

CHAPTER 116J

DEPARTMENT OF ENERGY, PLANNING
AND DEVELOPMENT

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116J.01 DEPARTMENT OF ENERGY, PLANNING AND DEVELOPMENT.

Subdivision 1. **Appointment.** The department of energy, planning and development shall be supervised and controlled by the commissioner of energy, planning and development, who shall be appointed by the governor and serve under the provisions of section 15.06.

Subd. 2. **Unclassified positions.** The commissioner may appoint a deputy commissioner and a personal secretary in the unclassified service.

Subd. 3. **Departmental organization.** The commissioner shall organize the department as provided in section 15.06.

History: 1981 c 356 s 64

116J.02 TRANSFER OF POWERS.

Subdivision 1. **State planning agency.** All powers, duties, and functions heretofore vested in or imposed on the state planning agency, state planning

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officer, or the director of planning by sections 4.10 to 4.36 or chapters 116C, 116D, 116G, or any other law relating to the duties and powers of the state planning agency are transferred to, vested in, and imposed on the commissioner of energy, planning and development. The position of director of planning and the state planning agency as heretofore constituted are abolished.

Subd. 2. **Energy agency.** All powers, duties, and functions heretofore vested in or imposed on the Minnesota energy agency or the director of the Minnesota energy agency by chapter 116H or any other law relating to the duties and powers of the director of the Minnesota energy agency are transferred to, vested in, and imposed on the commissioner of energy, planning and development. The position of director of the Minnesota energy agency and the Minnesota energy agency as heretofore constituted are abolished.

Subd. 3. **Department of economic development.** All powers, duties, and functions heretofore vested in or imposed on the department of economic development or the commissioner of economic development by chapter 362 or any other law relating to the duties and powers of the commissioner of economic development are transferred to, vested in, and imposed on the commissioner of energy, planning and development. The position of commissioner of economic development and the department of economic development as heretofore constituted are abolished.

Subd. 4. **Positions transferred.** Personnel positions in the state planning agency, energy agency, department of economic development and crime control planning board in the classified civil service, and temporary positions in the unclassified service established pursuant to section 43.05, subdivision 2, clause (9), formerly assigned to functions that are transferred by this section to the department of energy, planning and development are continued and transferred to the department of energy, planning and development along with the function transferred.

Subd. 5. **Balances transferred.** The unexpended balance of any appropriation to the state planning agency, the energy agency, the department of economic development, the crime control planning board, or any of their divisions or agencies is transferred to the commissioner of energy, planning and development, who shall pay all valid claims presented against those appropriations.

Subd. 6. **Records transferred.** The director of planning, the director of the energy agency, the commissioner of economic development, and the chairperson of the crime control planning board shall transfer to the commissioner of energy, planning and development all contracts, books, maps, plans, papers, records, and property of every description within his jurisdiction or control.

Subd. 7. **Proceedings continued.** Any proceeding, court action, prosecution, or other business or matter that is pending on the effective date of Laws 1981, Chapter 356, Section 65 and that involved or was commenced by the director of planning, the director of the energy agency, or the commissioner of economic development may be conducted and completed by the commissioner of energy, planning and development in the same manner, under the same terms and conditions, and with the same effect as though it involved or were commenced and conducted or completed by the officer who began it.

Subd. 8. **Authority continued.** The authority of the commissioner of energy, planning and development regarding functions transferred to the commissioner by this section is a continuation of the authority of the officer from which it was transferred regarding those functions, with the same force and effect as though the functions, powers, or duties of the officer had not been assigned or transferred, and does not constitute a new authority for the purpose of succession to all rights, powers, duties, and obligations of the officer, as constituted at the time of the assignment or transfer. All rules heretofore promulgated under authority of a

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power, duty, or responsibility transferred by this section to the commissioner of energy, planning and development shall remain in full force and effect until amended or repealed.

Subd. 9. Personnel positions abolished. All personnel positions formerly in the state planning agency, energy agency, or department of economic development and not transferred by this section to the department of energy, planning and development are abolished. All staff positions formerly serving the crime control planning board are abolished. Nothing in this section is intended to abrogate or modify any rights now enjoyed by affected employees under terms of an agreement between an exclusive bargaining representative and the state or one of its appointing authorities.

Subd. 10. Report. The commissioner shall report to the energy and housing committee and the governmental operations committee of the senate and the regulated industries and energy committee and the governmental operation committee of the house of representatives by November 15, 1981. The report shall detail recommendations on the proper organization of statewide energy functions, including but not limited to, power plant siting and capacity, certification of need, environmental impact studies, rate setting, and the jurisdiction and role of the environmental quality board.

Subd. 11. Report. The commissioner shall report to the governmental operations committees of the senate and the house of representatives on the reorganization authorized by this section on or before March 1, 1982.

History: 1981 c 356 s 65

116J.03 DEFINITIONS.

Subdivision 1. Scope. As used in sections 116J.05 to 116J.35; 116J.41 to 116J.54; 116J.58 to 116J.91; 299A.03; and 299A.04, the terms defined in this section have the meaning given them.

Subd. 2. Commissioner. "Commissioner" means the commissioner of energy, planning and development.

Subd. 3. Department. "Department" means the department of energy, planning and development.

History: 1981 c 356 s 66,248

ENERGY

116J.04 ENERGY POLICY DEVELOPMENT COUNCIL.

A council of 15 members to act in an advisory capacity on energy policy development to the commissioner is created. Members shall be appointed by the governor, with the advice and consent of the senate, one from each congressional district and seven from the state at large. The council members shall broadly represent the scientific, technical, educational, business and labor fields and at least four members shall be from educational and scientific research institutions. The council shall develop recommendations on policy for energy issues and energy needs and shall advise the commissioner on the energy related functions of the department. The commissioner shall report to the legislature on the major energy policy recommendations of the council. The council shall organize and elect among its members such other officers as it may deem necessary. The council shall meet at the call of the chair. The terms, compensation and removal of members shall be as provided by section 15.059. The council may advise the commissioner on the transfer of energy agency personnel and functions.

History: 1981 c 356 s 67

116J.05 FINDINGS AND PURPOSE.

The legislature finds and declares that continued growth in demand for energy will cause severe social and economic dislocations, and that the state has a vital interest in providing for: increased efficiency in energy consumption, the development and use of renewable energy resources wherever possible, and the creation of an effective energy forecasting, planning and education program.

The legislature further finds and declares that the protection of life, safety and financial security for citizens during an energy crisis is of paramount importance.

Therefore, the legislature finds that it is in the public interest to review, analyze and encourage those energy programs that will minimize the need for annual increases in fossil fuel consumption by 1990 and the need for additional electrical generating plants, and provide for an optimum combination of energy sources consistent with environmental protection and the protection of citizens.

The legislature intends to monitor, through energy policy planning and implementation, the transition from historic growth in energy demand to a period when demand for traditional fuels becomes stable and the supply of renewable energy resources is readily available and adequately utilized.

History: 1974 c 307 s 1; 1980 c 579 s 4; 1981 c 356 s 248

116J.06 DEFINITIONS.

Subdivision 1. For the purposes of sections 116J.05 to 116J.30, the following terms shall have the meanings here given them.

Subd. 2. "Earth sheltered" means constructed so that more than 50 percent of the exterior surface area of the building, excluding garages or other accessory buildings, is covered with earth and the building code standards promulgated pursuant to section 16.85 are satisfied. Partially completed buildings shall not be considered earth sheltered.

Subd. 3. "Large energy facility" means:

(a) Any electric power generating plant or combination of plants at a single site with a combined capacity of 80,000 kilowatts or more, or any facility of 5,000 kilowatts or more which requires oil, natural gas, or natural gas liquids as a fuel and for which an installation permit has not been applied for by May 19, 1977 pursuant to Minn. Reg. APC 3(a);

(b) Any high voltage transmission line with a capacity of 200 kilovolts or more and with more than 50 miles of its length in Minnesota; or, any high voltage transmission line with a capacity of 300 kilovolts or more with more than 25 miles of its length in Minnesota;

(c) Any pipeline greater than six inches in diameter and having more than 50 miles of its length in Minnesota used for the transportation of coal, crude petroleum or petroleum fuels or oil or their derivatives;

(d) Any pipeline for transporting natural or synthetic gas at pressures in excess of 200 pounds per square inch with more than 50 miles of its length in Minnesota;

(e) Any facility designed for or capable of storing on a single site more than 100,000 gallons of liquified natural gas or synthetic gas;

(f) Any underground gas storage facility requiring permit pursuant to section 84.57;

(g) Any nuclear fuel processing or nuclear waste storage or disposal facility; and

(h) Any facility intended to convert any material into any other combustible fuel and having the capacity to process in excess of 75 tons of the material per hour.

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Subd. 4. "Petroleum supplier" means any petroleum refinery in the state and any entity engaged in transmission or wholesale distribution of more than 100,000 gallons of crude petroleum or petroleum fuels or oil or derivatives thereof annually in this state.

Subd. 5. "Coal supplier" means any entity engaged in this state in the wholesale distribution of coal or transportation into this state of any coal intended for use or distribution in the state or transshipment from the state.

Subd. 6. "Utility" means any entity engaged in this state in the generation, transmission or distribution of electric energy and any entity engaged in this state in the transmission or distribution of natural or synthetic natural gas, including, but not limited to a private investor owned utility or a public or municipally owned utility.

Subd. 7. "Construction" means significant physical alteration of a site to install or enlarge a large energy facility, but not including activities incident to preliminary engineering or environmental studies.

Subd. 8. "Decorative gas lamp" means a device installed for the purpose of producing illumination by burning natural, mixed, or LP gas and utilizing either a mantle or an open flame, but does not include portable camp lanterns or gas lamps.

Subd. 9. "Solar energy system" means a set of devices whose primary purpose is to collect solar energy and convert and store it for useful purposes including heating and cooling buildings or other energy-using processes, or to produce generated power by means of any combination of collecting, transferring, or converting solar-generated energy.

Subd. 10. "Building energy report" means a questionnaire designed to collect information on a building concerning its energy use and other basic factors that relate to energy use.

Subd. 11. "Mini-audit" means a brief, on site, inspection designed to observe and record building energy use systems and related factors. The primary objective is to identify energy saving measures that can be implemented quickly and at low cost.

Subd. 12. "Maxi-audit" means a detailed engineering analysis of energy saving building improvements, including modifications to building structure; heating, ventilating and air conditioning systems; operation practices; lighting; and other factors that relate to energy use. The primary objective is to quantify the economic and engineering feasibility of energy saving improvements which require capital expenditures or major operational modifications.

Subd. 13. Wind energy conversion system (WECS) means any device, such as a wind charger, windmill, or wind turbine, which converts wind energy to a form of useable energy.

History: 1974 c 307 s 2; 1975 c 170 s 1; 1976 c 333 s 1,2; 1977 c 381 s 8; Ex1979 c 2 s 10-12; 1981 c 356 s 248; 1982 c 561 s 1; 1982 c 563 s 2

116J.07 CONFLICT OF INTEREST.

No person shall be eligible to continue in office as commissioner unless he has within six months after being appointed divested himself of any interest except fully vested pension rights in any utility, coal or petroleum supplier, or manufacturer of any major component of a large energy facility doing business within or outside this state.

No person who is an employee of the department shall participate in any manner in any decision or action of the commissioner where he has a direct or indirect financial interest.

History: 1974 c 307 s 5; 1981 c 356 s 125,248

116J.08 JURISDICTION.

The commissioner has sole authority and responsibility for the administration of sections 116J.05 to 116J.30. Other laws notwithstanding, the authority granted the commissioner shall supersede the authority given any other agency whenever overlapping, duplication or additional administrative or legal procedures might occur in the administration of sections 116J.05 to 116J.30. The commissioner shall consult with other state departments or agencies in matters related to energy and shall contract with them to provide appropriate services to effectuate the purposes of sections 116J.05 to 116J.30. Any other department, agency or official of this state or political subdivision thereof which would in any way affect the administration or enforcement of sections 116J.05 to 116J.30 shall cooperate and coordinate all activities with the commissioner to assure orderly and efficient administration and enforcement of sections 116J.05 to 116J.30.

The commissioner shall designate a liaison officer whose duty shall be to insure the maximum possible consistency in procedures and to eliminate duplication between the commissioner and the other agencies that may be involved in energy.

History: 1974 c 307 s 6; 1980 c 509 s 29; 1981 c 356 s 126,248

116J.09 DUTIES.

The commissioner shall:

(a) Manage the department as the central repository within the state government for the collection of data on energy;

(b) Prepare and adopt an emergency allocation plan specifying actions to be taken in the event of an impending serious shortage of energy, or a threat to public health, safety, or welfare;

(c) Undertake a continuing assessment of trends in the consumption of all forms of energy and analyze the social, economic, and environmental consequences of these trends;

(d) Carry out energy conservation measures as specified by the legislature and recommend to the governor and the legislature additional energy policies and conservation measures as required to meet the objectives of sections 116J.05 to 116J.30;

(e) Collect and analyze data relating to present and future demands and resources for all sources of energy, and specify energy needs for the state and various service areas as a basis for planning large energy facilities;

(f) Require certificate of need for construction of large energy facilities;

(g) Evaluate policies governing the establishment of rates and prices for energy as related to energy conservation, and other goals and policies of sections 116J.05 to 116J.30, and make recommendations for changes in energy pricing policies and rate schedules;

(h) Study the impact and relationship of the state energy policies to international, national, and regional energy policies;

(i) Design and implement a state program for the conservation of energy; this program shall include but not be limited to, general commercial, industrial, and residential, and transportation areas; such program shall also provide for the evaluation of energy systems as they relate to lighting, heating, refrigeration, air conditioning, building design and operation, and appliance manufacturing and operation;

(j) Inform and educate the public about the sources and uses of energy and the ways in which persons can conserve energy;

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(k) Dispense funds made available for the purpose of research studies and projects of professional and civic orientation, which are related to either energy conservation or the development of alternative energy technologies which conserve nonrenewable energy resources while creating minimum environmental impact;

(l) Charge other governmental departments and agencies involved in energy related activities with specific information gathering goals and require that those goals be met.

History: 1974 c 307 s 7; 1977 c 381 s 9; 1981 c 356 s 127,248; 1982 c 563 s 3

116J.10 POWERS.

The commissioner may:

(a) Adopt rules pursuant to chapter 14 as necessary to carry out the purposes of sections 116J.05 to 116J.30 and, when necessary for the purposes of section 116J.15, adopt temporary rules pursuant to sections 14.29 to 14.36;

(b) Make all contracts pursuant to sections 116J.05 to 116J.30 and do all things necessary to cooperate with the United States government, and to qualify for, accept and disburse any grant intended for the administration of sections 116J.05 to 116J.30. Notwithstanding any other law the commissioner is designated the state agent to apply for, receive and accept federal or other funds made available to the state for the purposes of sections 116J.05 to 116J.30.

(c) Contract for professional services if such work or services cannot be satisfactorily performed by employees of the department or by any other state agency;

(d) Enter into interstate compacts to jointly carry out such research and planning with other states or the federal government where appropriate;

(e) Distribute informational material at no cost to the public upon reasonable request;

(f) Provide on-site technical assistance to units of local government in order to enhance local capabilities for dealing with energy problems;

(g) Administer for the state, energy programs pursuant to federal law, regulations or guidelines, except for the crisis fuel assistance and low income weatherization programs administered by the department of economic security, and coordinate the programs and activities with other state agencies, units of local government and educational institutions.

History: 1974 c 307 s 8; 1978 c 786 s 1; Ex1979 c 2 s 13; 1981 c 85 s 2; 1981 c 356 s 128,248; 1982 c 424 s 130

116J.11 ENERGY CONSERVATION INFORMATION CENTER.

The commissioner shall establish an energy information center in the department's offices in St. Paul. The information center shall maintain a toll-free telephone information service and disseminate printed materials on energy conservation topics, including but not limited to, availability of loans and other public and private financing methods for energy conservation physical improvements, the techniques and materials used to conserve energy in buildings, including retrofitting or upgrading insulation and installing weatherstripping, the projected prices and availability of different sources of energy, and alternative sources of energy.

The energy information center shall serve as the official Minnesota alcohol fuels information center and shall disseminate information, printed, by the toll-free telephone information service, or otherwise on the applicability and technology of alcohol fuels.

The information center shall include information on the potential hazards of energy conservation techniques and improvements in the printed materials disse-

inated. The commissioner shall not be liable for damages arising from the installation or operation of equipment or materials recommended by the information center.

History: 1976 c 333 s 4; Ex1979 c 2 s 14; 1980 c 579 s 5; 1981 c 356 s 129,248

116J.12 ENERGY CONSERVATION PUBLICITY.

The commissioner in consultation with other affected agencies or departments shall develop informational materials, pamphlets and radio and television messages on energy conservation and housing programs available in Minnesota, renewable energy resources, and energy supply and demand. The printed materials shall include information on available tax credits for residential energy conservation measures, residential retrofitting loan and grant programs, and data on the economics of energy conservation and renewable resource measures. Copies of printed materials shall be distributed to members of the appropriate standing committees of the legislature.

History: 1977 c 381 s 22; 1980 c 579 s 6; 1981 c 356 s 130,248

116J.13 POST-SECONDARY ENERGY EDUCATION.

The commissioner, in consultation with the state board of education, the higher education coordinating board, the state board for community colleges, the state university board, and the board of regents of the University of Minnesota, shall assist in the development and implementation of adult and post-secondary energy education programs.

History: Ex1979 c 2 s 15; 1981 c 356 s 131,248; 1982 c 563 s 4

116J.14 COMMUNITY ENERGY PLANNING; GRANTS.

Subdivision 1. Purpose. In order to improve the energy planning capabilities of local governments, the commissioner shall make grants to counties and cities, however organized. The commissioner when making grants shall give priority to those units of government that submit proposals that could result in significant savings of traditional energy sources, development of renewable energy systems, and broad community involvement. The commissioner shall give priority to local units of government that provide staff or other support for a program and who request grants for programs which can be duplicated by other local governments. The grants may be used to purchase materials, employ staff or contract with other units of government or qualified consultants.

