must be reported to the committees of the legislature with responsibility for economic development and to committees with responsibility for finance.

116J.658 MINNESOTA SCIENCE AND TECHNOLOGY ECONOMIC DEVELOPMENT PROJECT.

(a) The commissioner of employment and economic development shall lead a public-private project with science and technology experts from public, academic, and private sectors to advise state agency collaboration to design, coordinate, and administer a strategic science and technology program for the state designed to promote the welfare of the people of the state, maximize the economic growth of the state, and create and retain jobs in the state's industrial base through enhancement of Minnesota's:

(1) high technology research and development capabilities;

(2) product and process innovation and commercialization;

(3) high technology manufacturing capabilities;

(4) science and technology business environment; and

(5) science and technology workforce preparation.

(b) Project membership shall consist of science and technology experts from public, academic, and private sectors. A member must have a background in science or technology in order to serve on the project. The project members shall consist of at least 13 members as follows:

(1) a representative of the University of Minnesota;

(2) a representative of Minnesota State Colleges and Universities;

(3) the chief executive officer of Mayo Clinic or a designee; and

(4) six chief executive officers or designees from science- or technology-oriented companies and four representatives from science- and technology-oriented trade organizations.

(c) The commissioner of employment and economic development must report by January 15, 2010, to the legislative committees having jurisdiction over science and technology and economic development policy and finance on the activities of the project and must recommend changes or additions to its organization, including specific recommendations for necessary legislation.

116J.6581 MINNESOTA ENTREPRENEUR RESOURCE VIRTUAL NETWORK (MERVN).

(a) The commissioner shall seek sufficient private sector funding for the Office of Entrepreneurship and Small Business Development (OESBD) to develop, maintain, and market a virtual network to provide seamless access to statewide resources and expertise for entrepreneurs and existing businesses using private sector funding. Private sector funding must be for general support of the virtual network and must not be used to sponsor specific portions of the network. The network must disclose the value of the donations and names of private sector organizations providing funding for the network. The network must connect Minnesota entrepreneurs to available state and nonstate supported services and technical assistance. In developing and maintaining the network, OESBD must ensure that all listed resources meet established standards. The goal of the network is to assist in the creation of new Minnesota ventures, the growth of existing businesses, and the ability of Minnesota entrepreneurs to compete globally. To the greatest extent possible, the network should be built on and linked to existing resources designed to make business assistance resources more accessible to Minnesota business.

(b) Any portion of the network that involves state information systems or state Web sites is subject to the authority of the Office of MN.IT Services in chapter 16E, including, but not limited to:

(1) evaluation and approval as specified in section 16E.03, subdivisions 3 and 4;

(2) review to ensure compliance with security policies, guidelines, and standards as specified in section 16E.03, subdivision 7; and

(3) assurance of compliance with accessibility standards developed under section 16E.03, subdivision 9.

116J.68 BUREAU OF SMALL BUSINESS.

Subd. 5. **Advisory board meetings.** (a) If compliance with section 13D.02 is impractical, the Small Business Development Center Advisory Board, created pursuant to United States Code, title 15, section 648, may conduct a meeting of its members by telephone or other electronic means so long as the following conditions are met:

(1) all members of the board participating in the meeting, wherever their physical location, can hear one another and can hear all discussion and testimony;

(2) members of the public present at the regular meeting location of the board can hear clearly all discussion and testimony and all votes of members of the board and, if needed, receive those services required by sections 15.44 and 15.441;

(3) at least one member of the board is physically present at the regular meeting location; and

(4) all votes are conducted by roll call, so each member's vote on each issue can be identified and recorded.

(b) Each member of the board participating in a meeting by telephone or other electronic means is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

(c) If telephone or other electronic means is used to conduct a meeting, the board, to the extent practical, shall allow a person to monitor the meeting electronically from a remote location. The board may require the person making such a connection to pay for documented marginal costs that the board incurs as a result of the additional connection.

(d) If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the board shall provide notice of the regular meeting location, of the fact that some members may participate by telephone or other electronic means, and of the provisions of paragraph (c). The timing and method of providing notice is governed by section 13D.04.

116J.70 DEFINITIONS.

