

(3) frequency of occurrence of the noise signals; and

(4) extent to which aircraft noise intrudes above noise from other sources.

The study shall include noise frequency measurements accomplished using A-weighted sound levels.

The criteria that are developed should apply to both classroom situations where aircraft noise is appreciable and where nonaircraft noise sources may exceed idealized noise goals.

The study will consist of:

(a) evaluation of alternative types of classroom noise measures;

(b) selection of an appropriate noise measure and appropriate classroom noise criteria on the noise measurement scale;

(c) testing of the alternative noise measure in public and private classrooms; and

(d) identification of classroom locations that exceed the noise criteria.

The classrooms selected for testing must be located in at least two different public or private schools in each of the following cities: Eagan, Bloomington, Mendota Heights, Minneapolis, Richfield, and St. Paul. Not more than two of the schools tested may be located inside the 1996 65 Ldn contour as identified in the federal report "FAR Part 150 1991 Study Update."

The metropolitan airports commission shall report the study findings to the chairs of the senate metropolitan and local government committee and the house local government and metropolitan affairs committee by January 15, 1994.

## Sec. 2. APPLICATION.

This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Presented to the governor May 11, 1993

Signed by the governor May 14, 1993, 9:09 a.m.

## CHAPTER 163—H.F.No. 889

*An act relating to economic development; clarifying provisions relating to the department of trade and economic development; clarifying the duties of the commissioner; providing certain duties for the rural development board and Minnesota Technology, Inc.;*

New language is indicated by underline, deletions by ~~strikeout~~.

amending Minnesota Statutes 1992, sections 17.49, subdivision 1; 18.024, subdivision 1; 86.72, subdivision 3; 86A.06; 86A.09, subdivisions 1, 2, 3, and 4; 92.35; 92.36; 103F.135, subdivision 1; 116J.01, by adding a subdivision; 116J.402; 116J.58, subdivision 1; 116J.61; 116J.68, subdivision 2; 116J.873, subdivisions 3 and 4; 116J.966, subdivision 1; 116J.980, subdivisions 1 and 2; 116N.04, subdivision 1; 116O.02, subdivision 6; 116O.03, subdivision 1a; 116O.04, subdivision 1; 116O.05, subdivision 2; 116O.06, subdivision 1; 116O.08, subdivision 2; 137.31, subdivision 6; 138.93, subdivision 4; 144.95, subdivision 7; 173.17; 216B.242; 216C.37, subdivision 1; 299A.01, subdivision 2; 446A.03, subdivision 1; 446A.10, subdivision 2; 473.857, subdivision 2; 473H.06, subdivision 5; and 641.24; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1992, sections 84.54; 86A.10; 116J.01, subdivision 3; 116J.615, subdivision 2; 116J.645; 116J.661; 116J.982, subdivisions 6a, 8, and 9; 116J.983; 116J.984; 301A.01; 301A.02; 301A.03; 301A.04; 301A.05; 301A.06; 301A.07; 301A.08; 301A.09; 301A.10; 301A.11; 301A.12; 301A.13; and 301A.14.

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

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## ARTICLE 1

Section 1. Minnesota Statutes 1992, section 17.49, subdivision 1, is amended to read:

Subdivision 1. **PROGRAM ESTABLISHED.** The commissioner shall establish and promote a program of aquaculture in consultation with an advisory committee consisting of the University of Minnesota, the commissioner of natural resources, the commissioner of agriculture, ~~the commissioner of trade and economic development~~, representatives of the private aquaculture industry, and the chairs of the environment and natural resources committees of the house of representatives and senate.

Sec. 2. Minnesota Statutes 1992, section 18.024, subdivision 1, is amended to read:

Subdivision 1. **WOOD UTILIZATION.** The departments of agriculture and natural resources, after consultation with the Minnesota shade tree advisory committee and the ~~commissioners~~ commissioner of public service, ~~and trade and economic development~~, shall investigate, evaluate, and make recommendations to the legislature concerning the potential uses of wood from community trees removed due to disease or other disorders. These recommendations shall include maximum resource recovery through recycling, use as an alternative energy source, or use in construction or the manufacture of new products. Wood utilization or disposal systems as defined in section 18.023 must be included to ensure maximum utilization of diseased shade trees with designs and procedures to ensure public safety and to assure compliance with approved disease control programs.

Sec. 3. Minnesota Statutes 1992, section 86.72, subdivision 3, is amended to read:

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Subd. 3. Requests for allocation from the account for acquisition or development shall be accompanied by a certificate signed ~~jointly~~ by the ~~commissioner of trade and economic development~~ and commissioner of natural resources, showing a review of the application against chapter 86A. Copies of the certification shall be submitted to the appropriate legislative committees and commissions. Appropriations from the account shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding the expenditures.

Sec. 4. Minnesota Statutes 1992, section 86A.06, is amended to read:

**86A.06 RULES.**

Each managing agency; ~~in consultation with the commissioner of trade and economic development;~~ shall promulgate rules relating to the units of the outdoor recreation system within its jurisdiction, which shall provide for administration of the units in the manner specified in section 86A.05 and the laws relating to each type of unit.

Sec. 5. Minnesota Statutes 1992, section 86A.09, subdivision 1, is amended to read:

Subdivision 1. **MASTER PLAN REQUIRED.** No construction of new facilities or other development of an authorized unit, other than repairs and maintenance, shall commence until the managing agency has prepared and submitted to the commissioner of ~~trade and economic development~~ natural resources and the commissioner ~~of trade and economic development~~ has reviewed, pursuant to this section, a master plan for administration of the unit in conformity with this section. No master plan is required for wildlife management areas that do not have resident managers, for water access sites, for aquatic management areas, or for rest areas.