The commissioner shall not make grants of more than 45 percent of the amount appropriated for those purposes to cities and counties located within the seven county metropolitan area. A single grant to a city or county shall not exceed \$50,000.

Subd. 2. Qualifying expenditures. Community energy planning grants may be used for the following purposes:

(a) To gather, monitor, and analyze local energy supply, demand, and cost information;

(b) To prepare comprehensive community energy plans;

(c) To implement comprehensive energy plans that the unit of government is authorized to undertake for the management of problems resulting from: (1) rising energy cost; (2) lack of efficient public and private transportation; (3) lack of community conservation efforts; (4) lack of widespread renewable energy sources; and (5) lack of energy components in comprehensive plans and local ordinances;

(d) To assist neighborhood organizations in counties and cities to do energy planning by making grants to the local unit of government; and

(e) Any other purposes deemed appropriate by the commissioner.

Subd. 3. **Administration.** The commissioner shall determine priorities pursuant to subdivisions 1 and 2, and shall promulgate rules for the submission and review of applications in accordance with the provisions of chapter 14. For this purpose the commissioner may adopt temporary rules pursuant to the provisions of sections 14.29 to 14.36.

History: 1980 c 579 s 7; 1981 c 356 s 132,248; 1982 c 424 s 130

116J.15 ENERGY SUPPLY EMERGENCY CONSERVATION AND ALLOCATION PLAN.

Subdivision 1. The commissioner shall maintain an emergency conservation and allocation plan. The plan shall provide a variety of strategies and staged conservation measures to reduce energy use and in the event of an energy supply emergency, shall establish guidelines and criteria for allocation of fuels to priority users. The plan shall contain alternative conservation actions and allocation plans to reasonably meet various foreseeable shortage circumstances and allow a choice of appropriate responses. The plan shall be consistent with requirements of federal emergency energy conservation and allocation laws and regulations, shall be based on reasonable energy savings or transfers from scarce energy resources and shall:

(a) Give priority to individuals, institutions, agriculture and businesses which demonstrate they have engaged in energy-saving measures and shall include provisions to insure that:

(1) Immediate allocations to individuals, institutions, agriculture and businesses be based on needs at energy conservation levels;

(2) Successive allocations to individuals, institutions, agriculture and businesses be based on needs after implementation of required action to increase energy conservation;

(3) Needs of individuals and institutions are adjusted to insure the health and welfare of the young, old and infirm;

(b) Insure maintenance of reasonable job safety conditions and avoid environmental sacrifices;

(c) Establish programs, controls, standards, priorities or quotas for the allocation, conservation and consumption of energy resources; and for the suspension and modification of existing standards and the establishment of new standards affecting or affected by the use of energy resources, including those related to the type and composition of energy sources, and to the hours and days during which public buildings, commercial and industrial establishments, and other energy consuming facilities may or are required to remain open;

(d) Establish programs to control the use, sale or distribution of commodities, materials, goods or services;

(e) Establish regional programs and agreements for the purpose of coordinating the energy resources, programs and actions of the state with those of the federal government, of local governments, and of other states and localities; and

(f) Determine at what level of an energy supply emergency situation the pollution control agency shall be requested to ask the governor to petition the president for a temporary emergency suspension of air quality standards as required by the Clean Air Act, 42 U.S.C., Section 7410f;

(g) Establish procedures for fair and equitable review of complaints and requests for special exemptions regarding emergency conservation measures or allocations.

Subd. 2. At least once every five years and whenever construction of a new large energy facility is completed which affects the supply of energy in Minnesota, the commissioner shall review and if necessary revise the emergency conservation and allocation plan. Revisions of the emergency conservation and allocation plan shall be adopted pursuant to the rulemaking procedures in chapter 14 and reviewed by the appropriate standing committees of the legislature. The commissioner may also make revisions to the plan pursuant to sections 14.29 to 14.36, and the temporary rules powers of section 116J.10, clause (a), when a declared or impending energy supply emergency requires.

Subd. 3. The executive council or the legislature may declare an energy supply emergency when an acute shortage of energy exists by issuing a declaration which indicates the nature of the emergency, the area or areas threatened if less than the whole state is threatened, and the conditions causing the emergency. The declaration shall be disseminated promptly by means calculated to bring its contents to the attention of the general public and shall be promptly filed with the commissioner, the division of emergency services and the secretary of state. Upon a declaration of an energy supply emergency by the executive council or the legislature, the governor and the division of emergency services, in consultation with the commissioner, shall implement and enforce the emergency conservation and allocation plan or any part thereof. Revisions of the plan shall be made by the commissioner in accordance with subdivision 2. The executive council or the legislature may terminate an energy supply emergency at any time by issuing a declaration which terminates the energy supply emergency and indicates the conditions which make possible termination of the emergency, but no energy supply emergency may continue for longer than 30 days unless renewed by the legislature. Each renewed energy supply emergency may not continue for longer than 30 days, unless otherwise provided by law. Each person shall carry out the responsibilities specified in the emergency conservation allocation plan, and violation of any provision of such emergency conservation or allocation requirements shall be deemed a violation of sections 116J.05 to 116J.30 and the rules promulgated thereunder for purposes of enforcement pursuant to section 116J.30.

History: 1974 c 307 s 9; 1974 c 428 s 5; Ex1979 c 2 s 16-18; 1981 c 356 s 133-135,248; 1982 c 424 s 130

116J.16 STATE SET-ASIDE PROGRAM.

Subdivision 1. **Purpose.** The purpose of this section is to grant to the commissioner authority to exercise specific power to deal with shortages of refined petroleum products. Authority granted shall be exercised for the purpose of minimizing the adverse impacts of shortages and dislocations upon the citizens and the economy of the state and nation.

Subd. 2. **Establishment.** The commissioner shall establish and is responsible for a state set-aside system for motor gasoline and middle distillates to provide emergency petroleum requirements and thereby relieve the hardship caused by shortage, supply dislocations, or other emergencies. The commissioner, for purposes of administration, may exercise all of the powers granted by this chapter.

Subd. 3. **Definitions.** As used in this section:

(a) "Middle distillates" means distillates obtained between kerosene and lubricating oil fractions in the refining process, including but not limited to, kerosene, number one and number two heating oil and diesel fuel;

(b) "Motor gasoline" means a liquid mixture of hydrocarbons produced by the distillation of petroleum and used chiefly as a fuel in internal combustion engines;

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(c) "Prime supplier" means the producer or supplier now or hereafter making the first sale of middle distillates or motor gasoline subject to the state set-aside for consumption within the state;

(d) "State set-aside" means the amount of middle distillates or motor gasoline required to be made available by a prime supplier for utilization by the commissioner to resolve or mitigate emergencies or hardships due to shortages of supply.

Subd. 4. **Set-aside required.** Every prime supplier shall allocate for sale or exchange monthly upon order of the commissioner a volume of motor gasoline and middle distillate not exceeding the monthly set-aside amount. The amount of gasoline subject to monthly set-aside shall be an amount equal to three percent of the prime supplier's monthly supply estimate. The amount of middle distillate subject to monthly set-aside shall be an amount equal to four percent of the prime supplier's monthly supply estimate.

Subd. 5. **Report of estimated volume.** Every prime supplier shall file with the commissioner a monthly report of its estimated volume of gasoline and middle distillate deliveries. The report shall be in a form prescribed by the commissioner and shall be submitted by the 25th day of the month preceding the month covered by the report. Each prime supplier shall allocate monthly for sale or exchange upon order of the commissioner three percent of estimated motor gasoline supplies and four percent of estimated middle distillate supplies as shown by the report.

Subd. 6. **Prime supplier obligations.** Each prime supplier shall designate a representative to act for and on behalf of the prime supplier in respect to department of energy, planning and development state set-aside orders to be issued to the prime supplier. A prime supplier shall provide the amount of allocated product stated in the energy state set-aside order.

Subd. 7. **Rules.** The commissioner shall adopt rules, including temporary rules pursuant to sections 14.29 to 14.36, to govern the administration of the set-aside system. Rules shall cover matters such as the form and procedure for applications for set-aside allocations by dealers of bulk purchasers, reports on available gasoline and middle distillate supplies, orders and procedure for set-aside allocation and distribution and other rules deemed necessary or desirable in the implementation and administration of the set-aside system, including monthly reports of anticipated deliveries and actual sales of gasoline, middle distillates, propane, aviation fuels, and residual oils.

Subd. 8. **Criteria.** The commissioner may allocate gasoline and middle distillates from the set-aside system in accordance with the criteria in section 116J.15 and rules adopted pursuant thereto. The commissioner may prescribe additional priorities by rule.

History: 1981 c 356 s 136,248; 1982 c 424 s 130; 1982 c 563 s 5,6

116J.17 FORECASTS, STATISTICS AND INFORMATION.

Subdivision 1. In order to further the purposes of sections 116J.05 to 116J.30, the commissioner shall develop and maintain an effective program of collection, compilation, and analysis of energy statistics. The statistical program shall be developed to insure a central state repository of energy data and so that the state may coordinate and cooperate with other governmental data collection and record keeping programs.

Subd. 2. In addition to supplying the current statistical and short range forecasting information the commissioner requires, each utility, coal supplier, petroleum supplier and large energy facility in the state shall prepare and transmit to the commissioner by July 1 of each year, a report specifying in five, ten, and 15 year forecasts the projected demand for energy within their respective service areas and the facilities necessary to meet the demand.

The report shall be in a form specified by the commissioner and contain all information deemed relevant by the commissioner.

Subd. 3. The commissioner shall, to the maximum extent feasible, provide that forecasts required under this section be consistent with material required by other state and federal agencies in order to prevent unnecessary duplication.

Subd. 4. Reports issued pursuant to this section, other than individual corporate reports classified as nonpublic data in section 13.68, shall be available for public inspection in the office of the department during normal business hours.

Subd. 5. The commissioner shall review and evaluate forecasts of energy demands and resources as they relate to the most current population growth and development estimates, statewide and regional land use, transportation, and economic development programs and forecasts.

History: 1974 c 307 s 10; 1975 c 170 s 2; 1981 c 311 s 39; 1981 c 356 s 137,248; 1982 c 545 s 24; 1982 c 563 s 7

116J.18 STATE ENERGY POLICY AND CONSERVATION REPORT.

Subdivision 1. By January 1 of each even-numbered year, the commissioner shall transmit to the governor and the legislature a comprehensive report designed to identify emerging trends related to energy supply, demand, conservation, public health and safety factors, and to specify the level of statewide and utility service area energy need. The report shall include, but not be limited to, all of the following:

(a) A final report on the accuracy and acceptability of the energy forecasts received under section 116J.17 and the alternatives to meeting that demand;

(b) An estimate of statewide and utility service area energy need for the forthcoming 20 year period which, in the judgment of the commissioner, will reasonably balance requirements of state economic growth and development, protection of public health and safety, preservation of environmental quality, and conservation of energy resources;

(c) The anticipated level of statewide energy demand for 20 years, which shall serve as the basis for long range action;

(d) The identification of potential adverse social, economic, or environmental effects caused by a continuation of the present energy demand trends;

(e) An assessment of the state's energy resources, including examination of the availability of commercially developable and imported fuels;

(f) The estimated reduction in annual energy consumption resulting from various energy conservation measures;

(g) The cost of energy to residential and rental consumers in relation to their socio-economic status;

(h) An assessment of the economic and employment implications of proposed state energy policies;

(i) The status of the department's ongoing studies;

(j) Recommendations to the governor and the legislature for administrative and legislative actions to accomplish the purposes of sections 116J.05 to 116J.30.

Subd. 1a. **Rate plan.** The energy policy and conservation report shall include a section prepared by the public utilities commission. The commission's section shall be prepared in consultation with the commissioner of the department of energy, planning and development and shall include, but not be limited to, all of the following:

(a) A description and analysis of the commission's rate design policy as it pertains to the goals stated in sections 116J.05, 216B.164, and 216B.241; and

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(b) Recommendations to the governor and the legislature for administrative and legislative actions to accomplish the purposes of sections 116J.05, 216B.164, and 216B.241.

Subd. 2. Prior to the preparation of a final report, the commissioner shall issue a draft report to the environmental quality board and any person, upon request, and shall hold a public meeting. Notice of the public meeting shall be provided to each regional development commission.

Subd. 3. The commissioner shall distribute the final report to any person upon request.

History: 1974 c 307 s 11; 1975 c 271 s 6; Ex1979 c 2 s 19; 1981 c 356 s 138,248; 1982 c 561 s 3; 1982 c 563 s 8

116J.19 ENERGY CONSERVATION.

Subdivision 1. After consultation with the commissioner and the commissioner of public safety, the commissioner of transportation shall, pursuant to chapter 14, promulgate regulations establishing maximum energy use standards for street, highway and parking lot lighting. The standards shall be consistent with overall protection of the public health, safety and welfare. No new highway, street or parking lot lighting shall be installed in violation of these regulations and existing lighting levels shall be reduced consistent with the regulations as soon as feasible and practical, consistent with overall energy conservation.

Subd. 2. Beginning July 1, 1980, the use of outdoor display lighting shall be limited as provided in subdivision 3. For purposes of this section, "outdoor display lighting" shall include building facade lighting, other decorative lighting, and all billboards and advertising signs except those which identify a commercial establishment which is open for business at that hour.

Subd. 3. The commissioner shall adopt rules, pursuant to chapter 14, setting standards covering permissible hours of operation, quantity and efficiency of outdoor display lighting and defining "outdoor display lighting".

Subd. 4. The commissioner may investigate promotional practices by energy suppliers and, pursuant to chapter 14, may promulgate regulations to limit such practices in order to reduce the rate of growth of energy demand.

Subd. 5. After July 1, 1974, no new natural gas outdoor lighting shall be installed in the state.

Subd. 6. Beginning April 20, 1977, no person shall use a decorative gas lamp in Minnesota except as provided in subdivision 7.

Subd. 7. Gas lamps installed prior to April 20, 1977, by or at the request of a municipality, on a public street or right of way, may be used as street lighting.

Subd. 8. In recognition of the compelling need for energy conservation in order to safeguard the public health, safety and welfare, it is necessary to provide building design and construction standards consistent with the most efficient use of energy. Therefore, the commissioner shall, pursuant to chapter 14, adopt rules governing building design and construction standards regarding heat loss control, illumination and climate control. To the maximum extent practicable, the rules providing for the energy portions of the building code shall be based on and conform to model codes generally accepted throughout the United States. The rules shall apply to all new buildings and remodeling affecting heat loss control, illumination and climate control. The rules shall be economically feasible in that the resultant savings in energy procurement shall exceed the cost of the energy conserving requirements amortized over the life of the building. The rules adopted pursuant to this subdivision, shall be part of the state building code. Notwithstanding the provisions of this subdivision, all applications for approval of building specifications and plans may be submitted to the state building inspector as provided in section 16.862.

Subd. 9. The commissioner shall conduct studies and make recommendations concerning the purchase and use by the state and its political subdivisions of supplies, motor vehicles and equipment having a significant impact on energy use in order to determine the potential for energy conservation. The commissioner may adopt rules pursuant to chapter 14 to insure that energy use and conservation will be considered in state purchasing and, where appropriate, to require certain minimum energy efficiency standards in purchased products and equipment. No state purchasing of equipment or material use shall occur that is not in conformity with these regulations.

Subd. 10. In consultation with the commissioner, the commissioner of transportation shall begin an efficiency study of the present traffic flow system within the state. The study shall consider the feasibility of a computer-coordinated traffic system and other measures for increasing the efficiency of present traffic loads.

Subd. 11. The commissioner of administration shall begin a study of expanding the state telecommunication system to reduce travel between all state departments and agencies.

Subd. 12. In conjunction with the motor vehicle services division, the commissioner shall study the feasibility of modifying motor vehicle license fees to reflect energy consumption.

Subd. 13. Beginning January 1, 1978, no new room air conditioner shall be sold or installed or transported for resale into Minnesota unless it has an energy efficiency ratio of 7.0 or higher. For purposes of this subdivision, "energy efficiency ratio" means the ratio of the cooling capacity of the air conditioner in British thermal units per hour to the electrical input in watts. To determine the energy efficiency ratio, all room air conditioner models shall be tested in accordance with the methods and conditions specified in American National Standard Z234.1, and American Society of Heating, Refrigerating, and Air Conditioning Engineers Standard 16-69. A new room air conditioner having dual voltage ratings shall conform to the energy efficiency ratio requirements at each rating. This subdivision shall not apply to air conditioners in Minnesota on October 1, 1977.

Subd. 14. No new residential

(a) forced air type central furnace,

(b) cooking appliance manufactured with an electrical supply cord, or

(c) clothes drying equipment

designed to burn natural gas equipped with a continuously burning pilot shall be sold or installed in Minnesota. This subdivision does not apply to forced air type furnaces designed for installation in manufactured homes.

History: 1974 c 307 s 12; 1975 c 65 s 1; 1976 c 166 s 7; 1976 c 333 s 5-7; 1977 c 381 s 11-14; Ex1979 c 2 s 20-24; 1980 c 579 s 8; 1981 c 85 s 3,4; 1981 c 356 s 139-145,248; 1981 c 365 s 9; 1982 c 424 s 130; 1982 c 563 s 9

116J.20 ENERGY CONSERVATION STANDARDS IN CERTAIN PUBLIC BUILDINGS.

Subdivision 1. The rules concerning heat loss, illumination, and climate control standards adopted pursuant to section 116J.19, subdivision 8, shall include standards for all existing buildings heated by oil, coal, gas, or electric units which are owned by the state, the university of Minnesota, any city, any county, or any school district. Compliance with standards adopted pursuant to this section shall not be mandatory for buildings owned by any city, county or school district, except as otherwise provided by this section.

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Subd. 2. The illumination standards promulgated pursuant to subdivision 1, are mandatory for all public buildings where economically feasible. For the purposes of this subdivision, "public building" means any building which is open to the public during normal business hours and which exceeds 5,000 square feet in gross floor area. The commissioner shall specify the formula for determining economic feasibility.