Subd. 2a. **License; exceptions.** "Business license" or "license" does not include the following:

(1) any occupational license or registration issued by a licensing board listed in section 214.01 or any occupational registration issued by the commissioner of health pursuant to section 214.13;

(2) any license issued by a county, home rule charter city, statutory city, township, or other political subdivision;

(3) any license required to practice the following occupation regulated by the following sections:

(i) abstracters regulated pursuant to chapter 386;

(ii) accountants regulated pursuant to chapter 326A;

(iii) adjusters regulated pursuant to chapter 72B;

(iv) architects regulated pursuant to chapter 326;

(v) assessors regulated pursuant to chapter 270;

(vi) athletic trainers regulated pursuant to chapter 148;

(vii) attorneys regulated pursuant to chapter 481;

(viii) auctioneers regulated pursuant to chapter 330;

(ix) barbers and cosmetologists regulated pursuant to chapter 154;

(x) boiler operators regulated pursuant to chapter 326B;

(xi) chiropractors regulated pursuant to chapter 148;

(xii) collection agencies regulated pursuant to chapter 332;

(xiii) dentists, registered dental assistants, and dental hygienists regulated pursuant to chapter 150A;

(xiv) detectives regulated pursuant to chapter 326;

(xv) electricians regulated pursuant to chapter 326B;

(xvi) mortuary science practitioners regulated pursuant to chapter 149A;

(xvii) engineers regulated pursuant to chapter 326;

(xviii) insurance brokers and salespersons regulated pursuant to chapter 60A;

(xix) certified interior designers regulated pursuant to chapter 326;

(xx) midwives regulated pursuant to chapter 147D;

(xxi) nursing home administrators regulated pursuant to chapter 144A;

(xxii) optometrists regulated pursuant to chapter 148;

(xxiii) osteopathic physicians regulated pursuant to chapter 147;

(xxiv) pharmacists regulated pursuant to chapter 151;

(xxv) physical therapists regulated pursuant to chapter 148;

(xxvi) physician assistants regulated pursuant to chapter 147A;

(xxvii) physicians and surgeons regulated pursuant to chapter 147;

(xxviii) plumbers regulated pursuant to chapter 326B;

(xxix) podiatrists regulated pursuant to chapter 153;

(xxx) practical nurses regulated pursuant to chapter 148;

(xxxi) professional fund-raisers regulated pursuant to chapter 309;

(xxxii) psychologists regulated pursuant to chapter 148;

(xxxiii) real estate brokers, salespersons, and others regulated pursuant to chapters 82 and 83;

(xxxiv) registered nurses regulated pursuant to chapter 148;

(xxxv) securities brokers, dealers, agents, and investment advisers regulated pursuant to chapter 80A;

(xxxvi) steamfitters regulated pursuant to chapter 326B;

(xxxvii) teachers and supervisory and support personnel regulated pursuant to chapter 125;

(xxxviii) veterinarians regulated pursuant to chapter 156;

(xxxix) water conditioning contractors and installers regulated pursuant to chapter 326B;

(xl) water well contractors regulated pursuant to chapter 103I;

(xli) water and waste treatment operators regulated pursuant to chapter 115;

(xlii) motor carriers regulated pursuant to chapter 221;

(xliii) professional firms regulated under chapter 319B;

(xliv) real estate appraisers regulated pursuant to chapter 82B;

(xlv) residential building contractors, residential remodelers, residential roofers, manufactured home installers, and specialty contractors regulated pursuant to chapter 326B;

(xlvi) licensed professional counselors regulated pursuant to chapter 148B;

(4) any driver's license required pursuant to chapter 171;

(5) any aircraft license required pursuant to chapter 360;

(6) any watercraft license required pursuant to chapter 86B;

(7) any license, permit, registration, certification, or other approval pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the resources of land, air, or water, which is required to be obtained from a state agency or instrumentality; and

(8) any pollution control rule or standard established by the Pollution Control Agency or any health rule or standard established by the commissioner of health or any licensing rule or standard established by the commissioner of human services.

116J.74 DEFINITIONS.

Subd. 7a. **Exception.** "Business license" or "license" does not include any license excepted in section 116J.70, subdivision 2a.

116J.874 AFFIRMATIVE ENTERPRISE PROGRAM.

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Business entity" means a sole proprietorship, partnership, limited liability company, or corporation.

(c) "Disabled person" means a person with a disability as defined under section 363A.03, subdivision 12.

(d) "Full-time employee" means an employee who is employed for at least 35 hours per week.