Sec. 6. Minnesota Statutes 1992, section 86A.09, subdivision 2, is amended to read:

Subd. 2. **MASTER PLAN; PREPARATION AND CONTENT.** The managing agency shall supervise preparation of the master plan and shall utilize the professional staffs of any agency of the state when the expertise of the staff of such agency is necessary to adequately prepare the master plan; the master plan shall present the information in a format and detail that is appropriate to the size and complexity of the authorized unit. When the master plan has been completed the managing agency shall announce to the public in a manner reasonably designed to inform interested persons that the master plan is available for public review and in the case of any major unit shall hold at least one public hearing on the plan in the vicinity of the unit. The managing agency shall make the master plan available for review and comment by the public and other state agencies for at least 30 days following the announcement and before submitting the master plan to the commissioner of ~~trade and economic development~~ natural resources.

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Copies of the plan shall be provided to members of the outdoor recreation advisory council and to any other person on request.

Sec. 7. Minnesota Statutes 1992, section 86A.09, subdivision 3, is amended to read:

Subd. 3. **MASTER PLAN; REVIEW AND APPROVAL.** All master plans required by this section shall be submitted to the commissioner of ~~trade and economic development~~ natural resources for review pursuant to this subdivision. The commissioner of ~~trade and economic development~~ natural resources shall review the master plan to determine whether the plan: (a) provides for administration of the unit in a manner that is consistent with the purposes for which the unit was authorized and with the principals governing the administration of the unit, as specified in section 86A.05 and the statutes relating to each type of unit; (b) recognizes values and resources within the unit that are primarily the responsibility of another managing agency to protect or develop, and provides for their protection or development either through a cooperative agreement with the other managing agency or through designation of the appropriate area as a secondary unit. In reviewing any master plan, the commissioner of ~~trade and economic development~~ natural resources shall consult with other state agencies. Within 60 days after receiving the master plan, the commissioner of ~~trade and economic development~~ natural resources shall notify the managing agency that the plan has been reviewed and forward its recommendations for any changes it might suggest. The managing agency shall review the recommendations and notify the commissioner of ~~trade and economic development~~ natural resources of the disposition made of them. Failure to comment on a master plan within the time specified shall be considered approval of the plan by the commissioner of ~~trade and economic development~~ natural resources. If the ~~director of the~~ commissioner of ~~trade and economic development~~ natural resources feels that the master plan still fails significantly to comply with this subdivision, the commissioner may request review of the master plan by the governor. In that event review shall not be deemed completed until after the master plan has been approved by the governor or 60 days have elapsed without action by the governor to approve or reject the plan, whichever occurs first.

Sec. 8. Minnesota Statutes 1992, section 86A.09, subdivision 4, is amended to read:

Subd. 4. **DEVELOPMENT.** Construction of necessary facilities and other development of the unit shall commence as soon as practicable after review of the master plan by the commissioner of ~~trade and economic development~~ natural resources, and the governor if requested, and shall be carried out in conformity with the master plan.

Sec. 9. Minnesota Statutes 1992, section 92.35, is amended to read:

#### 92.35 DUTIES AND POWERS.

The commissioner of ~~trade and economic development~~ natural resources

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must classify all public and private lands in the state by the use to which the lands are adapted, but principally as to adaptability to present known uses, such as agriculture and forestry. This classification must be based on consideration of the known physical and economic factors affecting use of the land. The commissioner must consult private, state, and federal agencies concerned with land use. The commissioner may appoint advisory committees of residents of the state concerned with and interested in land use. The advisory committees shall serve without pay, at the pleasure of the commissioner. The advisory committee must consider and report on land use problems submitted by the commissioner. The classification must be done first in the counties having land classification committees. In determining the land classification, the commissioner must consult and cooperate with the land classification committee. The determination of the land classification committee is final.

Sec. 10. Minnesota Statutes 1992, section 92.36, is amended to read:

**92.36 LANDS CLASSIFIED.**

Upon the basis of all of the facts concerning land use now obtainable and as provided in sections 92.34 to 92.37 the commissioner of ~~trade and economic development~~ natural resources shall temporarily classify land areas with reference to the known uses to which the areas are adapted or adaptable. A certified copy of the temporary classification, together with a brief statement of the reasons for it, must be recorded in the office of the county recorder in each county containing the lands classified. No fees need be paid for this recording. After the temporary classification has been adopted by the commissioner, none of the lands classified as nonagricultural may be sold or leased by the state for agricultural purposes.

Sec. 11. Minnesota Statutes 1992, section 103F.135, subdivision 1, is amended to read:

Subdivision 1. **COMMISSIONER'S DUTIES.** The commissioner shall:

- (1) collect and distribute information relating to flooding and floodplain management;
- (2) coordinate local, state, and federal floodplain management activities to the greatest extent possible, and encourage the United States Army Corps of Engineers and the United States Soil Conservation Service to make their flood control planning data available to local governmental units for planning purposes, to allow adequate local participation in the planning process and in the selection of desirable alternatives;
- (3) assist local governmental units in their floodplain management activities ~~in cooperation with the commissioner of trade and economic development~~; and
- (4) do all other things, within lawful authority, that are necessary or desirable to manage the floodplain for beneficial uses compatible with the preservation of the capacity of the floodplain to carry and discharge the regional flood.

New language is indicated by underline, deletions by ~~strikeout~~.

Sec. 12. Minnesota Statutes 1992, section 116J.01, is amended by adding a subdivision to read:

Subd. 5. DEPARTMENTAL ORGANIZATION. (a) The commissioner shall organize the department as provided in section 15.06.

(b) The commissioner may establish divisions and offices within the department. The commissioner may employ three deputy commissioners in the unclassified service. One deputy must direct the Minnesota trade office and must be experienced and knowledgeable in matters of international trade. One deputy must be the director of the office of tourism.

(c) The commissioner shall:

(1) employ assistants and other officers, employees, and agents that the commissioner considers necessary to discharge the functions of the commissioner's office;

(2) define the duties of the officers, employees, and agents, and delegate to them any of the commissioner's powers, duties, and responsibilities, subject to the commissioner's control and under conditions prescribed by the commissioner.