Subd. 3. No enclosed structure or portion of an enclosed structure constructed after January 1, 1978 and used primarily as a commercial parking facility for three or more motor vehicles shall be heated. Incidental heating resulting from building exhaust air passing through a parking facility shall not be prohibited, provided that substantially all useful heat has previously been removed from the air.

History: 1976 c 333 s 8; 1977 c 381 s 15; 1981 c 356 s 146,147,248

116J.21 ENERGY CONSERVATION IN STATE OWNED BUILDINGS.

By June 30, 1982, the commissioner of administration, in cooperation with the commissioner, shall complete a mini-audit or maxi-audit of all buildings which are heated and owned by the state of Minnesota, including buildings and associated facilities of the state university system, the state fairgrounds as defined in section 37.01, the Minnesota historical society building, and all buildings under the administration or supervision of the commissioners of natural resources, corrections, welfare, and transportation. The commissioner of administration shall determine the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 116J.20. The commissioner of administration shall estimate the annual potential savings in units of fuel and fuel procurement costs which would be realized for each state owned building if its operating procedures were modified and it were improved to comply with each of the energy conservation standards promulgated pursuant to section 116J.20. If appropriations are inadequate to complete a mini-audit or maxi-audit of all state owned buildings, the commissioner of administration shall give priority to buildings of 25,000 or more square feet. If the commissioner of administration determines that a modification is economically feasible, in that savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building, he shall recommend implementation of the modification to the legislature. The commissioner of administration shall submit to the legislature an annual progress report on January 1 of each year and a final progress report by December 31, 1982, indicating the number and percentage of state owned buildings surveyed, the estimated costs of implementing the economically feasible modifications, the energy savings and costs resulting from implementing such modifications, and his findings, recommendations, and priorities for implementing economically feasible modifications.

History: 1976 c 333 s 9; Ex1979 c 2 s 25; 1981 c 356 s 148,248

116J.22 ENERGY CONSERVATION IN UNIVERSITY BUILDINGS.

By June 30, 1982, the University of Minnesota, after consultation with the commissioner, shall complete a mini-audit or a maxi-audit of all buildings and associated facilities of the University of Minnesota which are heated. The university shall determine the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 116J.20. The university shall estimate the annual potential savings in units of fuel and fuel procurement costs for existing heating and cooling systems, which savings would be realized for each university owned building if its operating procedures were modified and it

were improved to comply with each of the energy conservation standards promulgated pursuant to section 116J.20. If appropriations are inadequate to complete a mini-audit or maxi-audit of all university owned buildings, the university shall give priority to buildings of 25,000 or more square feet. If the university determines that a modification is economically feasible, in that estimated savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building, it shall implement the modification in a manner designed to maximize the reduction in costs resulting from the modification. The university shall submit to the legislature an annual progress report on January 1 of each year and a final report by December 31, 1982, indicating the number and percentage of university owned buildings surveyed, the estimated costs of implementing the economically feasible modifications, the energy savings and costs resulting from implementing such modifications, and its preliminary findings, recommendations, and priorities for implementing economically feasible modifications.

History: 1976 c 333 s 10; Ex1979 c 2 s 26; 1981 c 356 s 149,248

116J.23 LOCAL GOVERNMENTAL SURVEYS AND FUEL COST ESTIMATES.

Subdivision 1. **Mini-audits and maxi-audits.** On or before June 30, 1980, based upon analysis of the building energy reports, the commissioner shall indicate to the governing body of each city and county those buildings upon which a mini-audit, a maxi-audit, or both, shall be performed. The audit results shall be recorded on a form furnished by the commissioner, and filed with the commissioner by December 31, 1982.

Subd. 2. **Appeal from decision of commissioner.** The governing body of any city or county may appeal the decision of the commissioner pursuant to subdivision 1 by submitting in writing to the commissioner the reasons for the appeal. No appeal may be considered by the commissioner if received later than three months after notification to the city or county that a mini-audit or maxi-audit shall be performed. The commissioner shall review all appeals and respond to the governing body within one month of receipt of the appeal indicating whether the appeal is granted in full, granted in part, or denied.

Subd. 3. **Certification of auditors.** The commissioner may certify persons to perform mini-audits and maxi-audits, and to complete the building energy reports.

Subd. 4. **Acceptance of equivalent energy survey.** The commissioner may accept the results of an equivalent energy survey in place of the building energy report or audits required under this section.

History: 1976 c 333 s 11; 1977 c 381 s 16; Ex1979 c 2 s 27; 1981 c 356 s 150,248

116J.24 PUBLIC SCHOOL BUILDING ENERGY REPORTS AND AUDITS.

Subdivision 1. **Mini-audits and maxi-audits.** On or before July 1, 1980, based upon the analysis of the building energy reports which school districts were required by law to submit by December 31, 1979, the commissioner shall indicate to each school district those buildings upon which a mini-audit, maxi-audit, or both, shall be performed. The audit results shall be recorded on a form furnished by the commissioner and filed with the commissioner by December 31, 1982.

Subd. 2. **Appeal from decision of commissioner.** Any school district may appeal the decision of the commissioner pursuant to subdivision 1 by submitting in writing to the commissioner the reasons for the appeal. No appeal may be considered by the commissioner if received later than three months after notification to the school district that a mini-audit or maxi-audit shall be performed. The

commissioner shall review all appeals and respond to the school district within one month of receipt of the appeal indicating whether the appeal is granted in full, granted in part, or denied.

Subd. 3. **Certification of auditors.** The commissioner may certify persons to perform mini-audits and maxi-audits.

Subd. 4. **Acceptance of equivalent energy surveys.** The commissioner may accept the results of an equivalent energy survey in place of the audits required under this section.

Subd. 5. **School districts intending to close public school buildings.** A school district intending to permanently close or otherwise discontinue use of any existing public school building by January 1, 1985, shall not be required to comply with this section as to those buildings, if a certification of intent to close the building is filed with the commissioner.

History: 1976 c 333 s 13; 1977 c 381 s 17; Ex1979 c 2 s 28; 1981 c 356 s 151,248; 1981 c 358 art 7 s 1-3

116J.25 SOLAR ENERGY SYSTEM STANDARDS OF PERFORMANCE.

The commissioner of administration in consultation with the commissioner shall adopt rules concerning quality and performance standards which are in reasonable conformance with the Interim Performance Criteria for Solar Heating and Combined Heating/Cooling Systems and Dwellings, National Bureau of Standards, January 1, 1975; and the Interim Performance Criteria for Commercial Solar Heating and Combined Heating/Cooling Systems and Facilities, National Aeronautics and Space Administration, February 28, 1975, to insure that within the existing state of development, solar energy systems as defined in section 116J.06, subdivision 9, which are sold or installed within this state, are effective and represent a high standard of quality of material, workmanship, design, and performance. The commissioner of administration in consultation with the energy commissioner shall amend the rules as new technology and materials become available, or as standards are revised by the federal government.

Manufacturers or retailers of solar energy systems shall disclose to each bona fide potential purchaser of a system the extent to which the system meets or exceeds each quality standard.

History: 1976 c 333 s 14; 1981 c 356 s 152,248

116J.26 REVIEW OF ENERGY RESEARCH AND DEMONSTRATION PROJECTS.

The commissioner shall continuously identify, monitor, and evaluate in terms of potential direct benefit to, and possible implementation in Minnesota, research studies and demonstration projects of alternative energy and energy conservation systems and methodologies currently performed in Minnesota and other states and countries including:

- (a) Solar energy systems for heating and cooling;
- (b) Energy systems using wind, agricultural wastes, forestry products, peat, and other nonconventional energy resources;
- (c) Devices and technologies increasing the energy efficiency of energy consuming appliances, equipment, and systems;
- (d) Hydroelectric power; and
- (e) Other projects the commissioner deems appropriate and of direct benefit to Minnesota and other states of the upper midwest.

History: 1976 c 333 s 15; 1981 c 356 s 153,248; 1982 c 563 s 10

116J.27 ENERGY CONSERVATION STANDARDS FOR EXISTING RESIDENCES.

Subdivision 1. The commissioner shall adopt rules containing minimum energy efficiency standards for existing residences. The standards shall be appropriate for evaluation of the energy efficiency of each major type of residential housing including, but not limited to, one to four family dwellings, apartment buildings, manufactured homes, condominium buildings, and type of ownership. The standards shall be economically feasible in that the resultant savings in energy procurement costs, based on current and projected average residential energy costs in Minnesota as certified by the commissioner in the state register, will exceed the cost of the energy conserving requirements amortized over the ten-year period subsequent to the incurring of the cost. The costs computed under this section shall include reasonable inflation and interest factors.

Subd. 2. For the purposes of subdivisions 3 to 7, the following terms shall have the meanings given them.

(a) "Residence" means any dwelling for habitation either seasonally, meaning all or a portion of the months of December through March, or permanently by one or more persons. A residence may be owned or rented and may be part of a multi-dwelling or multi-purpose building, but shall not include buildings such as hotels, hospitals, motels, dormitories, sanitariums, nursing homes, schools and other buildings used for educational purposes, or correctional institutions. A manufactured home as defined in section 168.011, subdivision 8, shall be a residence for purposes of this section.

(b) "Time of sale" means the time when a written purchase agreement is executed by the buyer, or, in the absence of a purchase agreement, at the time of the execution of any document providing for the conveyance of a residence.

(c) "Energy disclosure report" means the written and signed evaluation by a person certified pursuant to subdivision 6 made on an approved form, representing to the actual buyer of the residence evaluated that the evaluator has used reasonable care and diligence. For purposes of subdivisions 5 and 7, a residential energy audit meeting the audit standards of 42 U.S.C. 8211 et seq. may be substituted for an energy disclosure report.

(d) "Applicable energy efficiency standards" means those standards established under subdivision 1 which are not shown to be economically infeasible for the building in question.

Subd. 3. **Energy conservation for rental property.** Effective January 1, 1980, all residences constructed prior to January 1, 1976, which are renter-occupied during all or a portion of the months of November through April shall be in compliance with standards pursuant to subdivision 1 pertaining to caulking and weatherstripping of exterior joints and sealing of other openings in the building envelope. Effective July 1, 1983, all residences which are renter-occupied during all or a portion of the months of November through April shall be in compliance with all applicable energy efficiency standards.

Subd. 4. **Inspections.** The commissioner shall conduct inspections on a random basis for compliance with the provisions of subdivision 3. The commissioner of energy, planning and development may authorize a municipality, with its consent, to conduct the inspections within the municipality's jurisdiction. Any municipality which conducts an inspections program in conjunction with existing city inspection programs shall have authority under all subdivisions of section 116J.30 to enforce the provisions of subdivision 3; provided that 50 percent of the penalties to be paid to the state treasury for violation of subdivision 3 shall be paid to the municipality.

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Subd. 5. **Residential energy disclosure program.** The commissioner shall adopt rules providing for residential energy disclosure requirements and shall approve forms for the purposes of this subdivision. The rules and forms shall provide only for the disclosure of structural characteristics and energy use characteristics relating to energy consumption and conservation. Nothing in the forms shall indicate or be deemed to indicate that the residence meets all state building code specifications. For purposes of subdivision 7, a residential energy audit meeting the audit standards of 42 U.S.C. 9211 et seq. and reported on appropriate forms may be substituted for the rules and forms adopted pursuant to this subdivision.

Subd. 6. **Building evaluators.** The commissioner shall certify evaluators in each county of the state who are qualified to determine the compliance of a residence with applicable energy disclosure requirements. The commissioner shall, by rule pursuant to chapter 14, adopt standards for the certification and performance of evaluators and set a fee for the certification of evaluators which is sufficient to cover the ongoing costs of the program once it is established. The commissioner shall encourage the certification of existing groups of trained municipal personnel and qualified individuals from community-based organizations and public service organizations. Each certified evaluator shall, on request of the owner, inspect any residence and report the degree to which it complies with applicable energy disclosure requirements. The inspections shall be made within 30 days of the request. After July 1, 1981, evaluators for the home energy disclosure program shall be certified only if they also meet all requirements for conducting residential energy audits pursuant to 42 U.S.C. 8211 et seq. Any person certified as a building evaluator prior to July 1, 1981, shall, by January 1, 1982, meet the upgraded certification standards in effect after July 1, 1981. The commissioner shall enter into an agreement with the department of education for the provision of evaluator training through the area vocational technical institutes. The commissioner may contract with the area vocational technical institutes to reduce the training costs to the students. The commissioner may eliminate the examination fee for persons seeking upgraded certificates. The commissioner may also establish requirements for continuing education, periodic recertification, and revocation of certification for evaluators.

Subd. 7. **Disclosure report.** Effective October 1, 1980, no owner or agent shall sell by conveyance or contract for conveyance a residence constructed before January, 1976, without providing to the buyer, prior to the time of sale, a copy of an energy disclosure report for the residence unless the buyer has been provided a copy of the form used in making an energy disclosure report and has declared in writing that he waives his right to a report. A residential energy audit meeting the audit standards of 42 U.S.C. 8211 et seq. may be substituted for the energy disclosure report required by this subdivision; and provided that no utility with a geographic audit plan approved by the agency shall be required to deviate from that geographic plan in order to provide a residential energy audit. After January 1, 1982, only residential energy audits meeting the audit standards of 42 U.S.C. 8211 et seq. shall qualify as an energy disclosure report. No new evaluation shall be required for five years after the date of the evaluation, if a copy of the last evaluation has been delivered to the prospective buyer. The provisions of this subdivision shall not apply to the sale or conveyance of any residence to a public body or by a sheriff, constable, marshal or other public or court officer in the performance of his official duties as such, or to trustees in bankruptcy or any other person or persons acting under the direction or authority of any court, state or federal, in selling a residence, except as to a public sale ordered by a probate court, in which case this subdivision shall apply. The provisions of this subdivision are repealed effective June 30, 1990.

Subd. 8. The standards concerning heat loss, illumination, and climate control adopted pursuant to section 116J.19, subdivision 8, shall require that electrical service to individual dwelling units in buildings containing two or more units be separately metered, with individual metering readily accessible to the individual occupants. The standards authorized by this subdivision shall only apply to buildings constructed after the effective date of the amended standards. Buildings intended for occupancy primarily by persons who are 62 years of age or older or handicapped, or which contain a majority of units not equipped with complete kitchen facilities, shall be exempt from the provisions of this subdivision.

History: 1977 c 381 s 18; 1978 c 786 s 2,3; Ex1979 c 2 s 29-31; 1980 c 579 s 9; 1981 c 85 s 5; 1981 c 255 s 2,5; 1981 c 356 s 154-158,248; 1981 c 365 s 9; 1982 c 424 s 23-25,130

116J.28 CERTIFICATE OF NEED.

Subdivision 1. The commissioner shall, pursuant to chapter 14 and sections 116J.05 to 116J.30, adopt assessment of need criteria to be used in the determination of need for large energy facilities pursuant to this section.

Subd. 2. No large energy facility shall be sited or constructed in Minnesota without the issuance of a certificate of need by the commissioner pursuant to sections 116J.05 to 116J.30 and consistent with the criteria for assessment of need.

Subd. 3. No proposed large energy facility shall be certified for construction unless the applicant has justified its need. In assessing need, the commissioner shall evaluate:

(1) The accuracy of the long range energy demand forecasts on which the necessity for the facility is based;

(2) The effect of existing or possible energy conservation programs under sections 116J.05 to 116J.30 or other federal or state legislation on long term energy demand;

(3) The relationship of the proposed facility to overall state energy needs, as described in the most recent state energy policy and conservation report prepared pursuant to section 116J.18;

(4) Promotional activities which may have given rise to the demand for this facility;

(5) Socially beneficial uses of the output of this facility, including its uses to protect or enhance environmental quality;

(6) The effects of the facility in inducing future development;

(7) Possible alternatives for satisfying the energy demand including but not limited to potential for increased efficiency of existing energy generation facilities;

(8) The policies, rules and regulations of other state and federal agencies and local governments; and

(9) Any feasible combination of energy conservation improvements, required by the public utilities commission pursuant to section 216B.241, that can (a) replace part or all of the energy to be provided by the proposed facility, and (b) compete with it economically.

Subd. 4. Any person proposing to construct a large energy facility shall apply for a certificate of need prior to construction of the facility. The application shall be on forms and in a manner established by the commissioner. In reviewing each application the commissioner shall hold at least one public hearing pursuant to chapter 14. The public hearing shall be held at a location and hour reasonably calculated to be convenient for the public. An objective of the public hearing shall be to obtain public opinion on the necessity of granting a certificate of need. The commissioner shall designate a department employee whose duty shall be to facilitate citizen participation in the hearing process.

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Subd. 5. Within six months of the submission of an application, the commissioner shall approve or deny a certificate of need for the facility. Approval or denial of the certificate shall be accompanied by a statement of the reasons for the decision. Issuance of the certificate may be made contingent upon modifications required by the commissioner.

Subd. 6. Any application for a certificate of need shall be accompanied by the fee required pursuant to this subdivision. The maximum fee shall be \$50,000, except for an application for an electric power generating plant as defined in section 116J.06, subdivision 3, clause (a) or a high voltage transmission line as defined in section 116J.06, subdivision 3, clause (b), for which the maximum fee shall be \$100,000. The commissioner may require an additional fee to recover the costs of any rehearing. The fee for a rehearing shall not be greater than the actual cost of the rehearing or the maximum fee specified above, whichever is less. The commissioner shall establish by rule pursuant to chapter 14 and sections 116J.05 to 116J.30, a schedule of fees based on the output or capacity of the facility and the difficulty of assessment of need. Money collected in this manner shall be credited to the general fund of the state treasury.

Subd. 7. Other state agencies authorized to issue permits for siting, construction or operation of large energy facilities, and those state agencies authorized to participate in matters before the Minnesota public utilities commission involving utility rates and adequacy of utility services, shall present their position regarding need and participate in the public hearing process prior to the issuance or denial of a certificate of need. Issuance or denial of certificates of need shall be the sole and exclusive prerogative of the commissioner and said determinations and certificates shall be binding upon other state departments and agencies, regional, county and local governments and special purpose government districts except as provided in sections 116C.01 to 116C.08 and 116D.04, subdivision 9.