Subd. 2. **Establishment.** The commissioner of employment and economic development shall establish the affirmative enterprise program for the purpose of encouraging the full-time employment of disabled persons in areas of economic need. The commissioner shall determine areas of economic need based on present and past levels of unemployment and population loss, and present and past reductions in industrial and business activity.

Subd. 3. **Eligibility.** A business entity is eligible for an affirmative enterprise grant if it meets the following criteria:

(1) except in the case of a business entity with fewer than ten employees, it employs at least 25 percent of its full-time employees from persons who are not disabled;

(2) it employs at least 50 percent of its full-time employees from disabled persons;

(3) it maintains an integrated work force of nondisabled and disabled persons at the highest possible level;

(4) every full-time employee has an employee status with all accompanying rights and responsibilities;

(5) the following benefits are provided to each full-time employee:

(i) paid vacation;

(ii) paid holidays;

(iii) paid sick leave;

(iv) a personalized career plan;

(v) retirement with employer participation; and

(vi) a co-payment health insurance plan;

(6) a full-time employee selected by all employees of the business entity meets with the business entity's management at least once a month;

(7) each full-time employee is informed of other less restrictive employment when it becomes available;

(8) all full-time employees are required to participate in at least two evaluations per year with accompanying wage adjustments; and

(9) profit sharing based on the business entity's performance is provided to all full-time employees.

Subd. 4. **Grants.** Affirmative enterprise grants must be used by the business to provide training and support services to disabled persons in conjunction with economic development.

Subd. 5. **Preference.** Preference for grant awards must be given to a business entity that: (1) offers ownership options or individual personal improvement plans with employer-sponsored training, has a long-term business plan, and is working collaboratively with the local economic development authority or organization; or (2) has a higher percentage of disabled employees than another eligible entity.

116J.885 BIOMEDICAL INNOVATION AND COMMERCIALIZATION INITIATIVE.

Subdivision 1. **Established.** (a) The commissioner of employment and economic development shall establish the Biomedical Innovation and Commercialization Initiative (BICI) as a collaborative economic development initiative between the University of Minnesota, Minnesota's medical technology industry, and investors. BICI is not a state agency.

(b) The board established in subdivision 2 shall organize and operate BICI as a for-profit entity and in a manner and form that the board determines best allows BICI to carry out its objectives. Any distribution from BICI must be returned to all investors, including the state, in the same proportion as funds were contributed.

Subd. 2. **Board.** (a) BICI is governed by a board of directors, appointed to six-year terms, comprised of:

(1) a representative chosen by the governor;

(2) a representative chosen by the University of Minnesota; and

(3) five representatives from the state's medical technology industry, chosen by private sector investors.

(b) The board may use up to five percent of its total capitalization to establish a management and administrative budget, including the hiring of staff and for professional management expenses. Members of the staff are not state employees.

Subd. 3. **Duties of BICI.** BICI shall:

(1) add business and financial expertise to technologies that are being developed by University of Minnesota faculty and staff to enhance commercial value;

(2) promote the depth, breadth, and value of technologies being developed by the biomedical academic community;

(3) catalyze the development of functional, mutually advantageous relationships between industry, faculty, staff, the university, and extended research community;

(4) provide a financial return on commercialization efforts to the stakeholders in BICI; and

(5) directly commercialize technologies through the startup of new Minnesota companies or enhance the marketing of technologies to existing companies creating expanded economic development opportunities.

Subd. 4. **Statewide focus.** BICI may contract and collaborate with higher education and other research institutions located throughout the state.

Subd. 5. **Powers of board.** The board has the power to do all things reasonable and necessary to carry out the duties of BICI including, without limitation, the power to:

(1) enter into contracts for goods and services with individuals and private and public entities;

(2) sue and be sued;

(3) acquire, hold, lease, and transfer any interest in real and personal property;

(4) accept appropriations, gifts, grants, and bequests;

(5) hire employees for BICI; and

(6) delegate any of its powers.

Subd. 6. **Board compensation.** Compensation and expense reimbursement of board members is as provided in section 15.0575, subdivision 1.

116J.987 DEFINITIONS.

Subdivision 1. **Application.** The definitions in this section apply to sections 116J.987 to 116J.990.

Subd. 2. **Board.** "Board" means the Board of Invention.

Subd. 3. **Commercial invention.** "Commercial invention" means new and useful processes, machines, manufacturing procedures, or any new and useful improvements or applications of commercial inventions, regardless of whether or not the invention is patentable.