Sec. 13. **[116J.011] MISSION.**

The mission of the department of trade and economic development is to employ all of the available state government resources to facilitate an economic environment that produces net new job growth in excess of the national average and to increase nonresident and resident tourism revenues.

Sec. 14. Minnesota Statutes 1992, section 116J.402, is amended to read:

**116J.402 COOPERATIVE CONTRACTS.**

The commissioner of trade and economic development may apply for, receive, and spend money for community development from municipal, county, regional, and other planning agencies. The commissioner may also apply for, accept, and disburse grants and other aids for community development and related planning from the federal government and other sources. The commissioner may enter into contracts with agencies of the federal government, local governmental units, regional development commissions, and the metropolitan council, other state agencies, the University of Minnesota, and other educational institutions, and private persons as necessary to perform the commissioner's duties. Contracts made according to this section, except those with private persons, are not subject to the provisions of chapter 16 concerning competitive bidding.

The commissioner may apply for, receive, and spend money made available from federal sources or other sources for the purposes of carrying out the duties and responsibilities of the commissioner ~~relating to community development.~~

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Money received by the commissioner under this section must be deposited in the state treasury and is appropriated to the commissioner for the purposes for which the money has been received. The money does not cancel and is available until spent.

Sec. 15. Minnesota Statutes 1992, section 116J.58, subdivision 1, is amended to read:

Subdivision 1. **ENUMERATION.** The commissioner shall:

(1) investigate, study, and undertake ways and means of promoting and encouraging the prosperous development and protection of the legitimate interest and welfare of Minnesota business, industry, and commerce, within and outside the state;

(2) locate markets for manufacturers and processors and aid merchants in locating and contacting markets;

(3) investigate and study conditions affecting Minnesota business, industry, and commerce and collect and disseminate information, and engage in technical studies, scientific investigations, and statistical research and educational activities necessary or useful for the proper execution of the powers and duties of the commissioner in promoting and developing Minnesota business, industry, and commerce, both within and outside the state;

(4) plan and develop an effective business information service both for the direct assistance of business and industry of the state and for the encouragement of business and industry outside the state to use economic facilities within the state;

(5) compile, collect, and develop periodically, or otherwise make available, information relating to current business conditions;

(6) conduct or encourage research designed to further new and more extensive uses of the natural and other resources of the state and designed to develop new products and industrial processes;

(7) study trends and developments in the industries of the state and analyze the reasons underlying the trends; study costs and other factors affecting successful operation of businesses within the state; and make recommendations regarding circumstances promoting or hampering business and industrial development;

(8) serve as a clearing house for business and industrial problems of the state; and advise small business enterprises regarding improved methods of accounting and bookkeeping;

(9) cooperate with interstate commissions engaged in formulating and promoting the adoption of interstate compacts and agreements helpful to business, industry, and commerce;

New language is indicated by underline, deletions by ~~strikeout~~.

(10) cooperate with other state departments, and with boards, commissions, and other state agencies, in the preparation and coordination of plans and policies for the development of the state and for the use and conservation of its resources insofar as the use, conservation, and development may be appropriately directed or influenced by a state agency;

(11) assemble and coordinate information relative to the status, scope, cost, and employment possibilities and the availability of materials, equipment, and labor in connection with public works projects, state, county, and municipal; recommend limitations on the public works; gather current progress information with reference to public and private works projects of the state and its political subdivisions with reference to conditions of employment; inquire into and report to the governor, when requested by the governor, with respect to any program of public state improvements and the financing thereof; and request and obtain information from other state departments or agencies as may be needed properly to report thereon;

(12) study changes in population and current trends and prepare plans and suggest policies for the development and conservation of the resources of the state;

(13) confer and cooperate with the executive, legislative, or planning authorities of the United States and neighboring states and provinces and of the counties and municipalities of such neighboring states, for the purpose of bringing about a coordination between the development of such neighboring provinces, states, counties, and municipalities and the development of this state;

(14) generally, gather, compile, and make available statistical information relating to business, trade, commerce, industry, transportation, communication, natural resources, and other like subjects in this state, with authority to call upon other departments of the state for statistical data and results obtained by them and to arrange and compile that statistical information in a manner that seems wise;

(15) publish documents and annually convene regional meetings to inform businesses, local government units, assistance providers, and other interested persons of changes in state and federal law related to economic development; ~~and~~

(16) annually convene conferences of providers of economic development related financial and technical assistance for the purposes of exchanging information on economic development assistance, coordinating economic development activities, and formulating economic development strategies; and

(17) provide business with information on the economic benefits of energy conservation and on the availability of energy conservation assistance.

Sec. 16. Minnesota Statutes 1992, section 116J.61, is amended to read:

New language is indicated by underline, deletions by ~~strikeout~~.



**116J.61 ADDITIONAL POWERS AND DUTIES.**

The commissioner shall:

(1) have control of the work of carrying on a continuous program of education for business people;

(2) publish, disseminate, and distribute information and statistics;

(3) promote and encourage the expansion and development of markets for Minnesota products;

(4) promote and encourage the location and development of new business in the state as well as the maintenance and expansion of existing business and for that purpose cooperate with state and local agencies and individuals, both within and outside the state;

(5) advertise and disseminate information as to natural resources, desirable locations, and other advantages for the purpose of attracting business to locate in this state;

(6) aid the various communities in this state in ~~getting~~ attracting business to locate therein;