Subd. 8. This section shall not apply to plants or facilities for the production of ethanol or fuel alcohol nor in any case where the commissioner shall determine after being advised by the attorney general that its application has been preempted by federal law.

History: 1974 c 307 s 13; 1975 c 170 s 3,4; 1977 c 381 s 19; Ex1979 c 2 s 32; 1980 c 579 s 10,11; 1980 c 614 s 123; 1981 c 356 s 159,248; 1982 c 424 s 130; 1982 c 561 s 2

116J.29 SUBPOENA POWER.

The commissioner shall have the power, for the purposes of sections 116J.05 to 116J.30, to issue subpoenas for production of books, records, correspondence and other information and to require attendance of witnesses. The subpoenas may be served anywhere in the state by any person authorized to serve processes of courts of record. If a person does not comply with a subpoena, the commissioner may apply to the district court of Ramsey county and the court shall compel obedience to the subpoena by a proper order. A person failing to obey the order is punishable by the court as for contempt.

History: 1974 c 307 s 14; 1981 c 356 s 160,248

116J.30 ENFORCEMENT, PENALTIES.

Subdivision 1. Any person who violates any provision of this chapter or section 325F.20 or 325F.21, or any rule or regulation promulgated thereunder, or knowingly submits false information in any report required by this chapter or section 325F.20 or 325F.21 shall be guilty of a misdemeanor. Each day of violation shall constitute a separate offense.

Subd. 2. The provisions of this chapter and sections 325F.20 and 325F.21, or any rules or regulations promulgated hereunder may be enforced by injunction, action to compel performance or other appropriate action in the district court of the county wherein the violation takes place. The attorney general shall bring any action under this subdivision upon the request of the commissioner, and the existence of an adequate remedy at law shall not be a defense to an action brought under this subdivision.

Subd. 3. When the court finds that any person has violated any provision of this chapter or section 325F.20 or 325F.21, or any rule or regulation thereunder, has knowingly submitted false information in any report required by this chapter or section 325F.20 or 325F.21, or has violated any court order issued under this chapter or section 325F.20 or 325F.21, the court may impose a civil penalty of not more than \$10,000 for each violation. These penalties shall be paid to the general fund in the state treasury.

History: 1974 c 307 s 15; Ex1979 c 2 s 33; 1981 c 356 s 161,248; 1982 c 563 s 11-13

116J.31 ENERGY AUDITS.

The commissioner, in cooperation with the director of consumer services, shall develop the state plan for the program of energy audits of residential and commercial buildings required by 42 United States Code, Section 8211 et seq. The consumer services division and the attorney general are authorized to release information on consumer complaints about the operation of the program to the commissioner.

History: 1980 c 579 s 12; 1981 c 356 s 162,248

116J.32 ENERGY EFFICIENT BUILDING EDUCATION.

The commissioner shall develop a program to provide information and training to persons in the state who influence the energy efficiency of new buildings, including contractors, engineers and architects on techniques and standards for the design and construction of buildings which maximize energy efficiency. The program may include the production of printed materials and the development of training courses.

History: 1980 c 579 s 28; 1981 c 356 s 163,248; 1982 c 563 s 14

116J.33 MINNESOTA BIOMASS CENTER.

Subdivision 1. The commissioner, in consultation with the commissioner of agriculture, may organize a Minnesota biomass center.

The center shall be the focus of biomass energy activities for the state. To the maximum extent possible, the center shall coordinate its activities and the use of its staff and facilities with those of other entities involved in biomass energy projects.

Subd. 2. The center shall:

(1) Coordinate existing education and training programs for biomass energy production and use within the state and develop new programs where necessary. Educational programs shall cover all types of biomass energy production use, including but not limited to production from grain, biowaste, and cellulosic materials;

(2) Serve as a central information resource in conjunction with existing agencies and academic institutions in order to provide information to the public on the production and use of biomass energy. The center shall obtain and analyze available information on biomass energy topics and prepare it for distribution to

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ensure that the public receives the most accurate and up-to-date information available;

(3) Participate in necessary research projects to assist in technological advancement in areas of biomass energy production, distribution, and use. The center shall also study the environmental and safety aspects of biomass energy use;

(4) Support and coordinate financing activities for biomass energy production, including providing technical assistance and manuals to individuals and groups seeking private, local, state or federal funding. The center shall be responsible for evaluating projects for any state assistance that may become available;

(5) Develop consumer information and protection programs for all aspects of biomass energy production and use;

(6) Investigate marketing and distribution needs within the state;

(7) Review state and federal laws and regulations affecting biomass energy production and use, and evaluate regulatory incentives in order to provide the legislature with legislative proposals for the encouragement of biomass energy production and use within the state.

History: 1980 c 579 s 29; 1981 c 85 s 6; 1981 c 356 s 164,248

116J.34 MONEY FOR SCHOOLS AND GOVERNING BODIES.

Money to pay part or all of the actual costs of mini-audits, maxi-audits and energy conservation measures performed by or for schools and governing bodies shall be available from legislative appropriations made for that purpose in accordance with the priorities established in section 116J.35. Money appropriated pursuant to this section is available to school districts and local governmental units that submitted acceptable mini-audits or maxi-audits after April 9, 1976 and before July 1, 1979.

History: Ex1979 c 2 s 34; 1980 c 579 s 13; 1981 c 356 s 248

116J.35 PRIORITIES FOR FUNDING.

All applications for funding shall be made to the commissioner. Applications shall be accompanied by a report on the energy using characteristics of the building and any other information the commissioner may reasonably require. A school or local government may apply to the commissioner to receive reimbursement for up to the reasonable costs of mini-audits or maxi-audits performed pursuant to section 116J.23 or 116J.24. In the event that the applicant receives federal money pursuant to the National Energy Conservation Policy Act, P.L. 95-619 that is intended to be used to pay part or all of the costs of a mini-audit or maxi-audit, the applicant shall receive state money, which, when combined with federal money received, equals the reasonable costs of the mini-audit or maxi-audit.

History: Ex1979 c 2 s 35; 1981 c 356 s 165,248

116J.36 DISTRICT HEATING LOANS.

Subdivision 1. **Policies.** Developing and improving efficient and economical district heating systems is a public purpose for state and local financing and a proper function of state and local government. Climate and geography make a reliable, economic supply of energy essential for industrial, commercial, and residential heating. Imported supplies are increasingly costly, unreliable, and environmentally disadvantageous. District heating systems employing cogeneration techniques and innovative technology offer an important means of increasing the efficiency of Minnesota's energy systems and reducing the state's reliance on

imported energy supplies. The combination of the large initial capital cost and investors' lack of familiarity with district heating has made the private market reluctant to provide the necessary capital for district heating projects. As a result, public leadership, cooperation, and aid are needed to demonstrate the feasibility of district heating systems by establishing economically viable municipal district heating systems as demonstration projects. Municipal district heating systems may be financed by loans from the state and from other sources available to municipalities.

Subd. 2. Definitions. In this section:

(a) "Construction costs" means all costs associated with the construction, modification or expansion of a district heating system except for preliminary planning costs and detailed design costs. Construction costs include the cost of debt service from the time a construction loan is made until five years after the beginning of the operation of the district heating system constructed or the part of the system being modified or expanded.

(b) "District heating" means the use of a central energy conversion facility to produce hot water or steam for a district heating system. District heating facilities may also produce electricity in addition to hot water or steam.

(c) "Municipality" means any county, city, town, municipal power agency, or public utility, as defined in section 452.01, subdivision 3, owned and operated by a city, however organized or nonprofit corporation organized pursuant to the provisions of chapter 317 whose membership is limited to the mayor and governing body of the city in which the district heating system is located.

(d) "District heating system" means any existing or proposed facility for (1) the production, through cogeneration or otherwise, of hot water or steam to be used for district heating, or (2) the transmission and distribution of hot water or steam for district heating either directly to heating consumers or to another facility or facilities for transmission and distribution, or (3) any part or combination of the foregoing facilities.

Subd. 3. Eligibility. The commissioner of finance, upon request of the governor, may make loans to municipalities for the acquisition, construction, expansion, or modification of district heating systems. A loan shall be made only to a municipality that has demonstrated that:

(a) The municipality has the financial capability to sponsor the project;

(b) The project is technologically feasible;

(c) The district heating project will become a cogeneration facility or the project will utilize hot water or, if the project involves an existing district steam heating system, the project will become integrated with a hot water district heating system, or the project will allow the use of nonpetroleum fuels or will construct an efficient heat transmission system; and

(d) The municipality has made adequate provision to assure proper and efficient operation and maintenance of the project after construction is completed.

Subd. 4. Priorities. The commissioner of energy, planning and development shall give higher priority to a project that does more to achieve the following goals:

(a) The district heating conversion facility employs cogeneration techniques;

(b) The facility uses renewable or nonpetroleum sources of energy;

(c) The district heating facility will save petroleum or natural gas;

(d) The operation of the district heating facility will not have an adverse impact on the environment;

(e) The district heating facility may readily be expanded to serve additional customers or to supply additional amounts of energy, and market demand for the energy exists;

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(f) The project has obtained additional financing from the federal government, private sources, or other sources of capital; and

(g) Other goals the commissioner of energy, planning and development finds desirable for district heating systems.

Subd. 5. Application. Application for a loan to be made pursuant to subdivision 6 shall be made by a municipality to the commissioner of energy, planning and development on a form prescribed by the commissioner of energy, planning and development by rule. The commissioner of energy, planning and development shall review each application and determine:

(a) Whether or not the project is eligible for a loan;

(b) The priority of the project when ranked with all other eligible projects for which a loan application has been submitted;

(c) The total estimated cost of the project;

(d) The amount of the loan for which the project is eligible;

(e) The terms upon which the loan would be made; and

(f) The means by which the municipality proposes to finance the project, including:

(1) A loan authorized by state law; or

(2) A grant of money appropriated by state law; or

(3) A grant to the municipality by an agency of the federal government within the amount of money then appropriated to that agency and allocated by it to projects within the state; or

(4) The appropriation of proceeds of bonds or other money of the municipality to an account for the construction of the project; or

(5) User charges, franchise fees, special assessments or taxes; or

(6) Any or all of the means referred to in clauses (1) to (5).

Subd. 6. Loans. Upon the recommendation of the governor pursuant to subdivision 8, the commissioner of finance shall make loans to municipalities on the following terms:

(a) In the case of loans for design costs, the maximum amount of the loan shall be limited by the provisions of this clause. For cities of the first class, the amount of the loan shall not exceed 40 percent of the design costs. For cities of the second, third and fourth class, the amount of the loan shall not exceed 90 percent of the design costs;

(b) In the case for loans for construction costs, a municipality must demonstrate that all design activities have been completed; that the project is economically and technologically feasible; that the district heating system will be constructed, and that it has made adequate provisions to assure proper and efficient operation and maintenance of the project. For cities of the first class, the amount of the loan shall be up to 50 percent of the construction costs. For cities of the second class, the amount of the loan shall be up to 80 percent of the construction costs. For cities of the third or fourth class, the amount of the loan shall be up to 90 percent of the construction costs.

(c) A loan made pursuant to this section is repayable over a period of 20 years, with interest payments beginning the first year. Interest shall accrue from the date of the loan at a rate of interest assigned at the date of loan commitment. Principal payments shall begin in the sixth year after the receipt of the loan on a 25 year level payment schedule with the balance of the principal to be retired with the payment due 20 years after receipt of the loan.

Subd. 7. Modern steam systems. (a) A municipality which has operating within its boundaries a modern steam district heating system owned by a district heating utility may apply for a loan or grant under this section even though the

district heating project for which the loan or grant application is made may be planned, constructed, or owned by a district heating utility. The loan or grant application shall be treated in the same manner as loan or grant applications for district heating projects where the projects are to be planned, constructed, or owned by a municipality.

All or a portion of the proceeds of a loan made to a municipality described in this subdivision may be used to make loans to a district heating utility to provide financial assistance for the planning, modification, expansion or construction of a district heating project. Prior to making the loan to the district heating utility, the municipality shall:

(1) Adopt a district heating plan which identifies the areas of the city to be served by district heating; a time schedule indicating when service would be available in different areas of the city and the type of service to be offered; and

(2) Enter into a written agreement with the district heating utility which includes a requirement that the district heating utility restrict expansion of its existing steam system within its current geographic boundaries as determined by the municipality and develop a hot water system on a specific time schedule.

(b) The powers, authority and obligations granted to a municipality under this subdivision are supplemental to the powers, authority and obligations granted all municipalities under this section.

(c) As used in this subdivision, "modern steam district heating system" means a steam district heating system with condensate return built after 1970 and before May 30, 1981. "District heating utility" means any person, corporation, or other legal entity which owns or operates or plans to own or operate a district heating system. "District heating project" means a new district heating system, or the expansion or modification of the existing modern steam district heating system.

Subd. 8. Loan approval. The commissioner of energy, planning and development shall prepare and submit to the legislative advisory commission a list of district heating loan requests. The list shall contain the supporting information required by subdivisions 3, 4, 5, 6, and 7. The recommendation of the legislative advisory commission shall be transmitted to the governor. The governor shall approve or disapprove, or return for further consideration, each project recommended for approval by the legislative advisory commission. Loans may be disbursed only upon approval by the governor.

Subd. 9. Payment; obligation. The commissioner of finance shall not pay money to a municipality pursuant to an approved loan until he has determined that:

(a) Financing of the project as proposed by the municipality is assured by an irrevocable undertaking, by resolution of the governing body of the municipality, to use all money made available by the financing plan exclusively for the eligible costs of the project, and to pay any additional amount by which the cost of the project exceeds the estimate by the appropriation to the construction account of additional municipal money or the proceeds of additional bonds to be issued by the municipality; and that

(b) The governing body of the municipality has adopted a resolution obligating the municipality to repay the loan according to the terms in the loan. The obligation may be payable from user charges, franchise fees, special assessments or other money available to the municipality. The resolution shall obligate the municipality to annually impose and collect user charges, franchise fees, special assessments, or to use any other money available to it from any other specified source, in amounts and at times that if collected in full will annually produce at least five percent in excess of the amount needed for all annual costs of the system, including annual repayment on state loans. A municipality may also pledge to

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levy an ad valorem tax to guarantee the payments under the loan agreement. For the purpose of repaying the loan, the municipality by resolution of its governing body may fix the rates and charges for district heating system service and products, may enter into contracts for the payment by others of costs of construction, maintenance, and use of the project in accordance with section 444.075 and may pledge the revenues derived therefrom. The commissioner of finance shall condition a loan upon the establishment of rates and charges or the execution of contracts sufficient to produce annually the revenues pledged for repayment of all annual costs of the system, including annual repayment of the state loan.

Subd. 10. Receipts. All principal and interest payments received by the commissioner of finance in repayment of the loans authorized by this section shall be deposited in the state treasury and credited to the state bond fund and are appropriated to the commissioner of finance for the purposes of that account.

Subd. 11. Rules. The commissioner of energy, planning and development shall adopt rules necessary to carry out this section. The commissioner of energy, planning and development shall adopt temporary rules pursuant to sections 14.29 to 14.36, meeting the requirements of this section. The rules shall contain as a minimum:

- (a) Procedures for application by municipalities; and
- (b) Criteria for reviewing grant and loan applications.

History: 1981 c 334 s 1; 1981 c 356 s 248; 1982 c 424 s 130; 1982 c 561 s 10,11

PLANNING

116J.40 STATEWIDE PLANNING; PURPOSES.

In order that the state benefit from an integrated program for the development and effective employment of its resources, and in order to promote the health, safety, and general welfare of its citizens, it is in the public interest that a department be created in the executive branch of the state government to engage in a program of comprehensive statewide planning. The department shall act as a directing, advisory, consulting, and coordinating agency to harmonize activities at all levels of government, to render planning assistance to all governmental units, and to stimulate public interest and participation in the development of the state.

History: 1965 c 685 s 1; 1981 c 356 s 69,248

116J.41 STATE PLANNING ORGANIZATION.

Subdivision 1. To the greatest extent practicable the commissioner shall limit the permanent staff engaged in the programs authorized by sections 116J.40 to 116J.45 and shall contract for basic research, employ consultants, and use the existing facilities of state departments and agencies. It is desirable that he utilize the facilities of the university of Minnesota to provide (a) continuing geographic projection and detailed studies of the state's population, economy, and land use; (b) a central repository for the research data necessary for such functions; and (c) educational activities essential to the implementation of state planning.

Subd. 2. The governor may direct any state department or other agency of the state government to furnish the commissioner with such personnel, equipment, and services as are necessary to enable commissioner to carry out the commissioner's powers and duties, and prescribe the terms thereof. When requested by the commissioner to perform planning work, state agencies will be expected to use existing staff.

Subd. 3. Within the organization of the state department of energy, planning and development, the position of state demographer shall be appointed by

and serve under the supervision and control of the commissioner. The state demographer shall be professionally competent in the field of demography and shall possess demonstrated ability, based upon experience and past performance.

History: 1965 c 685 s 2; 1967 c 898 s 1,7; 1974 c 327 s 2; 1975 c 204 s 64; 1981 c 356 s 70-72,248

116J.42 POWERS AND DUTIES.

Subdivision 1. The commissioner shall:

(1) Prepare comprehensive, long range recommendations for the orderly and coordinated growth of the state including detailed recommendations for long range plans of operating state departments and agencies.

(2) The state, in the development of long range planning, shall take into consideration its relationship to local units of government and the planning to be accomplished on such levels.

Subd. 2. The commissioner shall:

(1) Review current programming and future planning of all state departments and agencies.

(2) Report regularly and on or before November 15 of each even numbered year to the legislature, reviewing in each report the state planning program, and the progress and development thereof. Thereafter, as soon as practicable, he shall make recommendations for desirable legislation and necessary appropriations.

(3) To the extent practicable coordinate with state budgets the items therein relating to and reflecting statewide planning as authorized by the legislature and as recommended for the consideration of the legislature.

(4) Require each state department and agency having planning programs to regularly file copies thereof with him for review.

(5) Make available to the legislature or any authorized committee or commission thereof information concerning statewide development plans and basic research from which the plans have been developed.

