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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 3290

03/26/2014 Authored by Erickson, S., and Hoppe

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

1.1 A bill for an act
1.2 relating to economic development; appropriating money for the Mille Lacs Lake
1.3 business loan program.

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

1.5 Section 1. **MILLE LACS LAKE BUSINESS LOAN PROGRAM.**

1.6 The commissioner of employment and economic development shall make loans to
1.7 businesses in the Mille Lacs Lake area that have been severely affected by the decline
1.8 of the walleye fishing resource in Mille Lacs Lake. The loans may only be made to
1.9 businesses that were in operation prior to the decline in walleye fishing. A business must
1.10 submit an application to the commissioner on forms provided by the commissioner. The
1.11 application must include a business plan for continued operation, with the assistance of
1.12 the loan, until the walleye fishing resource recovers. The commissioner shall allocate
1.13 available loan funds to a business based on the commissioner's evaluation of the probable
1.14 success of the business plan. A loan shall be for a maximum amount of \$75,000 and a
1.15 duration of ten years from the date of the loan and shall be interest free. Repayment of a
1.16 loan in monthly payments of 1/120 of the original principal amount must begin no later
1.17 than one year after walleye fishing on Mille Lacs Lake improves to average levels as
1.18 determined by the Department of Natural Resources. Any principal balance remaining at
1.19 the end of the ten-year period shall be forgiven if the business continues in operation for
1.20 the ten-year period. Loan repayments shall be deposited in the general fund.

1.21 Sec. 2. **MILLE LACS LAKE BUSINESS LOAN PROGRAM; APPROPRIATION.**

- 2.1 \$500,000 in fiscal year 2015 is appropriated from the general fund to the
- 2.2 commissioner of employment and economic development for the purpose of the Mille Lacs
- 2.3 Lake business loan program. This appropriation is onetime and available until expended.