Subd. 4. **Invention.** "Invention" means creative activity resulting in new and potentially useful and applied products or ideas of commercial and social merit. Invention includes commercial and social inventions.

Subd. 5. **Social invention.** "Social invention" means new procedures, new uses for known procedures, and organizations that change the way in which people relate to their environment or to each other.

116J.988 BOARD OF INVENTION.

Subdivision 1. **Membership.** The Board of Invention consists of 11 members appointed by the governor, subject to the advice and consent of the senate. One member must be appointed from each of the congressional districts. The remaining members may be appointed at large.

Subd. 2. **Terms.** The membership terms, removal, and filling of vacancies of board members are as provided in section 15.0575.

Subd. 3. **Chair; other officers.** The board shall annually elect a chair and other officers as necessary from its members.

Subd. 4. **Staff.** The board may employ an executive director who is knowledgeable in invention and has demonstrated proficiency in the administration of programs relating to invention. The executive director shall perform the duties that the board may require in carrying out its responsibilities.

116J.989 POWERS.

Subdivision 1. **Contracts.** The board may enter into contracts and grant agreements necessary to carry out its responsibilities.

Subd. 2. **Gifts; grants.** The board may apply for, accept, and disburse gifts, grants, or other property from the United States, the state, private foundations, or any other source. It may enter into an agreement required for the gifts or grants and may hold, use, and dispose of its assets in accordance with the terms of the gift, grant, or agreement. Money received by the board under this subdivision must be deposited in the state treasury. The amount deposited is appropriated to the board to carry out its duties.

116J.990 DUTIES.

Subdivision 1. **General duties.** The board shall encourage the creation, performance, and appreciation of invention in the state. The board shall investigate and evaluate new methods to enhance invention.

Subd. 2. **Grant program.** The board shall establish an invention grant program to award grants to individuals, nonprofits, or private organizations to encourage the development of both commercial and social inventions.

Subd. 3. **Technical assistance.** The board shall provide information services relating to invention to the general public.

Subd. 4. **Coordination.** The board may review all public and private programs relating to invention and innovation.

Subd. 5. **Budget.** The board shall adopt an annual budget and work program.

Subd. 6. **Report.** The board shall submit a report to the legislature and the governor by January 31 of each year. The report must include a review of invention activities in the state, a review of the board's activities, a listing of grants made under the invention grant program, an evaluation of invention initiatives, and recommendations concerning state support of invention activities.

116L.06 HIRE EDUCATION LOAN PROGRAM.

Subdivision 1. **Fund uses.** The Job Skills Partnership Board may make loans to Minnesota employers to train persons for jobs in Minnesota. The loans must be used to train current and prospective employees of an employer for specific jobs with the employer.

Subd. 2. **Loan process.** The board shall establish a schedule and competitive process for accepting loan applications. The board shall evaluate loan applications.

Subd. 3. **Loan priority.** The board shall give priority to loans that provide training for jobs that are permanent, provide health coverage and other fringe benefits, and have a career or job path with prospects for wage increases.

Subd. 4. **Loan terms.** Loans may be secured or unsecured, shall be for a term of no more than five years, and shall bear no interest. The maximum amount of a loan is $250,000. A loan origination fee of up to two percent of the principal of the loan may be charged. An employer may have only one outstanding loan. The loans shall contain such other standard commercial loan terms as the board deems appropriate.

Subd. 5. **Loan uses.** Loans must be used by an employer to obtain the most effective training available from public or private training institutions. An employer must document to the board the process the employer has utilized to ensure that the proposed loan is used to acquire the most cost-effective training and provide a training plan.

Subd. 6. **Packaging loans.** The board may package a grant it makes under section 116L.04 with a loan under this section.

Subd. 7. **Loan repayments.** Loan repayments and loan origination fees shall be retained by the board for board programs.

116L.10 HEALTH CARE AND HUMAN SERVICES WORKER PROGRAM.

A health care and human services worker training and retention program is established to:

(1) alleviate critical worker shortages confronting specific geographical areas of the state, specific health care and human services industries, or specific providers when employers are not currently offering sufficient worker training and retention options and are unable to do so because of the limited size of the employer, economic circumstances, or other limiting factors described in the grant application and verified by the board; and

(2) increase opportunities for current and potential direct care employees to qualify for advanced employment in the health care or human services fields through experience, training, and education.