(6) Act as the coordinating agency for the planning activities of all state departments and agencies and local levels of government.

(7) Review all plans filed with the federal government by state departments and agencies pursuant to section 16A.30, or any other law as a part of his duties prescribed by this section. The commissioner of finance shall furnish the commissioner the information required by this clause.

(8) Encourage the development of planning programs by state departments and agencies and local levels of government.

(9) Act as the coordinating agency for submission of the environmental impact statements required by the National Environmental Policy Act and the state's comments thereon to the appropriate federal agencies.

Subd. 3. The commissioner:

(1) Shall appear before the Minnesota municipal board when requested by the board to present studies and data regarding any annexation, incorporation, or detachment proceedings pending before the board;

(2) May contract with a county or regional planning agency or a planning consultant for the making of studies and the compiling of data relating to any annexation, incorporation, or detachment proceedings before the board;

(3) At his discretion or upon the written request of any governmental unit, group of governmental units, or a regional planning agency, may conduct studies relating to the feasibility of annexation, incorporation, or consolidation of a town or governmental units. The studies shall be undertaken only in areas where there

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is reasonable grounds to believe that problems of urban growth may require the incorporation, or consolidation of governmental units, or the annexation of unincorporated areas in order to provide essential urban services.

Subd. 4. The commissioner shall:

(1) Undertake studies to obtain information and data on urban and rural needs, assistance programs, and activities. The commissioner shall provide technical assistance and advice in the solution of such problems. The duties of the commissioner shall include, but are not limited to, the assembly, the correlation, and dissemination of physical, social, and economic development data to inform local governmental units and interested persons and organizations of the availability and status of federal, state, and local programs and other resources for the solution of urban and rural problems;

(2) Make available to the governor and the legislature pertinent information relating to federal grants in aid to local governmental units and an analysis thereof;

(3) Inform local governmental units about federal programs of social or economic aid or assistance for which they are eligible, together with the criteria, standards, and conditions upon which the aid is based.

Subd. 5. The commissioner:

(1) Shall not undertake on behalf of any local governmental unit the responsibility of filling out application forms for federal grants in aid unless required by federal law or regulation promulgated thereunder, but instead will limit the activities of the department in relation to federal aid applications to the publication and distribution of manuals and the furnishing of advice and otherwise guide the officers of local governmental units in properly making out required application forms;

(2) Shall not be responsible in any way to promote any federal grant in aid or planning program;

(3) Shall coordinate information which shall be submitted to the commissioner by a special district or region recognized by the federal government with responsibility of reviewing federal grants in aid applications for community and nonprofit corporations within the district or region. Special districts or regions shall submit copies of approved applications for this purpose. Unless the requirements of this clause are complied with no state department or agency may provide assistance or funds for any project submitted to the federal government through a special district or region. Where there is a metropolitan planning agency or regional council created by law, the commissioner may delegate to the council or agency the responsibilities of this clause;

(4) Shall have only advisory responsibility or jurisdiction in any area of the state within the jurisdiction of a metropolitan planning agency or regional council created by law.

Subd. 6. The commissioner shall:

(1) Employ personnel with qualifications as are needed to perform the duties prescribed in this section. To the greatest extent practicable, the commissioner shall limit the permanent demographic staff and shall contract for basic research, employ consultants, and use the existing facilities of state departments, other agencies, and the state educational institutions, and

(2) Utilize the computer facilities of the state or state educational institutions for the research data necessary for periodic population projections.

Subd. 7. The commissioner:

(1) Shall continuously gather and develop demographic data within the state;

(2) Shall design and test methods of research and data collection;

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(3) Shall have the power to call upon any agency of the state or political subdivision for data as may be available, and the agencies and political subdivisions shall cooperate to the fullest extent possible;

(4) Shall periodically prepare population projections for designated regions and for the state and may periodically prepare projections for each county, or other political or geographic division;

(5) Shall review, comment, and prepare analysis of population estimates and projections made by state agencies, political subdivisions, other states, federal agencies or nongovernmental persons, institutions or commissions;

(6) Shall serve as the state liaison with the federal bureau of census, shall coordinate his activities with federal demographic activities to the fullest extent possible, and shall aid the legislature in preparing a census data plan and form for each decennial census;

(7) Shall compile an annual study of population estimates on the basis of county, regional or other political or geographic divisions as necessary to carry out the purposes of this subdivision and section 116J.43;

(8) Shall, on or before January 1 of each year, issue a report to the legislature containing an analysis of the demographic implications of the annual population study and population projections;

(9) Shall cause to be prepared maps of all counties in the state, all municipalities with a population of 10,000 or more, and any other municipalities as deemed necessary for census purposes, according to scale and detail recommended by the federal bureau of the census, with the maps of cities showing boundaries of precincts; and

(10) Shall annually prepare a population estimate for each governmental subdivision for which the metropolitan council does not prepare an annual population estimate, and shall communicate the estimate to the governing body of each governmental subdivision by May 1 of each year.

Subd. 8. The commissioner may charge a fee to each user of the Minnesota land management information system.

Subd. 9. **Juvenile justice.** The governor shall designate the department of energy, planning, and development as the sole agency responsible for supervising the preparation and administration of the state plan for juvenile justice required by the Juvenile Justice and Delinquency Prevention Act of 1974, as amended.

The governor shall designate the Juvenile Justice Advisory Committee as the supervisory board for the department of energy, planning and development with respect to preparation and administration of the state plan and award of grants.

The governor shall appoint members to the Juvenile Justice Advisory Committee in accordance with the membership requirements of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended.

History: 1965 c 685 s 3; 1967 c 898 s 2-4; 1973 c 412 s 8; 1974 c 327 s 3; 1974 c 406 s 54; 1975 c 271 s 6; 1976 c 132 s 1; 1977 c 347 s 2; 1979 c 333 s 57; 1980 c 487 s 1; 1981 c 356 s 73,248; 1982 c 615 s 1

116J.43 POPULATION ESTIMATES AND PROJECTIONS, SUBMISSION BY STATE AGENCIES.

Each state agency shall submit to the commissioner for his comment all population estimates and projections prepared by it prior to:

(a) Submitting those estimates and projections to the state legislature or federal government to obtain appropriations or grants,

(b) The issuance of bonds based upon those estimates and projections, and

(c) Releasing any plan based upon those estimates and projections.

History: 1974 c 327 s 4; 1981 c 356 s 74,248

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116J.44 COOPERATIVE CONTRACTS.

The commissioner may apply for, receive and expend money from municipal, county, regional and other planning agencies; apply for, accept, and disburse grants and other aids for planning purposes from the federal government and from other public or private sources, and may enter into contracts with agencies of the federal government, local governmental units, the university of Minnesota, and other educational institutions, and private persons as may be necessary in the performance of his duties. Contracts made pursuant to this section shall not be subject to the provisions of chapter 16, as they relate to competitive bidding.

The commissioner may apply for, receive, and expend money made available from federal sources or other sources for the purposes of carrying out the duties and responsibilities of the commissioner relating to local and urban affairs.

All moneys received by the commissioner pursuant to this section shall be deposited in the state treasury and are appropriated to the commissioner for the purposes for which the moneys have been received. The money shall not cancel and shall be available until expended.

History: 1965 c 685 s 4; 1967 c 898 s 5; 1981 c 356 s 75,248

116J.45 RULES.

No moneys, regardless of the source thereof, made available to the commissioner pursuant to sections 116J.40 to 116J.45 or any other law shall be expended by him for planning programs until he promulgates and adopts rules prescribing the criteria, standards, and procedures to govern the expenditure thereof. The rules shall be adopted under the administrative procedure act as contained in chapter 14, and shall conform with all terms and conditions imposed on the commissioner when the moneys are made available to him.

History: 1965 c 685 s 8; 1981 c 356 s 76,248; 1982 c 424 s 130

116J.46 RECOMMENDATION AS TO PLACEMENT OF NEW STATE BUILDINGS.

Subdivision 1. **Definition.** For the purpose of this section, the term "standard metropolitan statistical area" means the five county area of Hennepin, Ramsey, Anoka, Dakota and Washington counties.

Subd. 2. **Policy.** The commissioner shall recommend policies relating to the location of any new buildings proposed by the state or any of its departments or agencies and shall recommend policies relating to the location of state facilities and offices. The policies shall require that whenever feasible and practicable, after due consideration having been given to the functions, uses and services for which the buildings or offices are required, the buildings, facilities and offices, shall be located in areas of the state not included in a standard metropolitan statistical area to the end that a more equitable balance between urban areas and rural areas in the location of state facilities be finally accomplished. The policies shall provide that in determining the location of the building, facility or office, first priority shall be given to locating it where the service need dictates. Second priority shall be given to locating the building, facility or office outside of a standard metropolitan statistical area, to avoid over-urbanization. The policies shall not apply when the legislature has designated the specific location of the building facility or office.

History: 1971 c 325 s 1,2; 1981 c 356 s 77,248

116J.47 PLANNING PROGRAMS.

Prior to commencing a study, research, or planning program, a state agency or department shall file with the commissioner on a form prescribed by the commissioner, a description of the proposed project, including title, purpose, staff assigned, consultants to be used, cost, completion date, and other information prescribed by the agency as appropriate. The commissioner shall develop rules to exclude from the filing requirement projects that the commissioner determines are of minor significance.

Upon completion of the project, a copy shall be filed with the commissioner. The commissioner shall review the planning programs of state departments and agencies and submit to the legislature by November 15 of each year a report of findings and recommendations.

History: 1977 c 455 s 66; 1981 c 356 s 78,248

116J.48 LOCAL LAND USE PLANNING; GRANTS.

Subdivision 1. In order to improve the land use decision-making capability of local government, the commissioner shall make grants to the metropolitan council pursuant to section 116J.52, and to towns, counties, municipalities, and Indian reservations. The commissioner shall give priority when granting money to those areas that show a special need according to the provisions of clauses (a) and (b). The grants may be used to employ staff or contract with other units of government or qualified consultants for the following purposes:

(a) To prepare and implement plans which are required for certain areas by law or by designation as a critical area under chapter 116G.

(b) To prepare and implement plans which the unit of government is authorized by law to undertake for the management of problems resulting from (1) rapid population or economic growth or decline; (2) potential development in environmentally sensitive areas including but not limited to flood plains, wild and scenic rivers, and shorelands; and (3) the addition or elimination of a major state or federal facility;

(c) To assist neighborhood organizations in cities of the first class to do land use and related planning by making grants to the municipality;

(d) To analyze and prepare plans to preserve and protect agricultural land as defined in section 500.24.

Subd. 2. Grants shall not exceed 75 percent of the cost of the land use planning program, except that grants made within a designated critical area may be up to 100 percent of the cost of the planning program.

Subd. 3. For the purpose of sections 116J.48 to 116J.52 municipality has the definition stated in Minnesota Statutes 1974, Section 462.352, Subdivision 2.

History: 1976 c 167 s 1; 1979 c 333 s 58; 1981 c 356 s 79,248

116J.49 ADMINISTRATION.

The commissioner shall determine priorities pursuant to section 116J.48, and shall promulgate rules for the submittal and review of applications hereunder in accordance with the provisions of chapter 14.

History: 1976 c 167 s 2; 1981 c 356 s 80,248; 1982 c 424 s 130

116J.50 ELIGIBILITY.

Eligibility of grants is limited to units of government authorized by law to plan or adopt and enforce land use controls.

History: 1976 c 167 s 3; 1981 c 356 s 248

116J.51 REGIONAL DEVELOPMENT COMMISSION REVIEW.

An application for grants from this program shall be submitted to the appropriate regional development commission for review pursuant to section 462.391, subdivision 3, prior to the submittal to the commissioner. The regional development commission shall complete its review within 45 days after receipt of the application. If an application is not reviewed within the requisite time limit or if an extension of time is not agreed to by the affected parties, the application shall be deemed approved. Until units of local government in the metropolitan area as defined by section 473.02 are required by law to prepare and adopt comprehensive plans or portions thereof, the review required by this section shall be made by the metropolitan council for units of local government in the metropolitan area.

History: 1976 c 167 s 4; 1981 c 356 s 81,248

116J.52 MANDATORY TRANSFER OF FUNDS.

If part or all of the units of government within the metropolitan area as defined by section 473.02 are required by law to prepare and adopt comprehensive plans or specified portions thereof, 50 percent of the funds appropriated for the purposes of section 116J.48, clauses (b), (c) and (d), less the amount previously granted to units of government within the metropolitan area, shall be transferred to the metropolitan council on the effective date of such a law. Funds so transferred are reappropriated to the metropolitan council and shall be used for making grants to units of government within the metropolitan area for the preparation and adoption of comprehensive plans and controls required by law. Not more than five percent of the transferred funds shall be available to the metropolitan council for grant administration.

History: 1976 c 167 s 5; 1981 c 356 s 248

116J.53 TRAIL PLANNING.

The commissioner, in cooperation with the commissioner of natural resources, metropolitan council, and commissioner of transportation, shall review and coordinate plans for trails acquisition and development and trail development grants pursuant to sections 85.015, 85.016, 116J.54, 160.265, 473.147, and 473.301 to 473.341.

History: 1977 c 421 s 1; 1981 c 356 s 82,248

116J.54 GRANTS-IN-AID FOR RECREATIONAL BETTERMENT.

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings set forth, except as otherwise expressly provided or indicated by the context.

(a) "Athletic courts" means special surface areas and supporting equipment or structures such as nets, hoops, and walls which can be used for active games that have definite boundaries and are played on a marked surface, limited to basketball, volleyball, handball and tennis.

(b) "Metropolitan council" and "metropolitan area" have the meanings given them in section 473.121.

(c) "Units of government" means any county, city and home rule charter city, town, school district, public post-secondary educational institution, special park district, or any elected park and recreation board having control over parks, parkways, playgrounds, and trees in a city of the first class.

Subd. 2. **Grants for parks and trails.** The commissioner shall administer a program to provide grants to units of government located within standard metropolitan statistical areas, as designated by the United States office of management

and budget, but outside of the metropolitan area defined in section 473.121. The grants shall be for acquisition and betterment by units of government of public land and improvements needed for parks, trails, conservatories, zoos and other special use facilities having recreational significance for the entire population of the particular standard metropolitan statistical area. Appropriations made for this purpose 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. The local contribution required shall be not less than ten percent. The program shall be administered so as to ensure the maximum possible use of available federal money.

Subd. 3. Grants for trails in local parks. The commissioner shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for recreational trails in parks owned and operated by units of government. A grant shall not exceed 40 percent of the costs of the betterment of the trail. To be eligible for a grant, a unit of government must provide at least ten percent of the costs of the betterment of the trail.

Subd. 4. Grants for local outdoor athletic courts. The commissioner shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for local athletic courts. A grant shall not exceed 50 percent of the costs of the betterment of the athletic court. To be eligible for a grant, a unit of government must provide at least 50 percent of the costs of the betterment of the athletic court. In making grants the commissioner shall consider, among other factors, evidence of cooperation between units of government, local need and available financial resources, and court locations that encourage maximum use, patronage, and availability.

Subd. 5. Powers; rules. The commissioner shall have all powers necessary and convenient in order to establish programs for recreational betterment grants-in-aid for parks, trails, and athletic courts pursuant to this section including, but not limited to, the authority to adopt rules for the programs, pursuant to chapter 14, and emergency rules to commence immediately the programs, pursuant to sections 14.05 to 14.36.

History: 1977 c 421 s 2; 1981 c 304 s 6; 1981 c 356 s 83-86,248; 1982 c 424 s 130

DEVELOPMENT

116J.58 POWERS AND DUTIES.

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;

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(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) Encourage and develop commerce with other states and foreign countries and devise ways and means of removing trade barriers hampering the free flow of commerce between this and other states;

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

(11) 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;

(12) 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 him, 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;

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

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

(15) 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.

Subd. 2. **Promotional contracts.** In order to best carry out his duties and responsibilities and to serve the people of the state in the promotion of tourism and economic development the commissioner may engage in programs and projects jointly with a private person, firm, corporation or association and may enter into contracts under terms to be mutually agreed upon to carry out such programs and projects not including acquisition of land or buildings. Such contracts may be negotiated and shall not be subject to the provisions of chapter 16, insofar as such provisions relate to competitive bidding.

Subd. 3. **Commissioner may enter into project agreements.** The commissioner may enter into project agreements with organizations or corporations for the purpose of developing the tourism potential of the state. If in the judgment of the commissioner a project will make a meaningful contribution to the tourism development of the state, he may enter into local or regional agreements.

History: 1947 c 587 s 6; 1967 c 299 s 5; 1979 c 333 s 98; 1981 c 284 s 1; 1981 c 356 s 207,248

116J.59 IMPREST FUNDS, USE.

The commissioner of energy, planning and development may use the money in the imprest fund of his department in order to facilitate and expedite its business particularly in the making of advances of moneys to officers and employees of the department and members of the advisory committee for the purpose of defraying the expenses of travel, subsistence, and other similar expenses, and in meeting emergencies, and in accordance with such requirements therefor as may be prescribed by the commissioner of finance. The imprest fund shall be reimbursed for all moneys advanced in the manner prescribed by the rules of the commissioner of administration.

History: 1967 c 299 s 8; 1973 c 492 s 14; 1975 c 271 s 6; 1981 c 356 s 248

116J.60 PROMOTIONAL EXPENSES.

In the promotion of tourism and economic development of the state of Minnesota, the state commissioner of energy, planning and development may expend from moneys appropriated by the legislature for such purposes in the same manner as private persons, firms, corporations and associations make expenditures for such purposes. For purposes of allotment, encumbrance and disbursement all transactions for promotional purposes shall be coded under the commissioner of finance's object of expenditure code for advertising. The encumbrance shall be made on a miscellaneous encumbrance requisition. Any such expenditures for food, lodging or travel shall not be governed by the travel regulations of the commissioner of administration.

History: Ex1967 c 48 s 84; 1973 c 492 s 14; 1977 c 455 s 84; 1981 c 356 s 248

116J.61 ADDITIONAL POWERS AND DUTIES.

