

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 270**

(SENATE AUTHORS: SCHMIT, Pederson, J., Dibble and Metzen)

DATE	D-PG	OFFICIAL STATUS
01/22/2015	116	Introduction and first reading Referred to Transportation and Public Safety
02/02/2015	194	Author added Metzen

1.1 A bill for an act  
 1.2 relating to transportation; establishing a business relocation revolving loan fund  
 1.3 for businesses displaced due to a trunk highway or rail project; appropriating  
 1.4 money; proposing coding for new law in Minnesota Statutes, chapter 161.

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

1.6 Section 1. **[161.443] BUSINESS RELOCATION REVOLVING LOAN FUND.**

1.7 Subdivision 1. **Establishment and purpose of fund.** A business relocation  
 1.8 revolving loan fund is established in the state treasury. Money in the fund is for loans to  
 1.9 relocate businesses displaced as a result of a trunk highway or rail project that causes the  
 1.10 business substantial impairment of road access, parking, or visibility. The commissioner  
 1.11 of transportation shall manage and administer the fund. Money in the fund is annually  
 1.12 appropriated to the Department of Transportation and does not lapse. The fund must be  
 1.13 credited with investment income, and with repayments of principal and interest.

1.14 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms  
 1.15 have the meanings given.

1.16 (b) "Business" is a lawful activity, whether for profit or nonprofit, excluding a farm  
 1.17 operation, conducted primarily for:

1.18 (1) purchase, sale, lease, or rental of personal or real property, and for the  
 1.19 manufacture, processing, or marketing of products, commodities, or other personal  
 1.20 property; or

1.21 (2) sale of services to the public.

1.22 (c) "Eligible expenses" are:

1.23 (1) actual, reasonable expenses in moving the business;

2.1 (2) actual, direct, reasonable losses of tangible personal property as a result of  
2.2 moving a business;

2.3 (3) actual, reasonable expenses in searching for a replacement business location; and

2.4 (4) actual, reasonable expenses necessary to reestablish a business at its new site.

2.5 Subd. 3. **Maximum loan amount.** A loan from the business relocation revolving  
2.6 loan fund may not exceed the lesser of \$..... or the total of eligible expenses, as  
2.7 determined by the commissioner.

2.8 Subd. 4. **Applications and eligibility requirements.** An applicant for a loan must  
2.9 submit an application to the commissioner on forms prescribed by the commissioner.  
2.10 An eligible applicant must provide the following information to the satisfaction of the  
2.11 commissioner:

2.12 (1) the estimated amount of eligible expenses and the amount of the loan sought;

2.13 (2) other possible sources of funding, including payments through eminent domain,  
2.14 in addition to loans sought from the business relocation revolving loan fund;

2.15 (3) proposed methods and sources of funds to be used for repayment of loans received;

2.16 (4) information showing the financial status and ability of the applicant to repay  
2.17 the loan;

2.18 (5) proof of maintenance of property insurance;

2.19 (6) property taxes paid and current; and

2.20 (7) freedom from judgments, liens, agreements, consent decrees, or stipulations for  
2.21 settlement that could affect the applicant's ability to repay the loan.

2.22 Subd. 5. **Loan conditions.** A loan made under this section must:

2.23 (1) bear interest at or below market rates;

2.24 (2) have a repayment term not longer than 20 years; and

2.25 (3) be subject to repayment of principal and interest beginning not later than two  
2.26 years after the business relocation has taken place.

2.27 Sec. 2. **APPROPRIATION.**

2.28 \$10,000,000 is appropriated in fiscal year ..... to the commissioner of transportation  
2.29 from the general fund for deposit in the business relocation revolving loan fund established  
2.30 in section 1.

2.31 Sec. 3. **EFFECTIVE DATE.**

2.32 Sections 1 and 2 are effective July 1, 2015.