A bill for an act

relating to state government; veterans; designating veteran-owned small businesses as targeted group businesses for purposes of awarding certain state and metro agency procurement contracts; amending Minnesota Statutes 2006, section 16C.16, subdivision 5.

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

Section 1. Minnesota Statutes 2006, section 16C.16, subdivision 5, is amended to read:

Subd. 5. **Designation of targeted groups.** (a) The commissioner of administration shall periodically designate businesses that are majority owned and operated by women, persons with a substantial physical disability, or specific minorities as targeted group businesses within purchasing categories as determined by the commissioner. A group may be targeted within a purchasing category if the commissioner determines there is a statistical disparity between the percentage of purchasing from businesses owned by group members and the representation of businesses owned by group members among all businesses in the state in the purchasing category.

(b) In addition to designations under paragraph (a), an individual business may be included as a targeted group business if the commissioner determines that inclusion is necessary to remedy discrimination against the owner based on race, gender, or disability in attempting to operate a business that would provide goods or services to public agencies.

(c) In addition to the designations under paragraphs (a) and (b), the commissioner of administration shall periodically designate businesses that are majority owned and operated by veterans as targeted group businesses within purchasing categories as determined by the commissioner. "Veteran" has the meaning given in section 197.447, and also includes both currently serving and discharged members of the national guard and other military reserves.

~~(c)~~ (d) The designations of purchasing categories and businesses under paragraphs (a) ~~and~~, (b), and (c) are not rules for purposes of chapter 14, and are not subject to rulemaking procedures of that chapter.

EFFECTIVE DATE. This section is effective July 1, 2007, and applies to procurement contract bid solicitations issued on and after that date.