The commissioner shall:

- (1) Have control of the work of carrying on a continuous program of education for businessmen;
- (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 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 state-wide 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 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. 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;

(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;

(9) Plan and conduct programs of information and publicity designed to attract tourists, visitors, and other interested persons from outside the state to this state, and in that connection encourage and coordinate the efforts of other public and private organizations or groups of citizens to publicize the facilities and attractions of the state and work with representatives of the tourist and resort industry in carrying out its programs.

History: 1947 c 587 s 7; 1957 c 842 s 1; 1959 c 598 s 1; 1969 c 1129 art 3 s 2; 1971 c 24 s 41; 1973 c 123 art 5 s 7; 1981 c 356 s 208,248

116J.62 SMALL BUSINESS FINANCE AGENCY.

The commissioner may enter into agreements or transactions with the small business finance agency created under section 116J.89 to perform any or all administrative tasks in connection with the exercise and implementation of the powers and programs of the small business finance agency.

History: 1980 c 547 s 5; 1981 c 356 s 209,248

116J.63 SALE OF PAMPHLETS AND PUBLICATIONS; FEES; ADVERTISING.

Subdivision 1. The commissioner may sell reports, publications, or related publicity or promotional material of the department that in his judgment should not be supplied gratis to those who wish to employ them in the conduct of their business.

Subd. 2. The commissioner shall recommend a schedule of fees pursuant to section 16A.128 to be charged for these materials and for services rendered by the department in furnishing them. The fees prescribed by the commissioner shall be commensurate with the distribution objective of the department for the material produced or with the cost of furnishing the services. All fees for materials and services shall be deposited in the general fund.

Subd. 3. Department publications may contain advertising and may receive advertising revenue from profit and nonprofit organizations, associations, individuals and corporations, and other state, federal or local government agencies. Advertising revenues shall be deposited in the general fund. The commissioner shall set advertising rates and fees commensurate with services rendered and distribution objectives.

History: 1947 c 587 s 14; 1979 c 333 s 99; 1981 c 356 s 248

116J.64 LOANS TO INDIANS.

Subdivision 1. For purposes of this section the following terms shall have the meanings ascribed to them herein.

Subd. 2. "Indian" means a person of one-quarter or more Indian blood and who is an enrolled member of a federally recognized Minnesota based band or tribe.

Subd. 3. "Person" means an individual Indian, or a partnership comprising Indians only, or a corporation whose stock is owned wholly by Indians.

Subd. 4. "Tribal council" means the reservation business committee or equivalent duly constituted tribal authority.

Subd. 5. "Agency" or "department" means the department of energy, planning and development.

Subd. 6. The remaining 20 percent of the tax revenue received by the county auditor under section 273.13, subdivision 2a shall be remitted by the county auditor to the state treasurer and shall be deposited in a special account called the "Indian business loan account", which shall be a revolving fund created and established under the jurisdiction and control of the agency, which may engage in a business loan program for American Indians as that term is defined in subdivision 2. The tribal councils may administer the fund, provided that, before making any eligible loans, each tribal council must submit to the agency, for its review and approval, a plan for that council's loan program which specifically describes, as to that program, its content, utilization of funds, administration, operation, implementation, and other matters required by the agency. All such programs must provide for a reasonable balance in the distribution of funds appropriated pursuant to this section for the purpose of making business loans between Indians residing on and off the reservations within the state. As a condition to the making of such eligible loans, the tribal councils shall enter into a loan agreement and other contractual arrangements with the agency for the purpose of carrying out the provisions of this chapter, and shall agree that all official books and records relating to the business loan program shall be subject to audit by the legislative auditor in the same manner prescribed for agencies of state government.

Whenever any moneys are appropriated by the state treasurer to the agency solely for the above-specified purpose or purposes, the agency shall establish a separate bookkeeping account or accounts in the Indian business loan fund to record the receipt and disbursement of such moneys and of the income, gain and loss from the investment and re-investment thereof.

Subd. 7. An Indian desiring a loan for the purpose of starting a business enterprise, expanding an existing business, or for technical and management

assistance, shall make application to the commissioner. The commissioner shall prescribe the necessary forms and advise the prospective borrower as to the conditions under which his application may be expected to receive favorable consideration. The application shall be forwarded to the appropriate tribal council for approval or disapproval, and shall be in conformity with the plans submitted by said tribal councils. If the application is approved, the commissioner shall forward the application, together with all relevant documents pertinent thereto, to the commissioner of finance, who shall draw his warrant in favor of the applicable tribal council with appropriate notations identifying the borrower. The tribal council shall thereafter reimburse suppliers and vendors for purchases of equipment, real estate and inventory made by the borrower pursuant to the conditions or guidelines established by the commissioner. The tribal council shall maintain records of transactions for each borrower in a manner consistent with good accounting practice. Simple interest at two percent of the amount of the debt owed shall be charged. When any portion of a debt is repaid, the tribal council shall remit the amount so received plus interest paid thereon to the state treasurer through the commissioner. The amount so received shall be credited to the Indian business loan account. The tribal council shall secure a fidelity bond from a surety company, in favor of the state treasurer, in an amount equal to the maximum amount to the credit of its loan account during the fiscal year. On the placing of a loan, additional money equal to ten percent of the total amount made available to any tribal council for loans during the fiscal year shall be paid to the council prior to December 31 for the purpose of financing administrative costs.

Subd. 8. Loans made under subdivision 7 shall be limited to a period of 20 years, if made for the purpose of financing nonreal estate purchases. Loans made for the purpose of financing real estate purchases, where such real property is to be used for nonresidential purposes only, shall be limited to a period of 40 years, and shall be a lien on the real property so acquired. Under no circumstances shall the state take a position junior to third lien. In instances where it is impossible or undesirable to secure a lien against real property, the state may secure a lien against personal property for an amount equal to the face value of the loan.

Subd. 9. Any person misrepresenting facts regarding the Indian ancestry of a prospective borrower for the purpose of securing a loan under subdivision 7, whether such borrower be an individual, partnership or corporation, shall be guilty of a gross misdemeanor.

Subd. 10. The county auditor shall remit the tax revenue received yearly to the state treasurer as required by subdivision 6 no later than December 15.

Subd. 11. There is appropriated annually an amount equal to the tax revenue allotted under subdivision 7.

History: 1973 c 254 s 3; 1973 c 492 s 14; 1973 c 650 art 20 s 4; 1977 c 430 s 25 subd 1; 1979 c 333 s 100-102; 1980 c 391 s 1-3; 1981 c 308 s 1-7; 1981 c 356 s 210,211,248; 1982 c 424 s 128

116J.65 COMMUNITY DEVELOPMENT CORPORATIONS.

Subdivision 1. For the purposes of this section, the following terms shall have the meanings given them:

Subd. 2. "Economic development region" means an area so designated in the governor's executive order number 60, dated June 12, 1970, as amended.

Subd. 3. "Federal poverty level" means the income level established by the United States Community Services Administration in 45 CFR 1060.2-2.

Subd. 4. "Low income" means an annual income below the federal poverty level.

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Subd. 5. The ~~commissioner~~ shall administer this section and shall enforce the rules related to the community development corporations promulgated by the commissioner. The ~~commissioner~~ may amend, suspend, repeal or otherwise modify these rules as provided for in chapter 14.

Subd. 6. The commissioner shall designate a community development corporation as eligible to receive grants pursuant to this section if the corporation:

(a) Is a non-profit corporation incorporated under chapter 317;

(b) Designates in its articles of incorporation or bylaws a specific geographic community within which it will operate. At least ten percent of the population within the designated community must have low income. Within the metropolitan area as defined in section 473.121, subdivision 2, a designated community shall be an identifiable neighborhood, or a combination of neighborhoods or home rule charter or statutory cities, townships, unincorporated areas or combinations thereof. Outstate designated communities shall to the extent possible not cross existing economic development boundaries;

(c) Limits voting membership to residents of the designated community;

(d) Has a board of directors with 15 to 30 members, unless the corporation can demonstrate to the commissioner that a smaller or larger board is more advantageous. At least 40 percent of the directors shall have low incomes and the remaining directors shall be members of the business or financial community and the community at large. At least 60 percent of the directors shall be residents of the designated community, and to the greatest extent possible directors shall be residents of the designated community. The low income directors shall be elected by the members of the corporation, and the remaining directors may be elected by the members of the corporation or selected by the low income directors; and

(e) Hires low income residents of the designated community to fill non-managerial and non-professional positions.

Subd. 7. The commissioner shall approve a grant to a community development corporation only for a project carried on within the designated community, except when the corporation demonstrates that a project carried on outside will have a significant impact inside the designated community.

Subd. 8. The commissioner may approve a grant to a community development corporation for planning, including organization of the corporation, training of the directors, creation of a comprehensive community economic development plan, and development of a proposal for a venture grant, or for establishment of a business venture, including assistance to an existing business venture, purchase of partial or full ownership of a business venture, or development of resources or facilities necessary for the establishment of a business venture.

Subd. 9. Factors considered by the commissioner in approving a grant to a community development corporation should include the creation of employment opportunities, the maximization of profit and the effect on securing funds from sources other than the state.

Subd. 10. Grants under this section shall not be available for programs conducted by churches or religious organizations or for securing or developing social services.

Subd. 11. A person shall not be excluded from participation in a program funded pursuant to this section because of race, color, religion, sex, age or national origin.

History: 1977 c 391 s 1; 1978 c 709 s 4,5; 1981 c 284 s 2; 1981 c 356 s 213,248; 1982 c 424 s 130

116J.66 BUSINESS ASSISTANCE.

The commissioner shall establish within the department a business assistance center. The center shall consist of (1) a bureau of small business which shall have as its sole function the provision of assistance to small businesses in the state and (2) a bureau of licenses to assist all businesses in obtaining state licenses and permits. This center shall be accorded at least equal status with the other major operating units within the department.

History: 1978 c 709 s 2; 1979 c 246 s 2; 1981 c 356 s 214,248

116J.67 CERTIFIED STATE DEVELOPMENT COMPANY.

Subdivision 1. **Purpose; objectives.** The commissioner of energy, planning and development may create, promote and assist a state development company, also known as a "503" certified development company, which will qualify as a certified development company for the purposes of 15 United States Code, section 697 and Code of Federal Regulations, title 13, section 108.503.

The commissioner shall utilize the development company program to stimulate the state's economic activity.

The development company and its directors and officers shall comply with the organizational, operational, regulatory and reporting requirements as promulgated by the United States small business administration and the guidelines contained in the bylaws, articles of incorporation, and standard operating procedure prescribed by the small business administration.

Subd. 2. **Capital, loan limits; membership requirements.** The capital for a certified state development company shall be derived from corporate holders or members, each of whom shall not have more than ten percent of the voting control of the certified state development company. The company shall have a minimum of ten members. Membership shall be, to the greatest extent practicable, in proportion to the population of each economic development region to the total population of the state. The loan limit of each member shall be established at the time of its acceptance as a member and shall be computed on the basis of the financial information contained in or made a part of its application for membership. All loan limits shall be established at the thousand dollar amount nearest the amount computed in accordance with the provisions of the articles of incorporation and this section.

Subd. 3. **Members.** Members shall be representatives of local government, community organizations, financial institutions, and businesses in Minnesota and which, upon application, have been accepted for membership by a majority vote of the members of the board of directors present at any regular or special meeting of the board at which there is a quorum. A "financial institution" is a business organization recognized under Minnesota or federal law as a banking institution, trust company, savings and loan association, insurance company, or a corporation, partnership, foundation or other institution licensed to do business in the state of Minnesota and engaged primarily in lending or investing money.

Subd. 4. **Membership applications.** Applications for membership shall be submitted to the board of directors on forms provided by the corporation and accompanied by additional information as the form may require. Application forms shall provide that if the application is approved, and the applicant accepted for membership by the board of directors prior to withdrawal of the application, the applicant agrees to become a member upon the acceptance and to assume all of the rights and obligations of a member as set forth in the corporation's bylaws, the articles of incorporation, and chapter 301 and sections 116J.58 to 116J.91. Notice of approval or rejection of an application shall be forwarded, by certified or registered United States mail, to the applicant for the attention of the person

signing the application, within 15 days following the date upon which the approval or rejection is made. Approval of the application constitutes acceptance of the applicant as a member of the corporation.

Subd. 5. Officers. The executive officers of the corporation shall be a president, one or more vice presidents including the executive vice president, a secretary, and a treasurer. None of the officers, except the president, need be directors. One person may hold the offices and perform the duties of any two or more of the offices. The board of directors by majority vote may leave unfilled for any period it may fix any office except that of president, treasurer, or secretary.

Subd. 6. Department assistance. The commissioner of energy, planning and development shall make available the professional staff of the department to provide services to the certified state development company including, but not limited to, accounting, legal and business assistance services. The staff shall have the capability to package, process, close and service loans made through the development company.

Subd. 7. Reports. The development company shall submit to the small business administration annual reports on its operation. When requested by the small business administration, interim reports of a similar nature will be provided. The reports shall be provided in accordance with the instructions and attachments set forth by the small business administration. The development company shall comply with all regulations issued under the small business investment act of 1958, as amended, as well as applicable state and federal laws affecting its operation.

Subd. 8. Revolving fund. The certified state development company may charge a one time processing fee up to the maximum allowed by the small business administration on a debenture issued for loan purposes. In addition, a fee for servicing loans may be imposed up to the maximum allowed by the small business administration based on the unpaid balance of each debenture. There is established a program of business services revolving fund in the state treasury. Proceeds from fees collected on loans processed with assistance from department staff shall be deposited in the program of business services revolving fund. Moneys in the fund are appropriated to the commissioner of energy, planning and development for the purposes of this section.

History: 1981 c 356 s 248; 1982 c 641 art 1 s 13

116J.68 BUREAU OF SMALL BUSINESS.

Subdivision 1. The bureau of small business within the business assistance center shall serve as a clearinghouse and referral service for information needed by small businesses including those operated by a socially or economically disadvantaged person.

Subd. 2. The bureau shall:

(a) Plan, promote, coordinate and execute activities of concern to the bureau of small business;

(b) Plan, direct and evaluate all management and technical assistance programs to insure an efficient and effective delivery of services to the small business community;

(c) Determine and establish annual goals by implementing reporting requirements essential to the continual evaluation of the bureau of small business, and report each biennium to the appropriate legislative committees the results of the evaluation;

(d) Maintain a close and continued relationship with the director of the procurement program within the department of administration;

(e) Plan, coordinate and execute an up-to-date master file system that lists all assistance programs for small businesses from federal, state, non-governmental

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agencies, chambers of commerce, educational institutions, civic organizations and private industry; and

(f) Develop an information system, with due regard to privacy statutes, which will enable the commissioner and other state agencies to efficiently store, retrieve, analyze and exchange data regarding business development and growth in the state.

Subd. 3. The bureau may be assisted by small business assistance specialists. The specialists may provide information to small businesses concerning programs, functions, services, location and contact points of all educational institutions, chambers of commerce, civic organizations, private industrial associations and federal, state and local government agencies located or operating in the state with respect to small business activities.

A toll free telephone number shall be established 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.

Subd. 4. Except as otherwise provided in this section, the responsibilities of the bureau of small business may include the following:

(a) Providing information and assistance with respect to laws, rules and regulations, forms, licenses and financing to persons who want to start or already operate a small business;

(b) Referring persons who want to start or already operate a small business to assistance programs sponsored by federal agencies, state agencies, educational institutions, chambers of commerce, civic organizations, community development groups, and private industry associations;

(c) Conducting research and providing data required by the state legislature;

(d) Developing and publishing materials on small business laws, rules and regulations, potential financing, licenses and other programs offered by federal, state and local agencies, non-governmental agencies and private sources;

(e) Collecting and disseminating information on state contracts, including the policies and procedures to submit bids for state contracts; and

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

History: 1979 c 246 s 3; 1981 c 356 s 248

116J.69 UNIFORM BUSINESS LICENSING POLICY.

Subdivision 1. **Finding.** The legislature finds that a uniform policy on business licenses is necessary to maintain an adequate level of protection of the public welfare while preventing business licensing from becoming overly burdensome for the citizens and businesses of Minnesota.

Subd. 2. **Policy.** It is the policy of the state of Minnesota that to the extent practicable, when required, a business license:

(a) Should be necessary to protect the safety, health or welfare of the citizens of the state or to ensure fair competition, competency in business, responsible financial practices, or other ethical business conduct;

(b) Should not duplicate or significantly overlap any other business license;

(c) Should be issued and renewed for the longest period possible consistent with the need to review eligibility and compliance with the terms and conditions of the license;

(d) Should contain a termination or renewal date determined by the agency to be as convenient as possible for the license holder consistent with clause (c). When an agency issues more than one license to the same business these licenses should have the same calendar renewal date; and

(e) Should involve payment of a fee in an amount no greater than specified by statute. If a fee is authorized by statute and set by rule, the fee shall be no greater than necessary to recover the administrative cost of issuing or renewing the license or enforcing its terms and conditions. The fees and conditions may be different for different classes of businesses and for initial issuance and subsequent renewals.

History: 1981 c 342 art 2 s 2; 1981 c 356 s 248

116J.70 DEFINITIONS.

Subdivision 1. **Application.** For the purposes of sections 116J.69 to 116J.71, the terms defined in this section have the meanings given them.

Subd. 2. **Business license.** "Business license" or "license" means any permit, registration, certification, or other form of approval authorized by statute or rule to be issued by any agency or instrumentality of the state of Minnesota as a condition of doing business in Minnesota. The term also includes, when applicable, the substantive and procedural criteria governing the qualifications for, and issuance and maintenance of, a business license.

