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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 3254

03/21/2014 Authored by Lien, Nornes, Marquart, McNamar and Franson

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

1.1 A bill for an act
1.2 relating to economic development; mandating a study and report on North
1.3 Dakota oil production and economic impacts in Minnesota; appropriating money.

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

1.5 Section 1. STUDY OF NORTH DAKOTA OIL PRODUCTION; IMPACT ON
1.6 MINNESOTA.

1.7 (a) \$150,000 in fiscal year 2014 is appropriated from the general fund to the
1.8 commissioner of employment and economic development, in consultation with the
1.9 commissioner of revenue, to finance a study and analysis of the effects of current and
1.10 projected oil production in North Dakota on the Minnesota economy with special focus on
1.11 the northwestern region of Minnesota and area border cities as provided in paragraph (b).

1.12 (b) The study and analysis must address:

1.13 (1) current and projected economic, fiscal, and demographic effects and issues;

1.14 (2) direct and indirect costs and benefits;

1.15 (3) positive and negative effects; and

1.16 (4) economic challenges and opportunities for economic growth or diversification.

1.17 (c) The study must be objective, evidence-based, and designed to produce empirical
1.18 data. Study data must be utilized to formulate policy recommendations on how the state,
1.19 the northwestern region of the state, and border cities may respond to the challenges and
1.20 opportunities for economic growth and financial investment that may be derived from the
1.21 regional economic changes that are the result of oil production in North Dakota.

1.22 (d) For the purposes of this section, "border cities" has the meaning given in
1.23 Minnesota Statutes, section 469.1731.

2.1 (e) The study and analysis must be conducted by an independent entity with
2.2 demonstrated knowledge in the following areas:

2.3 (1) the economy and demography of Minnesota;

2.4 (2) the domestic and foreign oil industry; and

2.5 (3) technologies, markets, and geopolitical factors that have an impact on current
2.6 and future oil production in the region.

2.7 (f) The commissioner shall report on the findings and recommendations of the study
2.8 to the committees of the house of representatives and senate having jurisdiction over
2.9 economic development and workforce issues by February 15, 2015.

2.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.