(7) advise and cooperate with municipal, county, regional, and other planning agencies and planning groups within the state for the purpose of promoting coordination between the state and localities as to plans and development in order to maintain a high level of gainful employment in private profitable production and achieve commensurate advancement in social and cultural welfare; coordinate the activities of statewide and local planning agencies, correlate information secured from them and from state departments and disseminate information and suggestions to the planning agencies; and encourage and assist in the organization and functioning of local planning agencies where none exist; and may provide at the request of any governmental subdivision hereinafter mentioned planning assistance, which includes but is not limited to surveys, land use studies, urban renewal plans, technical services and other planning work to any city or other municipality in the state or perform similar planning work in any county, metropolitan or regional area in the state. The commissioner shall not perform the planning work with respect to a metropolitan or regional area which is under the jurisdiction for planning purposes of a county, metropolitan, regional or joint planning body, except at the request or with the consent of the respective county, metropolitan, regional or joint planning body. The commissioner is authorized to receive and expend money from municipal, county, regional and other planning agencies; and may accept and disburse grants and other aids for planning purposes from the federal government and from other public or private sources, and may utilize moneys so received for the employment of consultants and other temporary personnel to assist in the supervision or performance of planning work supported by money other than state appropriated money, and may enter into contracts with agencies of the federal

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government, units of local government or combinations thereof, and with private persons that are necessary in the performance of the planning assistance function of the commissioner. The commissioner may assist any local government unit in filling out application forms for the federal grants-in-aid. In furtherance of their planning functions, any city or town, however organized, may expend money and contract with agencies of the federal government, appropriate departments of state government, other local units of government and with private persons; and

(8) adopt measures calculated to promote public interest in and understanding of the problems of planning and, to that end, may publish and distribute copies of any plan or any report and may employ other means of publicity and education that will give full effect to the provisions of sections 116J.58 to 116J.63.

Sec. 17. Minnesota Statutes 1992, section 116J.68, subdivision 2, is amended to read:

Subd. 2. The bureau shall:

(a) provide information and assistance with respect to all aspects of business planning and business management related to the start-up, operation, or expansion of a small business in Minnesota;

(b) refer persons interested in the start-up, operation, or expansion of a small business in Minnesota to assistance programs sponsored by federal agencies, state agencies, educational institutions, chambers of commerce, civic organizations, community development groups, private industry associations, and other organizations or to the business assistance referral system established by the Minnesota Project Outreach Corporation;

(c) plan, develop, and implement a master file of information on small business assistance programs of federal, state, and local governments, and other public and private organizations so as to provide comprehensive, timely information to the bureau's clients;

(d) employ staff with adequate and appropriate skills and education and training for the delivery of information and assistance;

(e) seek out and utilize, to the extent practicable, contributed expertise and services of federal, state, and local governments, educational institutions, and other public and private organizations;

(f) maintain a close and continued relationship with the director of the procurement program within the department of administration so as to facilitate the department's duties and responsibilities under sections 16B.19 to 16B.22 relating to the small targeted group business and economically disadvantaged business program of the state;

(g) develop an information system which will enable the commissioner and

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other state agencies to efficiently store, retrieve, analyze, and exchange data regarding small business development and growth in the state. All executive branch agencies of state government and the secretary of state shall to the extent practicable, assist the bureau in the development and implementation of the information system;

(h) establish and maintain a toll free telephone number so that all small business persons anywhere in the state can call the bureau office for assistance. An outreach program shall be established to make the existence of the bureau well known to its potential clientele throughout the state. If the small business person requires a referral to another provider the bureau may use the business assistance referral system established by the Minnesota Project Outreach Corporation;

(i) conduct research and provide data as required by the state legislature;

(j) develop and publish material on all aspects of the start-up, operation, or expansion of a small business in Minnesota;

(k) collect and disseminate information on state procurement opportunities, including information on the procurement process;

(l) develop a public awareness program through the use of newsletters, personal contacts, and electronic and print news media advertising about state assistance programs for small businesses, including those programs specifically for socially disadvantaged small business persons;

(m) publicize to small businesses section 14.115 which requires consideration of small business issues in state agency rulemaking;

(n) enter into agreements with the federal government and other public and private entities to serve as the statewide coordinator or host agency for the federal small business development center program under United States Code, title 15, section 648; and

~~(o) establish an evaluation mechanism to determine if assistance providers have adequate expertise and resources to deliver quality services. Evaluation of assistance providers may be based on the ability of the provider to offer the advertised service, the training and experience of the provider, and the formal evaluation process used by the provider. The evaluation mechanism must be designed so that the business assistance referral system established by the Minnesota Project Outreach Corporation may use the results of the evaluation in providing clients with referrals to providers; and~~

~~(p) assist providers in the evaluation of their programs and the assessment of their service area needs. The bureau may establish model evaluation techniques and performance standards for providers to use.~~

Sec. 18. Minnesota Statutes 1992, section 116J.873, subdivision 3, is amended to read:

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 3. **GRANT EVALUATION.** ~~The division of community development in the department commissioner~~ shall accept, review, and evaluate applications for grants to local units of government made in accordance with rules adopted for economic development grants in the small cities development program. Applications recommended for funding; ~~including recommended grant awards;~~ shall be submitted ~~by the division~~ to the commissioner ~~for approval.~~

Sec. 19. Minnesota Statutes 1992, section 116J.873, subdivision 4, is amended to read:

Subd. 4. **GRANT LIMITS.** An economic recovery grant may not be approved for an amount over \$500,000. ~~The division may recommend less funding than requested if, in the opinion of the division, the amount requested is more than is necessary to meet the applicant's needs.~~ If the amount of the grant is ~~reduced~~ less than \$500,000, the reasons for the reduction shall be given to the applicant. The portion of an economic recovery grant that exceeds \$100,000 must be repaid to the state when it is repaid to the local community or recognized Indian tribal government by the person or entity to which it was loaned by the local community or Indian tribal government. Money repaid to the state must be credited to the general fund.