116L.11 DEFINITIONS.

Subdivision 1. **Scope.** For the purposes of sections 116L.10 to 116L.15, the terms defined in this section have the meanings given them unless the context clearly indicates otherwise.

Subd. 2. **Eligible employer.** "Eligible employer" means a nursing facility, small rural hospital, intermediate care facility for persons with developmental disability, waivered services provider, home health services provider, personal care assistance services provider, semi-independent living services provider, day training and habilitation services provider, or similar provider of health care or human services.

Subd. 3. **Potential employee target groups.** "Potential employee target groups" means high school students, past and present recipients of Minnesota family investment program benefits, immigrants, senior citizens, current health care and human services workers, and persons who are underemployed or unemployed.

Subd. 4. **Qualifying consortium.** "Qualifying consortium" means an entity that includes a public or private institution of higher education and one eligible employer.

116L.12 FUNDING MECHANISM.

Subdivision 1. **Applications.** A qualifying consortium shall apply to the board in the manner specified by the board.

Subd. 3. **Program targets.** Applications for grants must describe targeted employers or types of employers and must describe the specific critical work force shortage the program is designed to alleviate. Programs may be limited geographically or be statewide. The application must include verification that in the process of determining that a critical work force shortage exists in the target area, the applicant has:

(1) consulted available data on worker shortages;

(2) conferred with other employers in the target area; and

(3) compared shortages in the target area with shortages at the regional or statewide level.

Subd. 4. **Grants.** Within the limits of available appropriations, the board shall make grants not to exceed $400,000 each to qualifying consortia to operate local, regional, or statewide training and retention programs. Grants may be made from TANF funds, general fund appropriations, and any other funding sources available to the board, provided the requirements of those funding sources are satisfied. A portion of a grant may be used for preemployment training. Grant awards must establish specific, measurable outcomes and timelines for achieving those outcomes.

Subd. 5. **Local match requirements.** A consortium must satisfy the match requirements established in section 116L.02, paragraph (a).

Subd. 6. **Ineligible worker categories.** Grants shall not be made to alleviate shortages of physicians, physician assistants, or advanced practice nurses.

116L.13 PROGRAM REQUIREMENTS.

Subdivision 1. **Marketing and recruitment.** A qualifying consortium must implement a marketing and outreach strategy to recruit into the health care and human services fields persons from one or more of the potential employee target groups. Recruitment strategies must include:

(1) a screening process to evaluate whether potential employees may be disqualified as the result of a required background check or are otherwise unlikely to succeed in the position for which they are being recruited; and

(2) a process for modifying course work to meet the training needs of non-English-speaking persons, when appropriate.

Subd. 2. **Recruitment and retention incentives.** Employer members of a consortium must provide incentives to train and retain employees. These incentives may include, but are not limited to:

(1) paid salary during initial training periods, but only if specifically approved by the board, which must certify that the employer has not formerly paid employees during the initial training period and is unable to do so because of the employer's limited size, financial condition, or other factors;

(2) scholarship programs under which a specified amount is deposited into an educational account for the employee for each hour worked, which may include contributions on behalf of an employee to a Minnesota college savings plan account under chapter 136G;

(3) the provision of advanced education to employees so that they may qualify for advanced positions in the health care or human services fields. This education may be provided at the employer's site, at the site of a nearby employer, or at a local educational institution or other site. Preference shall be given to grantees that offer flexible advanced training to employees at convenient sites, allow workers time off with pay during the workday to participate, and provide education at no cost to students or through employer-based scholarships that pay expenses prior to the start of classes rather than upon completion;

(4) work maturity or soft skills training, adult basic education, English as a second language instruction, and basic computer orientation for persons with limited previous attachment to the work force due to a lack of these skills;

(5) child care subsidies during training or educational activities;

(6) transportation to training and education programs; and

(7) programs to coordinate efforts by employer members of the consortium to share staff among employers where feasible, to pool employee and employer benefit contributions in order to enhance benefit packages, and to coordinate education and training opportunities for staff in order to increase the availability and flexibility of education and training programs.

Subd. 3. **Work hour limits.** High school students participating in a training and retention program shall not be permitted to work more than 20 hours per week when school is in session.

Subd. 4. **Collective bargaining agreements.** This section shall be implemented consistent with existing collective bargaining agreements covering health care and human services employees.

