

1230.1600 ELIGIBILITY FOR SOCIALLY AND ECONOMICALLY DISADVANTAGED, ECONOMICALLY DISADVANTAGED AREA, OR VETERAN-OWNED SMALL BUSINESS PROGRAM.

Subpart 1. **Eligible businesses.** The following businesses are eligible for participation in the socially and economically disadvantaged, economically disadvantaged area, or veteran-owned small business program: manufacturer, manufacturer's representative, dealer, jobber, distributor, contractor, and businesses engaged in a joint venture.

Subp. 2. **Ineligible businesses.** The following businesses are not eligible for participation in the socially and economically disadvantaged, economically disadvantaged area, or veteran-owned small business program: brokers, third-party lessors, and franchises.

Subp. 3. [Repealed, 42 SR 543]

Subp. 4. **Definitions.** For purposes of parts 1230.1600 to 1230.1910, the following definitions apply.

A. "Assets" mean all the property of a person available for paying debts or for distribution, including the person's respective share of jointly held assets. This includes, but is not limited to, cash on hand and in banks, savings accounts, individual retirement accounts or other retirement accounts, accounts receivable, life insurance, stocks and bonds, real estate, and personal property.

B. "Contingent liability" means a liability that depends on the occurrences of a future and uncertain event. This includes, but is not limited to, guaranty for debts owed by the applicant business, legal claims and judgments, and provisions for federal income tax.

C. "Immediate family member" means father, mother, husband, wife, son, daughter, brother, sister, grandfather, grandmother, father-in-law, mother-in-law, sister-in-law, brother-in-law, and domestic partner and civil unions recognized under Minnesota law.

D. "Liabilities" mean financial or pecuniary obligations. This includes, but is not limited to, accounts payable, notes payable to a bank or others, installment accounts, mortgages on real estate, and unpaid taxes.

E. "Minnesota small business procurement program" or "program" refers to the programs described in parts 1230.1400 to 1230.1910.

F. "Personal net worth" means the net value of the assets of an individual remaining after total liabilities are deducted. An individual's personal net worth does not include the individual's ownership interest in an applicant or participating socially and economically disadvantaged or economically disadvantaged area small business or the individual's equity in the individual's primary place of residence. An individual's personal net worth includes only the individual's share of assets held jointly or as community property with the individual's spouse.

G. "Primary industry classification" means the most current NAICS designation as specified in the United States North American Industry Classification System Manual that best describes the primary enterprise of a business.

H. "Spouse" means a married person, including a person in a domestic partnership or a civil union recognized under Minnesota law.

Statutory Authority: *MS s 16B.04; 16B.18; 16B.19; 16B.22; 16C.03; 16C.16; 16C.19*

History: *16 SR 194; 28 SR 499; 42 SR 543*

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