Sec. 20. Minnesota Statutes 1992, section 116J.966, subdivision 1, is amended to read:

Subdivision 1. **GENERALLY.** (a) The commissioner shall promote, develop, and facilitate trade and foreign investment in Minnesota. In furtherance of these goals, and in addition to the powers granted by section 116J.035, the commissioner may:

(1) locate, develop, and promote international markets for Minnesota products and services;

(2) arrange and lead trade missions to countries with promising international markets for Minnesota goods, technology, services, and agricultural products;

(3) promote Minnesota products and services at domestic and international trade shows;

(4) organize, promote, and present domestic and international trade shows featuring Minnesota products and services;

(5) host trade delegations and assist foreign traders in contacting appropriate Minnesota businesses and investments;

(6) develop contacts with Minnesota businesses and gather and provide information to assist them in locating and communicating with international trading or joint venture counterparts;

(7) provide information, education, and counseling services to Minnesota

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businesses regarding the economic, commercial, legal, and cultural contexts of international trade;

(8) provide Minnesota businesses with international trade leads and information about the availability and sources of services relating to international trade, such as export financing, licensing, freight forwarding, international advertising, translation, and custom brokering;

(9) locate, attract, and promote foreign direct investment and business development in Minnesota to enhance employment opportunities in Minnesota;

(10) provide foreign businesses and investors desiring to locate facilities in Minnesota information regarding sources of governmental, legal, real estate, financial, and business services; and

(11) ~~undertake activities to support the world trade center; and~~

(12) enter into contracts or other agreements with private persons and public entities, including agreements to establish and maintain offices and other types of representation in foreign countries, to carry out the purposes of promoting international trade and attracting investment from foreign countries to Minnesota and to carry out this section, without regard to sections 16B.07 and 16B.09.

(b) The programs and activities of the commissioner of trade and economic development and the Minnesota trade division may not duplicate programs and activities of the commissioner of agriculture or the Minnesota world trade center corporation.

(c) The commissioner shall notify the chairs of the senate finance and house appropriations committees of each agreement under this subdivision to establish and maintain an office or other type of representation in a foreign country.

Sec. 21. Minnesota Statutes 1992, section 116J.980, subdivision 1, is amended to read:

Subdivision 1. **DUTIES.** ~~The community development division is a division within the department of trade and economic development. It shall:~~

(1) be responsible for administering all state community development and assistance programs, including the economic recovery account, the outdoor recreation grant program, the rural development board programs, ~~the community development corporation program, the urban revitalization program,~~ the Minnesota public facilities authority loan and grant programs, and the enterprise zone program;

(2) be responsible for state administration of federally funded community development and assistance programs, including the small cities development grant program and land and water conservation program;

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(3) provide technical assistance to rural communities for community development in cooperation with regional development commissions;

(4) coordinate the development and review of state rural development policies;

(5) provide staff and consultant services to the rural development board; and

(6) be responsible for coordinating community assistance and development programs in cooperation with regional development commissions.

Sec. 22. Minnesota Statutes 1992, section 116J.980, subdivision 2, is amended to read:

Subd. 2. **GENERAL COMPLEMENT AUTHORITY.** The ~~community development division~~ department may combine all related state and federal complement positions into general fund positions, to carry out the responsibilities under subdivision 1. The number of general fund positions must not exceed the aggregate number of all state and federal positions that are to be combined. Records of the actual number of employee hours charged to each state and federal account must be maintained for each general fund position.

Sec. 23. Minnesota Statutes 1992, section 137.31, subdivision 6, is amended to read:

Subd. 6. **ANNUAL REPORT.** The University of Minnesota shall submit an annual report as provided in section 3.195, to the governor and the legislature, with a copy to the commissioner of ~~trade and economic development administration~~ administration, indicating the progress being made toward the objectives and goals of this section. The report shall include the following information:

(a) the total dollar value and number of procurement contracts identified and set aside during this period and the percentage of total value of university procurements that this figure reflects;

(b) the number of small businesses identified by and responding to the university set-aside program, the total dollar value and number of procurement contracts actually awarded to small businesses with appropriate designation as to the total number and value of procurement contracts awarded to each small business, and the total number of small businesses that were awarded procurement contracts; and

(c) the number of procurement contracts which were designated and set aside pursuant to this section but which were not awarded to a small business, the estimated total dollar value of these awards, the lowest offer or bid on each of these awards made by the small business, and the price at which these contracts were awarded pursuant to regular procurement procedures.

Sec. 24. Minnesota Statutes 1992, section 138.93, subdivision 4, is amended to read:

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 4. **MASTER PLANS.** The owner shall prepare and submit to the regional planning commission a master plan for the development and management of the center, in a format and detail appropriate for the project. The regional planning commission shall choose a project and report its choice to the Minnesota historical society. The Minnesota historical society shall make the master plan available for review and comment by the public and other state agencies for at least 30 days. ~~Copies of the master plan shall be submitted to the commissioner of trade and economic development for review and comment.~~

Sec. 25. Minnesota Statutes 1992, section 144.95, subdivision 7, is amended to read:

Subd. 7. **RESEARCH PLOTS.** The commissioner of health may lease and maintain experimental plots of land for mosquito research. The commissioner of health shall determine the locations of the experimental plots and may enter into agreements with any public or private agency or individual to lease the land. The commissioners of agriculture, natural resources, transportation, and iron range resources and rehabilitation; ~~and trade and economic development~~ shall cooperate with the commissioner of health.