Subd. 2a. **License; exceptions.** "Business license" or "license" does not include the following:

(1) Any occupational license issued by a licensing board listed in section 214.01 or any occupational registration issued by the commissioner of health pursuant to section 214.13;

(2) Any license issued by a county, home rule charter city, statutory city, township or other political subdivision;

(3) Any license required to practice the following occupation regulated by the following sections:

- (a) Abstracters regulated pursuant to chapter 386;
- (b) Accountants regulated pursuant to chapter 326;
- (c) Adjusters regulated pursuant to chapter 72B;
- (d) Architects regulated pursuant to chapter 326;
- (e) Assessors regulated pursuant to chapter 270;
- (f) Attorneys regulated pursuant to chapter 481;
- (g) Auctioneers regulated pursuant to chapter 330;
- (h) Barbers regulated pursuant to chapter 154;
- (i) Beauticians regulated pursuant to chapter 155;
- (j) Boiler operators regulated pursuant to chapter 183;
- (k) Chiropractors regulated pursuant to chapter 148;
- (l) Collection agencies regulated pursuant to chapter 332;
- (m) Cosmetologists regulated pursuant to chapter 155;
- (n) Dentists and dental hygienists regulated pursuant to chapter 150A;
- (o) Detectives regulated pursuant to chapter 326;
- (p) Electricians regulated pursuant to chapter 326;
- (q) Embalmers regulated pursuant to chapter 149;
- (r) Engineers regulated pursuant to chapter 326;
- (s) Insurance brokers and salespersons regulated pursuant to chapter 60A;
- (t) Midwives regulated pursuant to chapter 148;

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- (u) Morticians regulated pursuant to chapter 149;
- (v) Nursing home administrators regulated pursuant to chapter 144A;
- (w) Optometrists regulated pursuant to chapter 148;
- (x) Osteopathic physicians regulated pursuant to chapter 147;
- (y) Pharmacists regulated pursuant to chapter 151;
- (z) Physical therapists regulated pursuant to chapter 148;
- (aa) Physicians and surgeons regulated pursuant to chapter 147;
- (bb) Plumbers regulated pursuant to chapter 326;
- (cc) Podiatrists regulated pursuant to chapter 153;
- (dd) Practical nurses regulated pursuant to chapter 148;
- (ee) Professional fundraisers regulated pursuant to chapter 309;
- (ff) Psychologists regulated pursuant to chapter 148;
- (gg) Real estate brokers, salespersons and others regulated pursuant to chapters 82 and 83;
- (hh) Registered nurses regulated pursuant to chapter 148;
- (ii) Securities brokers, dealers, agents and investment advisers regulated pursuant to chapter 80A;
- (jj) Steamfitters regulated pursuant to chapter 326;
- (kk) Teachers and supervisory and support personnel regulated pursuant to chapter 125;
- (ll) Veterinarians regulated pursuant to chapter 156;
- (mm) Watchmakers regulated pursuant to chapter 326;
- (nn) Water conditioning contractors and installers regulated pursuant to chapter 326;
- (oo) Water well contractors regulated pursuant to chapter 156A;
- (pp) Water and waste treatment operators regulated pursuant to chapter 115;
- (qq) Motor carriers regulated pursuant to chapter 221;
- (4) Any driver's license required pursuant to chapter 171;
- (5) Any aircraft license required pursuant to chapter 360;
- (6) Any watercraft license required pursuant to chapter 361;
- (7) Any license, permit, registration, certification, or other approval pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the resources of land, air or water, which is required to be obtained from a state agency or instrumentality; and
- (8) Any pollution control rule or standard established by the pollution control agency or any health rule or standard established by the commissioner of health.

History: 1981 c 342 art 2 s 3; 1981 c 356 s 248; 1Sp1981 c 4 art 4 s 14; 1982 c 413 s 1

116J.71 NEW LICENSES.

Any new business license authorized by the legislature or established by rule after June 2, 1981 shall conform to the policy in section 116J.69.

History: 1981 c 342 art 2 s 5; 1981 c 356 s 248

116J.72 EXISTING LICENSES.

Nothing in sections 3.965, subdivision 6 and 116J.69 to 116J.71 shall affect the validity of duration of an existing issued license.

History: 1981 c 342 art 2 s 6; 1981 c 356 s 248

116J.73 BUREAU OF BUSINESS LICENSES; DECLARATION OF PURPOSE.

It is the intent of the legislature that a program of business license assistance be established to provide a centralized state government office to which business license applicants may obtain comprehensive license information and assistance. The program of business assistance will be directed to commercial business undertakings, projects, and activities rather than to the issuance of licenses for individual privileges, including the occupational licenses for practicing a trade or profession, licenses for operating a motor vehicle, and amateur sporting licenses, including, but not limited to, hunting and fishing.

History: 1981 c 342 art 3 s 1; 1981 c 356 s 248

116J.74 DEFINITIONS.

Subdivision 1. **Terms.** For the purposes of sections 116J.73 to 116J.86, the following terms have the meanings given them.

Subd. 2. **Agency.** "Agency" has the meaning given it in section 14.02, subdivision 2.

Subd. 3. **Applicant.** "Applicant" means a person acting on his own behalf or authorized to act on behalf of any other person for the purpose of securing a license.

Subd. 4. **Bureau.** "Bureau" means the bureau of business licenses.

Subd. 5. **Commissioner.** "Commissioner" means the commissioner of the department of energy, planning and development.

Subd. 6. **Director.** "Director" means the director of the bureau of business licenses.

Subd. 7. **Business license.** "Business license" or "license" has the meaning given it in section 116J.70, subdivision 2.

Subd. 7a. **Exception.** "Business license" or "license" does not include any license excepted in section 116J.70, subdivision 2a.

Subd. 8. **Person.** "Person" means any individual, proprietorship, partnership, association, cooperative, corporation, nonprofit organization, state or local government agency, and any other organization required to obtain one or more licenses.

History: 1981 c 342 art 3 s 2; 1981 c 356 s 248; 1982 c 424 s 130

116J.75 BUREAU OF BUSINESS LICENSES.

Subdivision 1. **Appointment of director.** The head of the bureau shall be the director of business licenses. The director shall be appointed by the commissioner in accordance with section 116J.23, and shall be in the classified service.

Subd. 2. **Director's powers and duties.** The director shall direct the work of the bureau. The director may, with the advice and consent of the commissioner, hire employees as he may deem necessary, prescribe their duties, fix their compensation, and provide for the reimbursement of their expenses.

Subd. 3. **Director's report.** The director shall report to the commissioner or his designee on the activities of the bureau to ensure the consistency of those activities with the overall economic development policies of the state.

Subd. 4. **Coordination with other agencies.** The commissioner, working with other agency heads, shall assure that the activities of the bureau are fully coordinated with related activities of other agencies.

History: 1981 c 342 art 3 s 3; 1981 c 356 s 248

116J.76 GENERAL FUNCTIONS; POWERS AND DUTIES.

The bureau, by and through the director or his duly authorized employees, shall have the following functions, powers, and duties:

(a) Providing comprehensive information on licenses required for business undertakings, projects, and activities in the state and making the information available to applicants and other persons;

(b) Providing interested persons with an opinion as to the number, kind, and source of required licenses and potential difficulties in obtaining the licenses, based on a review of a potential applicant's business concept at an early stage in its planning;

(c) Developing with the assistance of other departments a master application procedure to expedite the identification and processing of these licenses;

(d) Facilitating or recommending consolidation of hearings required pursuant to licensing applications when feasible and advantageous;

(e) Encouraging and facilitating the participation of federal and local government agencies in licensing coordination;

(f) Making recommendations for eliminating, consolidating, simplifying, expediting, or otherwise improving licensing procedures affecting business undertakings; and

(g) Adopting rules, procedures, instructions, and forms as are required to carry out the functions, powers, and duties imposed upon the bureau by sections 116J.73 to 116J.86.

History: 1981 c 342 art 3 s 4; 1981 c 356 s 248

116J.77 ASSISTANCE OF OTHER AGENCIES.

To effect the purposes of sections 116J.73 to 116J.86, and when requested by the commissioner, an agency shall to the extent practicable provide assistance, services, facilities, and data as will enable the bureau to carry out its functions, powers, and duties.

History: 1981 c 342 art 3 s 5; 1981 c 356 s 248

116J.78 COMPREHENSIVE LICENSE INFORMATION.

Subdivision 1. **Reports by agencies.** Not later than 90 days from June 2, 1981, each agency issuing licenses for business undertakings, projects, and activities shall report to the bureau, in a form prescribed by the bureau, on each and every type of license administered or issued by the agency. Application forms, applicable agency rules, fee schedules, and the estimated time period necessary for license application consideration based on experience and statutory or regulatory requirements shall accompany each report. The reports shall be updated every two years.

Subd. 2. **Report supplementation.** Each agency issuing licenses for business undertakings, projects, and activities shall, subsequent to its report pursuant to subdivision 1, provide the bureau with a report of any new license or modification of any existing license, or licensing procedures, together with applicable forms, rules, and information required under subdivisions 1 and 2 regarding new or modified licenses.

Subd. 3. **Preparation of information file.** The bureau shall prepare an information file on agency license requirements upon receipt of the agency reports and shall develop methods for its maintenance, revision, updating, and ready access.

Subd. 4. **License information provided by bureau.** The bureau shall provide comprehensive license information on the basis of information submitted in

subdivisions 1 to 3. The bureau may prepare and distribute publications, guides, and other materials based upon the agency reports and the information file. These materials are designed to serve the convenience of license applicants and explain license requirements affecting business, including requirements having multiple license or multiple agency aspects.

History: 1981 c 342 art 3 s 6; 1981 c 356 s 248

116J.79 PREAPPLICATION CONFERENCES.

Subdivision 1. **Requests for conference.** The bureau, at the request of any person, proceeding in accordance with this section, may conduct a preapplication conference, pending the formal submission of application forms, in which affected agencies shall participate to the extent practicable in order to clarify the nature and scope of their interest, to provide guidance regarding license application and review procedures, and to coordinate agency actions and data collection or submission regarding license application.

Subd. 2. **Multiple licenses; agencies to provide review and opinion.** If, in the course of a preapplication conference, it becomes clear in the opinion of the director that a proposed business undertaking: (a) may require multiple licenses from the same or different state departments; (b) will take place in phases over an extended period of time; (c) will involve substantial expense for preparation of detailed plans, specifications and license applications; or (d) is of a new or unique nature, then each affected agency shall, at the request of the director to the extent practicable, provide the applicant with a written review and opinion as to all licenses which the agency would require for the proposed undertaking, the standards and conditions which would have to be met in order to obtain the licenses, timetables involved, and any properly related circumstances or findings.

Subd. 3. **Written opinions; time limits; extensions.** Each agency participating in the review and opinion process shall render the written opinion within a period not exceeding 60 days from the date fixed by the director. This period may be extended by the director at the request of an interested agency for the further consideration of information provided in accordance with this section. The director shall advise the person having requested the review and opinion of the extension, the reasons for it, and the revised period fixed by the director for rendering the written opinion. The person shall be entitled to confer with the bureau and with any agency having been granted an extension of time to ascertain what further information, if any, is required to facilitate the rendering of the review and opinion.

Subd. 4. **Effect of review and opinion procedure.** A preapplication review and opinion shall not relieve the person from the responsibility of obtaining any required licenses and shall be contingent upon the submission of all detailed plans, specifications, and information required for license applications. An agency's written opinion as to required licenses shall remain in effect indefinitely for the proposed business undertaking, project, or activity as described in the applicant's submission. However, if new license requirements or related standards over which an agency has no control or discretion in establishing subsequently become effective, the new license requirements or standards shall not be considered to have been part of the preapplication review and opinion. The opinion of the agency may be modified or amended by the agency at any time and shall not prohibit the agency from requiring additional licenses as deemed necessary for the applicant.

Subd. 5. **Rules of procedure.** The bureau shall promulgate rules for the procedures to be followed in the conduct of preapplication reviews and opinions.

History: 1981 c 342 art 3 s 7; 1981 c 356 s 248

116J.80 MASTER APPLICATION PROCEDURE.

Subdivision 1. Development and implementation. The bureau shall develop and implement a master application procedure to expedite the identification and processing of licenses for business undertakings, projects, and activities. A master application shall be made on a form prescribed by the bureau. This form shall request concise and specific information necessary to determine those licenses which are or may be required for the undertaking, project, or activity in order to insure speedy issuance of the licenses when all necessary requirements are met.

Subd. 2. Bureau assistance in preparing. Use of the master application procedure shall be at the option of any person proposing a business undertaking, project, or activity. Upon request, the bureau shall assist any person in preparing a master application, describe the procedures involved, and provide other information from the comprehensive license information file as may be helpful or necessary.

Subd. 3. Receipt of application; notification to agencies. Upon receipt of a master application the bureau shall immediately notify in writing each agency having a possible interest in the proposed business undertaking, project, or activity with respect to licenses which are or may be required.

Subd. 4. Agency response. Each agency so notified shall respond to the bureau within 20 days of receipt of the notice and shall advise the bureau whether one or more licenses under its jurisdiction are or may be required for the business undertaking, project, or activity described in the master application. The response shall specify the licenses which in the opinion of the agency are or may be required, if any, and shall indicate the fees to be charged.

Subd. 5. Consequences of negative or nonresponses. Any agency so notified which responds that it does not have an interest in the license requirements of the business undertaking, project, or activity described in the master application, or which does not respond within the time period specified in subdivision 4, shall not require a license for the undertaking, project, or activity described in the master application. Except that where unusual circumstances have prevented an agency from notifying the bureau, and the agency establishes that failure to require a license would result in substantial harm to the public health or welfare, the commissioner may order that the license be required.

Subd. 6. Failure to provide accurate or pertinent information. The provisions of subdivision 5 shall not apply if the commissioner of energy, planning and development determines that the master application contained false, misleading, or deceptive information, or failed to include pertinent information, the lack of which could reasonably lead an agency to misjudge the applicability of licenses under its jurisdiction, or if new license requirements or related standards subsequently became effective for which an agency had no discretion in establishing the effective date.

Subd. 7. Notification to applicant. The bureau, following the 20 day notice and response period, shall promptly provide the person having submitted a master application with application forms and related information for all licenses specified by the interested agencies and shall advise the person:

(a) That all forms are to be completed and submitted to the interested agencies; and

(b) At the option of the applicant, that the bureau will receive all forms as a package with the fees to be charged, if any, and that the bureau will immediately separate and submit the forms and any allocable fees to the appropriate agencies.

Subd. 8. Withdrawal of application. An applicant may withdraw a master application at any time without forfeiture of any license approval applied for or obtained under the master application procedures contained in this section.

History: 1981 c 342 art 3 s 8; 1981 c 356 s 248

116J.81 LICENSE COORDINATION AND ASSISTANCE TO APPLICANTS.

Subdivision 1. **Authorization.** Any applicant for licenses required for a business undertaking, project, or activity may confer with the bureau to obtain assistance in the prompt and efficient processing and review of applications.

Subd. 2. **Duties of the bureau.** The bureau shall, so far as possible, render assistance; and the director may designate an officer or employee of the bureau to act as an expeditor for the purpose of:

(a) Facilitating contacts for the applicant with agencies responsible for processing and reviewing license applications;

(b) Arranging conferences to clarify the interest and requirements of any agency with respect to license applications;

(c) Considering with agencies the feasibility of consolidating hearings and data required of the applicant; and

(d) Assisting the applicant in the resolution of outstanding issues identified by agencies, including delays experienced in license review.

History: 1981 c 342 art 3 s 9; 1981 c 356 s 248

116J.82 CONSOLIDATED HEARINGS.

Subdivision 1. **Bureau may request.** The bureau may request the office of administrative hearings to consolidate hearings insofar as it is feasible and agreeable to all parties.

Subd. 2. **Rules of procedure.** A consolidated hearing shall be conducted in a manner consistent with sections 14.01 to 14.70, and the applicable rules of the office of administrative hearings.

Subd. 3. **Prehearing conference.** The office of administrative hearings, with the consent of the agencies having license jurisdiction, may provide for a prehearing conference to assist in the disposition of the type, time, place, and parties of the consolidated hearing, the simplification of the issues, the stipulations as to agreed facts and necessary documents, and other relevant matters.

History: 1981 c 342 art 3 s 10; 1981 c 356 s 248; 1982 c 424 s 130

116J.83 LICENSE AUTHORITY RETAINED.

Each agency having jurisdiction to approve or deny a license shall have the continuing power vested in it to make such determinations. The provisions of sections 116J.73 to 116J.86 shall not lessen or reduce these powers and shall modify the procedures followed in carrying out these powers only to the extent provided in sections 116J.73 to 116J.86.

History: 1981 c 342 art 3 s 11; 1981 c 356 s 248

116J.84 SERVICES PROVIDED AT NO CHARGE.

Services rendered by the bureau shall be made available without charge. Nothing contained in this section shall relieve an applicant of any part of the fees or charges established for the review and approval of license applications or relieve an applicant of any of the apportioned costs of a consolidated hearing conducted under sections 116J.79 and 116J.80.

History: 1981 c 342 art 3 s 12; 1981 c 356 s 248

116J.85 FEDERAL AND LOCAL GOVERNMENT PARTICIPATION.

Subdivision 1. **Encouragement.** Federal and local government license agencies shall be encouraged to participate in the business license information, coordination, and assistance services of the bureau and to make information available to

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applicants through the bureau with respect to any business undertaking, project, or activity which is referred to the bureau under the provisions of sections 116J.73 to 116J.86.

Subd. 2. **Assistance to federal and local agency license applicants.** The bureau shall, so far as is practicable, advise applicants of federal and local agency license requirements and shall maintain an information file on licenses for which the state has delegated issuance authority to local government agencies.

Subd. 3. **Coordination of license review procedures.** The director shall consult with local government officials with respect to cooperation in coordinating state and local license application and review procedures and shall recommend to the governor and the legislature any actions which would facilitate this coordination.

History: 1981 c 342 art 3 s 13; 1981 c 356 s 248

116J.86 COMPILATION AND MAINTENANCE OF STATISTICAL DATA.

The bureau shall obtain and keep on an annual basis appropriate statistical data regarding the number of licenses issued by agencies, the amount of time necessary for the licenses to be issued, the cost of obtaining the licenses, the types of projects for which specific licenses are issued, a geographic distribution of licenses issued, and other pertinent data which the director deems appropriate. The bureau shall analyze the data by type of license and by agency responsible and shall make its findings available to the public.

History: 1981 c 342 art 3 s 14; 1981 c 356 s 248

116J.87 REVOLVING FUND.