116L.14 CAREER ENHANCEMENT REQUIREMENTS.

All consortium members must work cooperatively to establish and maintain a career ladder program under which direct care staff have the opportunity to advance along a career development path that includes regular educational opportunities, coordination between job duties and educational opportunities, and a planned series of promotions for which qualified employees will be eligible. This section shall be implemented consistent with existing collective bargaining agreements covering direct care staff.

116L.146 EXPEDITED GRANT PROCESS.

(a) The board may authorize grants not to exceed $50,000 each through an expedited grant approval process to:

(1) eligible employers to provide training programs for up to 50 workers; or

(2) a public or private institution of higher education to:

(i) do predevelopment or curriculum development for training programs prior to submission for program funding under section 116L.12;

(ii) convert an existing curriculum for distance learning through interactive television or other communication methods; or

(iii) enable a training program to be offered when it would otherwise be canceled due to an enrollment shortfall of one or two students when the program is offered in a health-related field with a documented worker shortage and is part of a training program not exceeding two years in length.

(b) The board shall develop application procedures and evaluation policies for grants made under this section.

116L.15 SMALL EMPLOYER PROTECTION.

Grantees must guarantee that small employers, including licensed personal care assistance organizations, be allowed to participate in consortium programs. The financial contribution required from a small employer must be adjusted to reflect the employer's financial circumstances.

116L.361 DEFINITIONS.

Subd. 2. **Advisory committee.** "Advisory committee" means the committee established in section 116L.363.

116L.363 ADVISORY COMMITTEE.

A 12-member advisory committee is established as provided under section 15.059 to assist the commissioner in selecting eligible organizations to receive program grants and evaluating the final reports of each organization. Members of the committee may be reimbursed for expenses but may not receive any other compensation for service on the committee. The advisory committee consists of representatives of the commissioners of education, human services, and employment and economic development; a representative of the chancellor of the Minnesota State Colleges and Universities; a representative of the commissioner of the Housing Finance Agency; and seven public members appointed by the governor. Each of the following groups must be represented by a public member experienced in working with targeted youth: labor organizations, local educators, community groups, consumers, local housing developers, youth between the ages of 16 and 24 who have a period of homelessness, and other homeless persons. At least three of the public members must be from outside of the metropolitan area as defined in section 473.121, subdivision 2. The commissioner may provide staff to the advisory committee to assist it in carrying out its purpose.

116L.871 LOCAL DELIVERY.

Subdivision 1. **Responsibility and certification.** (a) Unless prohibited by federal law or otherwise determined by state law, a local service unit is responsible for the delivery of employment and training services. Employment and training services may be delivered by certified employment and training service providers.

(b) The local service unit's employment and training service provider must meet the certification standards in this subdivision if the county requests that they be certified to deliver any of the following employment and training services and programs: wage subsidies; general assistance grant diversion; food stamp employment and training programs; community work experience programs; and MFIP employment services.

(c) The commissioner shall certify a local service unit's service provider to provide these employment and training services and programs if the commissioner determines that the provider has:

(1) past experience in direct delivery of the programs specified in paragraph (b);

(2) staff capabilities and qualifications, including adequate staff to provide timely and effective services to clients, and proven staff experience in providing specific services such as assessments, career planning, job development, job placement, support services, and knowledge of community services and educational resources;

(3) demonstrated effectiveness in providing services to public assistance recipients and other economically disadvantaged clients; and

(4) demonstrated administrative capabilities, including adequate fiscal and accounting procedures, financial management systems, participant data systems, and record retention procedures.

(d) When the only service provider that meets the criterion in paragraph (c), clause (1), has been decertified, according to subdivision 1a, in that local service unit, the following criteria shall be substituted: past experience in direct delivery of multiple, coordinated, nonduplicative services, including outreach, assessments, identification of client barriers, employability development plans, and provision or referral to support services.

Subd. 2. **Decertification.** (a) The department, on its own initiative, or at the request of the local service unit, shall begin decertification processes for employment and training service providers who:

(1) no longer meet one or more of the certification standards;

(2) are delivering services in a manner that does not comply with the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, or relevant state law after corrective actions have been cited, technical assistance has been provided, and a reasonable period of time for remedial action has been provided; or

(3) are not complying with other state and federal laws or policy which are necessary for effective delivery of services.