Sec. 26. Minnesota Statutes 1992, section 173.17, is amended to read:

**173.17 REMOVAL OF DEVICES; COMPENSATION.**

It is hereby declared that where in order to carry out the provisions of this chapter it is necessary that property rights be acquired, such acquisition is for a public purpose and is necessary for a highway purpose. The commissioner of transportation is authorized to acquire by purchase, gift or condemnation all advertising devices and all property rights pertaining thereto which are prohibited under the provisions of this chapter, and any rules promulgated pursuant thereto, provided that such advertising devices were in lawful existence on June 8, 1971. In any such acquisition, purchase or condemnation, just compensation shall be paid for:

(1) The taking from the owner of such sign, display or device of all right, title, leasehold and interest in such sign, display or device; and

(2) The taking from the owner of the real property on which such advertising device is located immediately prior to its removal or relocation, the right to erect and maintain thereon advertising devices, and full compensation therefor, including severance damage and damage to the remainder of the outdoor advertising plant regardless of whether it is located on property contiguous to or a part of that on which such sign is located, shall be included in the amounts paid to the respective owners. Provided, however, that no compensation shall be paid for severance damage and damage to the remainder of the outdoor advertising plant unless federal laws, or rules and regulations promulgated by the United States Department of Transportation provide for federal participation in the cost of such severance damage and damage to the remainder of the outdoor advertising plant.

New language is indicated by underline, deletions by ~~strikeout~~.

(3) Compensation required herein shall be paid to the person or persons entitled thereto. Notwithstanding any other provisions of Laws 1971, chapter 883, no advertising device shall be required to be removed or relocated unless and until the commissioner of transportation shall tender payment to the owner of the advertising device and the owner of real property upon which the same is located, in cash or check drawn on the state treasury, of 100 percent of the amount of just compensation required herein, as determined by the commissioner of transportation; provided that the acceptance of said tendered amount by the person or persons to be compensated shall be without prejudice to further rights to have just compensation finally determined in accordance with the provisions of Laws 1971, chapter 883, and to receive any greater or additional amount under chapter 117.

(4) Notwithstanding any other provision of this chapter, including section 173.20, no advertising device which was lawfully erected shall be removed until all rights in the property, personal or real, have been acquired by purchase, gift, or eminent domain proceedings under chapter 117, whether or not the advertising device is removed pursuant to this chapter or any other statute, ordinance, or regulation of any political subdivision of the state or local zoning authority.

~~The Minnesota department of transportation with the assistance and cooperation of the department of trade and economic development shall make recommendations to the standing committees on transportation of both houses of the legislature by February 1, 1982 for a comprehensive directional signing program.~~

Sec. 27. Minnesota Statutes 1992, section 216B.242, is amended to read:

**216B.242 INVERTED RATES.**

The commission may initiate a program designed to demonstrate the effect of inverted rates on promoting conservation by the residential customers of natural gas utilities. Any inverted rates ordered by the commission shall present customers with a tailblock price that, to the maximum extent practicable, reflects the replacement cost of gas. Total revenues collected from customers involved in this pilot program may not exceed those that would be collected under a flat rate. The commission may order one public gas utility to implement a pilot program of inverted rates for residential customers and to monitor the effects of these rates on gas consumption, and on costs to residential customers. The program shall include a sufficient number of residential customers to provide statistically significant conclusions regarding the effects and costs of inverted rates. ~~The inverted rate schedules and monitoring plans shall be prepared in consultation with the commissioner of trade and economic development.~~

Sec. 28. Minnesota Statutes 1992, section 216C.37, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** In this section:

New language is indicated by underline, deletions by ~~strikeout~~.



(a) "Commissioner" means the commissioner of public service. ~~Upon passage of legislation creating a body known as the Minnesota public facilities authority, the duties assigned to the commissioner in this section are delegated to the authority.~~

(b) "Maxi-audit" means a detailed engineering analysis of energy-saving improvements to existing buildings or stationary energy-using systems, including (1) modifications to building structures; (2) heating, ventilating, and air conditioning systems; (3) operation practices; (4) lighting; and (5) other factors that relate to energy use. The primary purpose of the engineering analysis is to quantify the economic and engineering feasibility of energy-saving improvements that require capital expenditures or major operational modifications.

(c) "Energy conservation investments" mean all capital expenditures that are associated with conservation measures identified in a maxi-audit and that have a ten-year or less payback period. Public school districts that received a federal institutional building grant in 1984 to convert a heating system to wood, and that apply for an energy conservation investment loan to match a federal grant for wood conversion, shall be allowed to calculate payback of conservation measures based on the costs of the traditional fuel in use prior to the wood conversion.

(d) "Municipality" means any county, statutory or home rule charter city, town, school district, or any combination of those units operating under an agreement to jointly undertake projects authorized in this section.

Sec. 29. Minnesota Statutes 1992, section 299A.01, subdivision 2, is amended to read:

Subd. 2. **DUTIES OF COMMISSIONER.** The duties of the commissioner shall include the following:

(a) the coordination, development and maintenance of services contracts with existing state departments and agencies assuring the efficient and economic use of advanced business machinery including computers;

(b) the execution of contracts and agreements with existing state departments for the maintenance and servicing of vehicles and communications equipment, and the use of related buildings and grounds;

(c) the development of integrated fiscal services for all divisions, and the preparation of an integrated budget for the department;

(d) the establishment of a planning bureau within the department; ~~which bureau shall consult and coordinate its activities with the commissioner of trade and economic development.~~

Sec. 30. Minnesota Statutes 1992, section 446A.03, subdivision 1, is amended to read:

New language is indicated by underline, deletions by ~~strikeout~~.

Subdivision 1. **MEMBERSHIP.** The Minnesota public facilities authority consists of the commissioner of trade and economic development, the commissioner of finance, ~~the commissioner of public service~~, the commissioner of the pollution control agency, and three additional members appointed by the governor from the general public with the advice and consent of the senate.

