

This Document can be made available in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 2319

02/15/2012 Authored by Downey and Runbeck

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance

1.1 A bill for an act
1.2 relating to job creation; creating a small business regulatory review board;
1.3 providing legislative appointments; proposing coding for new law in Minnesota
1.4 Statutes, chapter 14.

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

1.6 Section 1. [14.129] CITATION.

1.7 Sections 14.1291 to 14.1295 shall be cited as the "Small Business Regulatory Relief
1.8 Act."

1.9 Sec. 2. [14.1291] CREATION AND PURPOSE.

1.10 The Small Business Regulatory Review Board is created in the legislative branch to:

1.11 (1) review proposed rules or revisions to existing rules to determine the impact of

1.12 the proposal or revision on small businesses; and

1.13 (2) examine existing rules that impact small businesses and recommend any changes

1.14 that would make existing rules more efficient and cost-effective for small businesses.

1.15 Sec. 3. [14.1292] SMALL BUSINESS REGULATORY REVIEW BOARD.

1.16 Subdivision 1. Definitions. For purposes of sections 14.1291 to 14.1295, "small
1.17 business" has the meaning given in section 645.445.

1.18 Subd. 2. Membership. (a) The Small Business Regulatory Review Board consists
1.19 of 16 members, including:

1.20 (1) the commissioner of employment and economic development or the

1.21 commissioner's designee;

1.22 (2) the commissioner of commerce or the commissioner's designee;

- 2.1 (3) the commissioner of revenue or the commissioner's designee;
 2.2 (4) the commissioner of health or the commissioner's designee;
 2.3 (5) the commissioner of natural resources or the commissioner's designee;
 2.4 (6) the commissioner of the Pollution Control Agency or the commissioner's
 2.5 designee;
 2.6 (7) three public members appointed by the speaker of the house of representatives;
 2.7 (8) three public members appointed by the senate Subcommittee on Committees of
 2.8 the Committee on Rules and Administration;
 2.9 (9) two members of the senate appointed by the senate Subcommittee on Committees
 2.10 of the Committee on Rules and Administration; and
 2.11 (10) two members of the house of representatives appointed by the speaker of the
 2.12 house of representatives.
- 2.13 (b) Legislative members appointed to the board shall include the chairs of the
 2.14 legislative committees with jurisdiction over jobs and economic development or their
 2.15 designees, one member from the minority party of the senate, and one member from the
 2.16 minority party of the house of representatives.
- 2.17 (c) Public members shall be representatives of small businesses, as either an owner
 2.18 of a small business or as a member of a small business trade organization.
- 2.19 (d) The first meeting of the board shall be convened by the chair of the Legislative
 2.20 Coordinating Commission no later than December 1, 2012. Members shall elect a chair.
 2.21 The chair may convene meetings as necessary to conduct the duties prescribed by sections
 2.22 14.1291 to 14.1295.
- 2.23 Subd. 3. **Terms, compensation, removal, and vacancies.** The terms, compensation,
 2.24 and removal of board members, and filling of vacancies on the board are governed by
 2.25 section 15.0575.
- 2.26 **Sec. 4. [14.1293] BOARD REVIEW; REPORT AND RECOMMENDATIONS.**
- 2.27 Subdivision 1. **Board review.** (a) The board shall review all rules submitted to the
 2.28 board as required under sections 14.1294 and 14.1295 to determine whether a proposed or
 2.29 existing rule creates an unnecessary burden on small businesses.
- 2.30 (b) If the board determines that a proposed or existing rule places an unnecessary
 2.31 burden on small businesses, it shall issue a report and recommendations regarding the
 2.32 rule to:
- 2.33 (1) the agency with jurisdictional authority of the proposed or existing rule;
 2.34 (2) the chairs of the house of representatives and senate committees having
 2.35 jurisdiction over the agency; and

3.1 (3) the Legislative Coordinating Commission, as necessary, to carry out the
3.2 provisions of section 3.842.

3.3 Subd. 2. **Rule adoption.** The standing committees of the house of representatives
3.4 and senate with jurisdiction over the subject matter of a proposed rule may follow the
3.5 procedures in section 14.126 when, upon review of the report and recommendations from
3.6 the board, the committees vote that a proposed rule should not be adopted as proposed.

3.7 **Sec. 5. [14.1294] IMPACT ON SMALL BUSINESSES.**

3.8 (a) An agency proposing a new rule, or an amendment to an existing rule, affecting
3.9 small businesses shall:

3.10 (1) consider methods for reducing the impact of the rule on small businesses,
3.11 including, but not limited to, less stringent reporting requirements, reduced fees,
3.12 simplification of compliance, or exemption for small businesses from any or all
3.13 requirements of the rule; and

3.14 (2) submit a proposed rule having an economic impact on small businesses to the
3.15 board on the same day the proposed rule is submitted for publication in the State Register.

3.16 (b) An agency submitting a rule to the board shall include, along with the rule, a
3.17 statement detailing the considerations made for lessening the impact of the rule on small
3.18 businesses.

3.19 **Sec. 6. [14.1295] REVIEW OF RULES.**

3.20 Beginning in 2012, each agency shall annually review the current rules of the agency
3.21 and shall consider methods of reducing their impact on small businesses as provided under
3.22 section 14.1294. If a method appears feasible, the agency shall propose an amendment to
3.23 the rule, and submit the proposal to the board for consideration.

3.24 **Sec. 7. EFFECTIVE DATE.**

3.25 Sections 1 to 6 are effective the day following final enactment.