There is established a business license revolving fund. Any other law notwithstanding, every agency issuing a business license after the effective date of Laws 1981, Chapter 342 shall impose a two percent surcharge or \$10, whichever is the lesser amount, for the issuance or renewal of a business license through the period ending June 30, 1982. A surcharge of one percent or \$10, whichever is the lesser amount, shall be imposed beginning July 1, 1982. Proceeds from the license surcharge shall be deposited in the business license revolving fund.

History: 1981 c 342 art 3 s 16; 1981 c 356 s 248

116J.88 SMALL BUSINESS FINANCE AGENCY, DEFINITIONS.

Subdivision 1. Each term defined in this section has the meaning given it whenever used in sections 116J.63 and 116J.88 to 116J.91.

Subd. 2. "Agency" means the small business finance agency created in section 116J.89.

Subd. 3. "Owner" means a person, partnership, firm, or corporation engaged in a small business and applying to the agency for a loan under section 116J.90.

Subd. 4. "Small business" means an enterprise determined by the agency to constitute a small business concern as defined in regulations of the United States small business administration pursuant to 15 U. S. Code, Sections 631 to 647, as in effect March 1, 1980, which is engaged in any industrial or commercial activity except:

- (a) Banking or other financial service;
- (b) Real estate brokerage, management, sale, ownership, or leasing;
- (c) Legal, medical, dental, accounting, engineering, or any other professional or consulting service;

(d) Furnishing recreational or athletic facilities; and

(e) Serving food or beverages to be consumed on or adjacent to the premises where they are sold.

Subd. 5. "Eligible small business" for the purpose of section 116J.90, subdivision 5, means a business entity organized for profit, including but not limited to any individual, partnership, corporation, joint venture, association or cooperative, which entity:

(a) Has 20 or fewer full time employees or not more than the equivalent of \$1,000,000 in annual gross revenues in the preceding fiscal year; and

(b) Is not at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in its field of operation. For the purpose of this subdivision, "dominant in its field of operation" means having more than 20 full time employees and more than \$1,000,000 in annual gross revenues.

"Farm business" means a business entity engaged in farming, agricultural production or processing, or storage of agricultural products, which otherwise qualifies as a small business.

Subd. 6. "Financial institution" means any bank or other financial corporation described in chapter 47, any insurance company licensed to do business under chapter 60A, and any securities broker-dealer licensed under chapter 80A.

Subd. 7. "Business loan" means a loan, other than a pollution control loan, to the owner of a small business for the interim or long term financing of capital expenditures for the acquisition or improvement of land, acquisition, construction, removal or improvement of buildings, or acquisition and installation of fixtures and equipment useful for the conduct of the business. "Farm loan" means a loan to a farm business for the acquisition, installation, improvement, construction or removal of buildings, or acquisition and installation of fixtures or equipment, useful for the conduct of a farm business.

Subd. 8. "Pollution control loan" means a loan to the owner of a small business for the acquisition, construction, or improvement of pollution control facilities. Pollution control facilities may include real and personal property likely to help prevent, reduce, abate, or control noise, air, or water pollution or contamination by removing, altering, disposing, or storing pollutants, contaminants, wastes, or heat, and real and personal property to be used for the collection, storage, treatment, utilization, processing, or final disposal of solid or liquid waste.

History: 1980 c 547 s 1; 1981 c 342 art 1 s 1-4; 1981 c 356 s 248; 1982 c 498 s 2,3

116J.89 SMALL BUSINESS FINANCE AGENCY.

Subdivision 1. A small business finance agency is hereby created and is constituted as an authority to act on behalf of the state within the scope of the powers granted to it in sections 116J.63 and 116J.88 to 116J.91 to implement a loan program by which, in cooperation with cities, towns, counties and private or public lenders, adequate funds may be provided on sufficiently favorable terms to assist and encourage the establishment, maintenance and growth of small business in Minnesota and to reduce to a manageable level the cost of the control of pollution and disposal of waste resulting from the operations of small business.

Because of its ability to pool or combine loans to be funded from one or more issues of bonds, whether or not the interest on the bonds is exempt from federal income taxes, the agency will be able to spread its financing costs among the small businesses to which the agency makes loans, thereby reducing costs incurred by each small business.

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Subd. 2. Sections 116J.63 and 116J.88 to 116J.91 are enacted to promote the welfare and prosperity of the state by maintaining and increasing the career and job opportunities of its citizens, by reducing, controlling and preventing environmental pollution and waste of resources and by protecting and enhancing the tax base on which state and local governments depend for the financing of public services.

Subd. 3. Neither the state nor any other agency or political subdivision of the state shall be liable on any bond, note or other obligation of the agency, and no bond, note, or other obligation of the agency shall constitute a debt or loan of credit of the state or any political subdivision or any individual member of the agency.

Subd. 4. The state pledges and agrees with all holders of obligations of the agency that it will not limit or alter the rights vested in the agency to fulfill their terms, and will not in any way impair the rights or remedies of the holders, until all of the obligations and interest on them, with interest on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of such holders to enforce the payment and other provisions of the obligations, are fully met and discharged. The agency is authorized to include and recite this pledge and agreement of the state in any obligation or related document.

Subd. 5. The provisions of this section do not affect the power of the state to supervise and control the agency or to discontinue its operation or alter its organization, programs or activities or transfer its powers to a successor agency, provided that the action of the state is consistent with the provisions of subdivision 4 and that title to all property then owned by the agency will remain or vest in the agency, its successor or the state, as the case may be.

Subd. 6. The property of the agency and its income and operation shall be exempt from all taxation by the state or any of its political subdivisions and all bonds and notes of the agency shall be exempt from all taxation by the state or any of its political subdivisions.

Subd. 7. The state covenants with the purchasers and all subsequent holders and transferees of notes and bonds issued by the agency in consideration of the acceptance of and payment for the notes and bonds, that the notes and bonds of the agency issued pursuant to sections 116J.88 to 116J.91 and the income therefrom and all its fees, charges, gifts, grants, revenues, receipts, and other moneys received or to be received, pledges to pay or secure the payment of such notes or bonds shall at all times be free and exempt from all state, city, county or other taxation provided by the laws of the state, except for estate and gift taxes and taxes on transfers, and except for the Minnesota corporate franchise tax measured by income, so long as the interest on federal bonds is included in the income by which such tax is measured.

Subd. 8. The members and governing body of the agency shall be the commissioner and six other members holding no other elective or appointive office of the state or any local government, appointed by the governor with advice and consent of the senate. The commissioner shall be vice chairman, and the governor shall designate the chairman from among the other members, to serve as chairman at the pleasure of the governor. Section 15.0575, governs the terms, compensation, removal and filling of vacancies in the offices of members other than the commissioner.

Subd. 9. The members shall be responsible for management and control of the agency. A majority of the members, excluding vacant memberships, is a quorum. When a quorum is present at any meeting of which notice has been given to or waived by all absent members in the manner provided in bylaws adopted by the vote of a majority of all members, any action of the agency may be

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taken by the vote of a majority of the members present. Fewer than a quorum may hear reports and adjourn from time to time.

Subd. 10. The commissioner shall designate an employee as executive director of the agency and may appoint permanent and temporary employees necessary for the administration of the agency. The governing body of the agency may enter into agreements under which the department will provide administrative support for the agency.

History: 1980 c 547 s 2; 1981 c 356 s 215,216,248; 1982 c 641 art 1 s 14

116J.90 LOANS.

Subdivision 1. The agency may make or purchase or participate with financial institutions in making or purchasing business loans and pollution control loans upon the conditions described in this section, and may enter into commitments therefor.

Subd. 2. The agency may participate with financial institutions in making or purchasing business loans not exceeding \$1,000,000 in principal amount, to be serviced by such institutions, provided that:

(a) The agency's share shall not exceed 90 percent of the total principal amount, and shall be payable with interest at the same times but not necessarily at the same interest rate as the share of the financial institution, and both shares shall be equally and ratably secured by a valid mortgage on or security interest in real or personal property or by any other security satisfactory to the agency to secure payment of the loan provided, that the agency's share may equal 100 percent of the total principal amount of the business loan if the financial institution participating in the making or purchasing of the business loan by servicing the loan, purchases 100 percent of the total amount of the bonds issued by the agency in connection with the loan;

(b) The total principal amount shall not exceed 90 percent of the value of the property securing the loan, unless the amount in excess of 90 percent is:

(1) Loaned from available funds which are not proceeds received directly from the sale of the agency's bonds or notes and are not restricted under the terms of any resolution or indenture securing bonds or notes, or

(2) Insured or guaranteed by a federal agency or by a private insurer qualified to write such insurance in the state, insuring a percentage of any claim for loss at least equal to that percentage of the value by which the loan exceeds 90 percent thereof;

(c) The value of the property securing the loan shall be certified by the participating financial institution, on the basis of such appraisals, bids, purchase orders, and engineers' certificates as the agency may require; provided that the value of items purchased and constructed from the proceeds of the loan shall not be deemed to exceed the contract price of purchase or construction;

(d) The agency shall not disburse funds under a commitment to participate in a loan for the construction or substantial improvement of property until the construction or improvement has been completed, unless a financial institution furnishes an irrevocable letter of credit or a qualified corporate surety furnishes payment and performance bonds, satisfactory to the agency and in an aggregate amount equal to the amount payable under the construction contract; and

(e) No other indebtedness may be secured by a mortgage on or security interest in property securing a business loan made or purchased pursuant to this subdivision without the prior express written authorization of the agency.

Subd. 3. The agency may make business loans or farm loans not exceeding \$100,000 in principal amount, provided that each loan shall be made only from the proceeds of a bond or note sold and issued to a financial institution, payable

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exclusively from the repayments of principal and interest on the loan, which shall be assigned to and serviced by the financial institution.

Subd. 4. The agency may make pollution control loans which are fully secured by the guarantee or insurance of any agency or instrumentality of the United States or by a private insurer qualified to write the insurance in the state, or by reserves provided by the agency or any combination of the foregoing.

Subd. 5. The agency shall make every effort to assure that at least 50 percent of the principal amount of the loans made or purchased by the agency in each fiscal year consists of loans with a principal amount of \$100,000 or less to eligible small businesses as defined in section 116J.88, subdivision 5, and shall provide technical assistance needed by eligible small business owners to complete applications and meet other requirements for those loans. The agency shall report to the legislature annually on or before October 1 as to its compliance with the requirements of this subdivision during the preceding fiscal year.

Subd. 6. (a) Each financial institution which participates in a pollution control or business loan with the agency shall annually on or before March 1 submit a report for the prior calendar year to the agency on a form prescribed by the state auditor. The report shall include a listing of each new and outstanding loan in which the financial institution is a participant, the amount and terms of the loan, the purpose of the loan and any other information as the state auditor may reasonably require.

(b) The agency shall annually on or before May 1 submit a report on a form prescribed by the state auditor for the prior calendar year to the state auditor on all loans which it makes purchases or participates in. The report shall include a listing of each new and outstanding loan in which the financial institution is a participant, the amount and terms of the loan, the purpose of the loan and any other information as the state auditor may reasonably require.

(c) The state auditor shall annually on or before July 1 submit a report for the prior calendar year to the governor and the legislature summarizing the report submitted pursuant to clause (b).

(d) The cost of preparing and submitting the reports required by this subdivision shall be borne by the party submitting it. Any financial institution which fails to comply with the requirements of this subdivision shall be prohibited from participating in future loans until it complies.

History: 1980 c 547 s 3; 1980 c 618 s 17; 1981 c 342 art 1 s 5,6; 1981 c 356 s 248; 1982 c 498 s 4; 1982 c 641 art 1 s 15

116J.91 POWERS; DUTIES.

Subdivision 1. In implementing its corporate purposes and the programs described in sections 116J.63 and 116J.88 to 116J.91, the agency shall have the powers and duties set forth in this section.

Subd. 2. It may sue and be sued.

Subd. 3. It may have a seal and alter the same at will.

Subd. 4. It may adopt, amend and repeal rules not inconsistent with the provisions of sections 116J.63 and 116J.88 to 116J.91 as necessary to effectuate its corporate purposes.

Subd. 5. It may acquire, hold and dispose of personal property for its corporate purposes.

Subd. 6. It may enter into agreements or other transactions with any federal or state agency, any person and any domestic or foreign partnership, corporation, association or organization.

Subd. 7. It may acquire real property, or an interest therein, in its own name, by purchase or foreclosure, where such acquisition is necessary or appropriate to protect any loan in which the agency has an interest and may sell, transfer and convey any such property to a buyer and, in the event such sale, transfer or conveyance cannot be effected with reasonable promptness or at a reasonable price, may lease such property to a tenant.

Subd. 8. It may sell, at public or private sale, any note, mortgage or other instrument or obligation evidencing or securing a loan.

Subd. 9. It may procure insurance against any loss in connection with its property in such amounts, and from such insurers, as may be necessary or desirable.

Subd. 10. It may consent, whenever it deems it necessary or desirable in the fulfillment of its corporate purpose, to the modification of the rate of interest, time of payment or any installment of principal or interest, or any other term, of any mortgage loan, mortgage loan commitment, construction loan, temporary loan, contract or agreement of any kind to which the agency is a party.

Subd. 11. It may borrow money to carry out and effectuate its corporate purpose and may issue its negotiable bonds or notes as evidence of any such borrowing in accordance with sections 462A.08 to 462A.13, 462A.16 and 462A.17, all with the force and effect stated and the incidental powers granted and duties imposed in those sections. The aggregate principal amount of the agency's bonds and notes outstanding at any one time, excluding the amount satisfied and discharged by payment or provision for payment in accordance with their terms, and deducting amounts held in debt service reserve funds therefor and amounts used to make loans guaranteed or insured by an agency or instrumentality of the federal government, shall not exceed \$30,000,000 unless authorized by another law.

Subd. 12. It may issue and sell bonds, notes and other obligations payable solely from particular moneys, assets or revenues derived from its programs notwithstanding section 462A.08, subdivision 3. Obligations issued to participate in making or purchasing business loans pursuant to section 116J.90, subdivision 2, shall be payable solely from revenues derived by the agency from repayments of such loans and from enforcement of the security therefor, or from a debt service reserve fund or funds, or from a general reserve fund or from a segregated portion thereof, irrevocably pledged and appropriated to pay principal and interest due, for which other funds are not available. A general reserve fund is hereby created and is eligible to receive direct appropriations from the state treasury. The agency may irrevocably pledge and appropriate all or a segregated portion of the general reserve fund to pay principal and interest due on all or one or more series of its obligations for which other funds are not available, pursuant to the terms and conditions that the agency shall determine. Until so pledged and appropriated by the agency the general reserve fund shall not be available to pay principal and interest on the agency's obligations. No obligations shall be issued to participate in making or purchasing business loans pursuant to section 116J.90, subdivision 2, unless the obligations are secured at the time of issuance by a debt service reserve fund, a portion of the general reserve fund segregated to secure one or more series of bonds, or the portion of the general reserve fund not segregated to secure one or more series of bonds, and unless the amount then held or then deposited in the fund or segregated portion is at least equal to ten percent of the aggregate principal amount of all obligations secured by the fund or segregated portion thereof.

Subd. 13. It may sell any of its obligations at public or private sale, at such price or prices as the agency shall determine, notwithstanding the limitation on sale price in the fourth sentence of section 462A.09, and notwithstanding whether or not the interest on any of its obligations is subject to federal income taxes.

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Subd. 14. It may establish and collect reasonable interest and amortization payments on loans, and in connection therewith may establish and collect or authorize the collection of reasonable fees and charges or require funds to be placed in escrow, sufficient to provide for the payment and security of its bonds, notes, commitments and other obligations and for the servicing thereof, to provide reasonable allowances for or insurance against losses which may be incurred and to cover the cost of issuance of obligations and technical, consultative and project assistance services. It shall require the payment of all processing, administrative and guarantee fees and the deposit in escrow of all funds required by the small business administration or other federal agency or instrumentality guaranteeing any loan and shall comply and enforce compliance with all terms and conditions of each guarantee, and the prompt filing of all claims which may arise thereunder.

Subd. 15. It may cause any funds not required for immediate disbursement, including the general reserve fund, to be invested in direct obligations of or obligations guaranteed as to principal and interest by the United States, or in insured savings accounts, up to the amount of the insurance, in any institution the accounts of which are insured by the federal savings and loan insurance corporation or to be deposited in a savings or other account in a bank insured by the federal deposit insurance corporation or to be invested in time certificates of deposit issued by a bank insured by the federal deposit insurance corporation and maturing within one year or less. It may deposit funds in excess of the amount insured with security as provided in chapter 118. Notwithstanding the foregoing, it may invest and deposit funds into accounts established pursuant to resolutions or indentures securing its bonds or notes in such investments and deposit accounts or certificates, and with such security, as may be agreed therein with the holders or a trustee for the holders.

Subd. 16. It may provide general consultative and technical services to assist in financing small business facilities for which loans may be made pursuant to section 116J.90. It may enter into agreements or other transactions concerning the receipt or provision of those services.

Subd. 17. Financial information, including, but not limited to, credit reports, financial statements and net worth calculations, received or prepared by the agency regarding any agency loan is private data with regard to data on individuals as defined in section 13.02, subdivision 9 and non-public data with regard to data not on individuals as defined in section 13.02, subdivision 12.

Subd. 18. It may accept appropriations, gifts, grants, bequests and devises and use or dispose of them for its corporate purposes.

Subd. 19. All proceeds of the agency's bonds, notes and other obligations, any amounts granted or appropriated to the agency for the making or purchase or the insurance or guaranty of loans or for bond reserves, all income from their investment and all revenues from loans, fees and charges of the agency are annually appropriated to the agency for the accomplishment of its corporate purposes and shall be expended, administered and accounted for in accordance with the applicable provisions of all bond and note resolutions, indentures and other instruments, contracts, and agreements of the agency. Notwithstanding section 16A.28, these appropriations are available until expended.

History: 1980 c 547 s 4; 1981 c 311 s 39; 1981 c 342 art 1 s 7-10; 1981 c 356 s 248; 1982 c 545 s 24; 1982 c 641 art 1 s 16