Sec. 31. Minnesota Statutes 1992, section 446A.10, subdivision 2, is amended to read:

Subd. 2. **OTHER RESPONSIBILITIES.** (a) The responsibilities for the health care equipment loan program under Minnesota Statutes 1986, section 116M.07, subdivisions 7a, 7b, and 7c; ~~the public school energy conservation loan program under section 216C.37<sup>1/2</sup>~~, and the district heating and qualified energy improvement loan program under section 216C.36, are transferred from the Minnesota energy and economic development authority to the Minnesota public facilities authority. The commissioner of public service shall continue to administer the municipal energy grant and loan programs under section 216C.36 ~~and the school energy loan program under section 216C.37~~ until the commissioner of trade and economic development has adopted rules to implement the financial administration of the programs as provided under ~~sections~~ section 216C.36, subdivisions 2, 3b, 3c, 8, 8a, and 11; ~~and 216C.37, subdivisions 4 and 8.~~

(b) Except as otherwise provided in this paragraph, section 15.039 applies to the transfer of responsibilities. The transfer includes 8-1/2 positions from the financial management division of the department of trade and economic development to the community development division of the department of trade and economic development. The commissioner of trade and economic development and the commissioner of public service shall determine which classified and unclassified positions associated with the responsibilities of the grant and loan programs under section 216C.36 and the school energy loan program under section 216C.37 are transferred to the commissioner of public service and which positions are transferred to the commissioner of trade and economic development in order to carry out the purposes of Laws 1987, chapter 386, article 3.

Sec. 32. Minnesota Statutes 1992, section 473.857, subdivision 2, is amended to read:

Subd. 2. A hearing shall be conducted within 60 days after the request, provided that the committee shall consolidate hearings on related requests. The hearing shall not consider the need for or reasonableness of the metropolitan system plans or parts thereof. The hearing shall afford all interested persons an opportunity to testify and present evidence. The advisory committee or administrative law judge may employ the appropriate technical and professional services of the ~~commissioner office~~ office of trade and economic development dispute resolution for the purpose of evaluating disputes of fact. The proceedings shall not be deemed a contested case. Within 30 days after the hearing, the committee or hearing examiner shall report to the council respecting the proposed amend-

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ments to the system statements. The report shall contain findings of fact, conclusions, and recommendations and shall apportion the costs of the proceedings among the parties.

Sec. 33. Minnesota Statutes 1992, section 473H.06, subdivision 5, is amended to read:

Subd. 5. The metropolitan council shall maintain agricultural preserve maps, illustrating (a) certified long term agricultural lands; and (b) lands covenanted as agricultural preserves. The council shall make yearly reports to ~~the commissioner of trade and economic development~~; the department of agriculture; and such other agencies as the council deems appropriate.

Sec. 34. Minnesota Statutes 1992, section 641.24, is amended to read:

641.24 LEASING.

The county may, by resolution of the county board, enter into a lease agreement with any statutory or home rule charter city situated within the county, or a county housing and redevelopment authority established pursuant to chapter 469 or any special law whereby the city or county housing and redevelopment authority will construct a jail or other law enforcement facilities for the county sheriff, deputy sheriffs, and other employees of the sheriff and other law enforcement agencies, in accordance with plans prepared by or at the request of the county board and, when required, approved by the commissioner of corrections and will finance it by the issuance of revenue bonds, and the county may lease the site and improvements for a term and upon rentals sufficient to produce revenue for the prompt payment of the bonds and all interest accruing thereon and, upon completion of payment, will acquire title thereto. The real and personal property acquired for the jail shall constitute a project and the lease agreement shall constitute a revenue agreement as contemplated in chapter 469, and all proceedings shall be taken by the city or county housing and redevelopment authority and the county in the manner and with the force and effect provided in chapter 469; provided that:

- (1) no tax shall be imposed upon or in lieu of a tax upon the property;
- (2) the approval of the project by the commissioner of commerce shall not be required;
- (3) the department of corrections shall be furnished and shall record such information concerning each project as it may prescribe; ~~in lieu of reports required on other projects to the commissioner of trade and economic development~~;
- (4) the rentals required to be paid under the lease agreement shall not exceed in any year one-tenth of one percent of the market value of property within the county, as last finally equalized before the execution of the agreement;

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(5) the county board shall provide for the payment of all rentals due during the term of the lease, in the manner required in section 641.264, subdivision 2;

(6) no mortgage on the property shall be granted for the security of the bonds, but compliance with clause (5) hereof may be enforced as a nondiscretionary duty of the county board; and

(7) the county board may sublease any part of the jail property for purposes consistent with the maintenance and operation of a county jail or other law enforcement facility.

Sec. 35. **REPEALER.**

Minnesota Statutes 1992, sections 84.54; 86A.10; 116J.01, subdivision 3; 116J.615, subdivision 2; 116J.645; 116J.661; 116J.982, subdivisions 6a, 8, and 9; 116J.983; 116J.984; 301A.01; 301A.02; 301A.03; 301A.04; 301A.05; 301A.06; 301A.07; 301A.08; 301A.09; 301A.10; 301A.11; 301A.12; 301A.13; and 301A.14, are repealed.

ARTICLE 2

Section 1. Minnesota Statutes 1992, section 116N.04, subdivision 1, is amended to read:

Subdivision 1. **GENERAL DUTIES.** The board shall investigate and evaluate new methods to enhance rural development, particularly methods relating to energy conservation and economic diversification through private enterprises, including technologically innovative industries, value-added manufacturing, agriprocessing, information industries, ~~and~~ agricultural marketing, and renewable energy technologies.

Sec. 2. Minnesota Statutes 1992, section 116O.02, subdivision 6, is amended to read:

Subd. 6. **TECHNOLOGY-RELATED ASSISTANCE.** "Technology-related assistance" means the transfer of technological information and technologies to assist in the development and production of new technology-related products or services or to increase the productivity or otherwise enhance the production or delivery of existing products or services. "Technology-related assistance" includes assistance in utilizing and developing processes and products that conserve energy.

Sec. 3. Minnesota Statutes 1992, section 116O.03, subdivision 1a, is amended to read:

Subd. 1a. **PURPOSE.** The purpose of the corporation is to foster long-term economic growth and job creation by stimulating innovation and the devel-

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opment of new products, services, and production processes through energy conservation, technology transfer, applied research, and financial assistance. The corporation's purpose is not to create new programs or services but to build on the existing educational, business, and economic development infrastructure. The primary focus of the corporation's activities must be to benefit new or existing small and medium-sized businesses in greater Minnesota.

