

**4308.0020 DEFINITIONS.**

Subpart 1. **Scope.** The following terms used in parts 4308.0010 to 4308.0110 have the meanings given them.

Subp. 2. **Commissioner.** "Commissioner" means the commissioner of the Department of Employment and Economic Development or persons delegated to act in the commissioner's behalf.

Subp. 3. **Community development application.** "Community development application" means the official consolidated development application form as developed by the department to be used to apply for funding assistance from various community assistance programs administered by the Community Development Division.

Subp. 4. **Community Development Division.** "Community Development Division" means the Community Development Division of the Department of Employment and Economic Development. The Community Development Division has been designated by the commissioner to receive applications, administer the program, review applications, and approve loans.

Subp. 5. **Department.** "Department" means the Department of Employment and Economic Development.

Subp. 6. **Eligible borrower.** "Eligible borrower" means a sole proprietorship, partnership, corporation, or other person engaged in, and determined by the Community Development Division to constitute, a tourism-related business or other entity that is defined by the standard industrial classification codes of 7011 and 7033 in Code of Federal Regulations, title 13, section 121.2. A person to whom a loan has been made under parts 4308.0010 to 4308.0110 must maintain the standard industrial classification code through the term of the loan. A borrower is not eligible to receive another loan under the tourism loan program for three years from approval of the earlier loan to approval of the next loan, except that if the loan is a septic system loan, the three-year waiting period shall be waived.

Subp. 7. **Eligible project.** "Eligible project" means a project proposed by an eligible borrower that meets the requirements of parts 4308.0010 to 4308.0110.

Subp. 8. **Financial institution.** "Financial institution" means a bank, trust company, mortgage company, credit union, mortgage banker, national banking association, savings bank, savings association, building and loan association, insurance company, financial organization dealing in commercial credit or venture capital, or a lender certified by the secretary of Housing and Urban Development or by the secretary of Veterans Affairs, or approved or certified by the administrator of the Farmers Home Administration or any other financial lending institution, whether organized under federal law or the laws of any state of the United States, and whether located within or without this state.

Subp. 8a. **Guaranteed loan.** "Guaranteed loan" means a loan made by a financial institution to an eligible borrower for which payment is guaranteed by the full faith and credit of the state.

Subp. 9. **Local unit of government.** "Local unit of government" means a county, city, township, or Indian tribe or band recognized by the federal government.

Subp. 10. **Real property.** "Real property" means property consisting of land and all appurtenances, such as buildings and other immovable articles, including improvements made to or upon land and buildings.

Subp. 11. **Participation loan.** "Participation loan" means a loan made under a contract with a financial institution in which the department purchases a share of a financial institution's loan to an eligible borrower.

Subp. 11a. **Septic system loan.** "Septic system loan" means a loan in which the proceeds of the loan will be used only for the replacement or upgrading of a failing or nonconforming septic system or systems with a new sewage treatment system or connection to a sewer system. Septic system loan disbursements must be debited to the state clean water revolving fund created in Minnesota Statutes, section 446A.07, not the tourism loan account, in order to be considered a septic system loan.

Subp. 12. **Tourism loan.** "Tourism loan" means a loan for which the disbursements are made out of the tourism loan account created in Minnesota Statutes, section 116J.617.

**Statutory Authority:** *MS s 116J.035; 116J.617; 116J.980*

**History:** *14 SR 1419; 19 SR 887; L 1995 c 202 art 1 s 25; L 2003 1Sp4 s 1; L 2008 c 277 art 3 s 4*

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