(b) The initiating of decertification processes shall not result in decertification of the service provider unless and until adequate fact-finding and investigation has been performed by the department.

Subd. 3. **Enforcement.** The local service units shall provide for the enforcement of employment and training requirements for appropriate recipients of public assistance, and must include provisions for enforcing the requirements in any contracts with providers under subdivision 1.

116L.872 STATE FUNDING OF EMPLOYMENT AND TRAINING PROGRAMS.

Subdivision 1. **Available money.** The commissioner and local service units are not required to provide employment and training services that exceed the levels permitted by available federal, state, and local funds subject to the requirements or limitations of each program.

Subd. 2. **Maintenance of effort.** A local service unit shall certify to the commissioner that it has not reduced funds from other federal, state, and county sources which would, in the absence of this section, have been available for employment and training services and child care services and related administrative costs.

469.109 PURPOSE.

The legislature finds that there exists in the state certain areas of substantial and persistent unemployment causing hardship to many individuals and their families and that there also exist certain rural areas where development and redevelopment should be encouraged. The legislature finds that the powers and facilities of the state government and local communities, in cooperation with the federal government, should assist rural areas and areas of substantial and

chronic unemployment in planning and financing economic redevelopment by private enterprise, enabling those areas to enhance their prosperity by the establishment of stable and diversified local economies, and to provide new employment opportunities through the development and expansion of new or existing facilities and resources.

The legislature finds that the establishment of local or regional area redevelopment agencies in Minnesota having the power to acquire, build, lease, sell, or otherwise provide plants and facilities for industrial, recreational, or commercial development will create new employment and promote economic redevelopment of rural areas and of depressed or underdeveloped areas in the state, and that the accomplishment of these objectives is a public purpose for which public money may be spent.

469.124 PURPOSE.

The legislature finds that there is a need for new development in areas of a city that are already built up in order to provide employment opportunities, to improve the tax base, and to improve the general economy of the state. Therefore, cities are authorized to develop a program for improving a district of the city to provide impetus for commercial development; to increase employment; to protect pedestrians from vehicle traffic and inclement weather; to provide the necessary linkage between peripheral parking facilities and places of employment and shopping; to provide off-street parking to serve the shoppers and employees of the district; to provide open space relief within the district; and to provide other facilities as are outlined in the development program adopted by the governing body. The legislature declares that the actions required to assist the implementation of these development programs are a public purpose and that the execution and financing of these programs are a public purpose.

469.35 TRANSIT IMPROVEMENT AREA ACCOUNTS.

Two transit improvement area accounts are created, one in the general fund and one in the bond proceeds fund. Money in the accounts may be used to make grants or loans as provided in section 469.351 and for the commissioner's costs in reviewing applications and making loans or grants. Money in the accounts must not be used to pay for the operation of transit lines or the construction or operating costs of transit stations.

469.351 TRANSIT IMPROVEMENT AREA LOAN PROGRAM.

Subdivision 1. **Definitions.** (a) The terms defined in this section have the meanings given them and apply to sections 469.35 and 469.351.

(b) "Applicant" means a local governmental unit or a joint powers board, established under section 471.59.

(c) "Commissioner" means the commissioner of employment and economic development.

(d) "Eligible organization" means an applicant that has been designated as a transit improvement area by the commissioner.

(e) "Local governmental unit" means a statutory or home rule charter city or town, or a county.

(f) "Transit improvement area" means a geographic area designated by the commissioner composed of land parcels that are in proximity to a transit station.

(g) "Transit station" means a physical structure to support the interconnection of public transit modes including at least one of the following modes: bus rapid transit, light rail transit, and commuter rail.

Subd. 2. **Designation of transit improvement areas.** A transit improvement area must increase the effectiveness of a transit project by incorporating one or more public transit modes with commercial, residential, or mixed-use development and by providing for safe and pedestrian-friendly use. The commissioner, in consultation with affected state and regional agencies, must designate transit improvement areas that meet the objectives under this subdivision. Affected state and regional agencies include, but are not limited to, the Minnesota Department of Transportation, the Minnesota Housing Finance Agency, and the Metropolitan Council for transit improvement areas located in the seven-county metropolitan region. To be eligible for designation, an applicant must submit a transit area improvement plan according to the requirements and timelines established by the commissioner. At a minimum, the plan must include the information specified under subdivision 3. The commissioner may modify an applicant's plan to better achieve the objectives of transit improvement areas. The commissioner must notify applicants of the designations and must provide a statement of any changes to an applicant's plan with justification for all changes.