Sec. 4. Minnesota Statutes 1992, section 116O.04, subdivision 1, is amended to read:

Subdivision 1. **GENERALLY.** The board shall appoint and set the compensation for a president, who serves as chief executive officer of the corporation, and who may appoint subordinate officers. The president's salary may not exceed 95 percent of the governor's salary. The board may designate the president as its general agent. Subject to the control of the board, the president shall employ employees, consultants, and agents the president considers necessary. The staff of the corporation must include individuals knowledgeable in commercial and industrial financing, energy conservation, research and development, economic development, and general fiscal affairs. The board shall define the duties and designate the titles of the employees and agents.

Sec. 5. Minnesota Statutes 1992, section 116O.05, subdivision 2, is amended to read:

Subd. 2. **DUTIES.** (a) The primary duties of the corporation shall include:

- (1) applied research; and
- (2) technology transfer and early stage funding to small manufacturers.

(b) The corporation shall also:

(1) establish programs, activities, and policies that provide technology transfer and applied research and development assistance to individuals, sole proprietorships, partnerships, corporations, other business entities, and nonprofit organizations in the state that are primarily new and existing small and medium-sized businesses in greater Minnesota;

(2) provide or provide for technology-related assistance to individuals, sole proprietorships, partnerships, corporations, other business entities, and nonprofit organizations;

(3) provide financial assistance under section 116O.06 to assist the development of new products, services, or production processes, to assist in energy conservation, or to assist in bringing new products or services to the marketplace;

(4) provide or provide for research services including on-site research and testing of production techniques and product quality;

(5) establish and operate regional research institutes as provided for in section 116O.08;

New language is indicated by underline, deletions by ~~strikeout~~.

(6) make matching research grants for applied research and development to public and private post-secondary education institutes as provided for in section 116O.11;

(7) enter into contracts for establishing formal relationships with public or private research institutes or facilities;

(8) establish the agricultural utilization research institute under section 116O.09; and

(9) not duplicate existing services or activities provided by other public and private organizations but shall build on the existing educational, business, and economic development infrastructure.

Sec. 6. Minnesota Statutes 1992, section 116O.06, subdivision 1, is amended to read:

Subdivision 1. **FINANCIAL ASSISTANCE; TYPES.** The corporation may provide financial assistance to individuals, sole proprietorships, partnerships, corporations, other business entities, or nonprofit organizations that have (1) received research assistance from a corporation research facility or as a result of a research grant under section 116O.09, subdivision 4, or 116O.11; or (2) received favorable review through a peer review process established under guidelines developed under section 116O.10, subdivision 2. Financial assistance includes, but is not limited to, loan guarantees or insurance, direct loans, and interest subsidy payments. The corporation may participate in loans by purchasing from a lender up to 50 percent of each loan. Financial assistance under this section is for assisting in the financing of a business's debt financing, energy conservation, product development financing, or working capital needs.

Sec. 7. Minnesota Statutes 1992, section 116O.08, subdivision 2, is amended to read:

Subd. 2. **PURPOSE.** The purpose of the institutes is to provide applied research and development services to individuals, businesses, or organizations for the purposes of developing the region's economy through the utilization of the region's resources and the development of technology. Research and development services may include energy conservation consultations, on-site research, product development grants, testing of production techniques and product quality and feasibility studies.

#### Sec. 8. **ENERGY AND ECONOMIC DEVELOPMENT PROJECT.**

Minnesota Technology, Inc., must by February 1, 1994, notify the chairs of the legislative committees with jurisdiction in energy or economic development issues of its efforts in providing energy conservation assistance to employers and of the economic value to businesses of that assistance.

Presented to the governor May 11, 1993

New language is indicated by underline, deletions by ~~strikeout~~.

Signed by the governor May 14, 1993, 9:09 a.m.

CHAPTER 164—H.F.No. 1579

*An act relating to public finance; changing procedures for allocating bonding authority; amending Minnesota Statutes 1992, sections 462A.221, by adding subdivisions; 462A.222, subdivision 3; 474A.047, subdivision 1; and 474A.061, subdivision 2a.*

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

Section 1. Minnesota Statutes 1992, section 462A.221, is amended by adding a subdivision to read:

Subd. 4. METROPOLITAN AREA. "Metropolitan area" has the meaning given it in section 473.121, subdivision 2.

Sec. 2. Minnesota Statutes 1992, section 462A.221, is amended by adding a subdivision to read:

Subd. 5. SUBSTANTIAL REHABILITATION. "Substantial rehabilitation" means rehabilitation of at least \$5,000 per unit.

Sec. 3. Minnesota Statutes 1992, section 462A.222, subdivision 3, is amended to read:

Subd. 3. **ALLOCATION PROCEDURE.** (a) Projects will be awarded tax credits in three competitive rounds on an annual basis. The date for applications for each round must be determined by the agency. No allocating agency may award tax credits prior to the application dates established by the agency.

(b) Each allocating agency must meet the requirements of section 42(m) of the Internal Revenue Code of 1986, as amended through December 31, 1989, for the allocation of tax credits and the selection of projects,

(c) For applications submitted for the first round, an allocating agency may allocate tax credits only to the following types of projects:

(1) in the metropolitan area:

(i) new construction or substantial rehabilitation single-room occupancy projects which are affordable by households whose income does not exceed 30 percent of the median income;

~~(2)~~ (ii) new construction or substantial rehabilitation family housing projects in which at least 75 percent of the units contain two or more bedrooms and at least one-third of the 75 percent contain three or more bedrooms; or

(iii) substantial rehabilitation projects in neighborhoods targeted by the city for revitalization;

New language is indicated by underline, deletions by ~~strikeout~~.