Subd. 3. **Transit area improvement plan.** (a) An applicant must adopt a transit area improvement plan by resolution before submitting the application to the commissioner with the information required in this subdivision. Each transit area improvement plan must include the following:

(1) a map indicating the geographic boundaries of the transit improvement area;

(2) a description of the project for which funding under subdivision 4 is being requested;

(3) an analysis of the demographic mix of people who are anticipated to use the transit station;

(4) a description of the ownership and intended use of public and private facilities to be constructed in the transit improvement area, including infrastructure, buildings and other structures, and parks;

(5) a description of pedestrian-friendly improvements to be provided, including walkways, parkways, and signage;

(6) a statement of findings that the redevelopment or development of the transit improvement area promotes higher density land uses resulting in increased transit ridership;

(7) a statement of the anticipated sources and amounts of local public funds;

(8) a statement of the anticipated sources and amounts of private funds;

(9) a statement of the anticipated sources and amounts of leveraged regional, state, and federal funds;

(10) a description of the linkages to existing and proposed local, regional, and state transit systems; and

(11) a description of other factors in the proposed development to increase ridership.

(b) Transit improvement area plans with a residential component must propose at least 12 residential units per acre or a density bonus that allows for an increase in the number of residential units over what is permitted by the underlying zoning. The plan must include a description of the variety of housing types, including housing appropriate for low-income persons, disabled persons, and senior citizens and the prices for each housing type within the transit improvement area.

Subd. 4. **Transit improvement area loans.** (a) The commissioner may make loans to eligible organizations to be used for eligible costs under paragraph (b). A loan must be used for a designated transit improvement area, under the following terms:

(1) the eligible organization must guarantee repayment of 100 percent of the loan;

(2) a loan must be for a term of ten years, unless repayment is from a tax increment financing district or other state or federal funds, at an interest rate of two percent;

(3) the eligible organization must make annual interest-only payments during the ten-year term of the loan;

(4) the eligible organization must pay the entire principal amount of the initial loan at the end of the ten-year term;

(5) a loan may not exceed $2,000,000;

(6) the commissioner must disburse the loan on a cash-needs basis, based on costs incurred by the eligible organization, as well as reporting and other requirements outlined in subdivision 5;

(7) the eligible organization must maintain the funds in accounts that allow the funds to be readily available for business investments;

(8) the eligible organization and the commissioner may agree on contract specifications that are consistent with payback from a tax increment financing district or from any other state and federal funds that may be forthcoming; and

(9) an eligible organization that receives a loan must report annually, in a format prescribed by the commissioner, on the nature and amount of the business investments in the transit improvement area, including an account of each financing transaction involving loans received under this section, the types and amounts of financing from sources other than the transit improvement area loan, the number of jobs created, and the amount of private sector and nonstate investment leveraged.

(b) Loans under this section must be used to supplement and not replace funding from existing sources or programs. Loans must not be used for the construction costs of transit stations; transit systems; or the operating costs of public transit or transportation, including, but not limited to, the costs of maintaining, staffing, or operating transit stations. Loans from the bond proceeds fund must be spent to acquire and to better publicly owned land and buildings and other public improvements of a capital nature. Loans can be used for the following eligible expenditures according to an approved transit area improvement plan:

(1) clearing land;

(2) relocation costs;

(3) corrections for soil, including removing or remediation of hazardous substances;

(4) construction or installation of walkways, bridges or tunnels for pedestrians, bikeways, parking facilities, and signage;

(5) improvements to streetscapes;

(6) construction of public infrastructure to support construction of new affordable housing, senior housing, or housing for disabled persons;

(7) construction of public infrastructure to support job creation in the area, especially small business development;

(8) developing green spaces and parks; and

(9) administrative expenses of the local authority.

(c) All loan repayments under this section must be made to the appropriate account under section 469.35 for reinvestment in transit improvement areas.

Subd. 5. **Loan requirements.** All loans under this section are subject to an investment agreement that must include:

(1) a description of the eligible organization, including business finance experience, qualifications, and investment history;

(2) a description of the uses of investment proceeds by the eligible organization;

(3) an explanation of the investment objectives; and

(4) a description of the method of payment.