

Sec. 16. **LOCAL APPROVAL.** This act is effective upon its approval by the city council of the city of Moorhead and the board of county commissioners of Clay County and compliance with Minnesota Statutes, Section 645.021.

Approved April 3, 1980

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**CHAPTER 462—S.F.No. 1619**

*An act relating to public administration; providing for paratransit grants; providing for contracts between the metropolitan transit commission and socially or economically disadvantaged persons including handicapped persons; regulating transit commission debt; authorizing certain municipal contracts with socially and economically disadvantaged persons; amending Minnesota Statutes, 1979 Supplement, Sections 174.25, Subdivision 1; 471.345, by adding a subdivision; 473.436, Subdivision 5; Minnesota Statutes 1978, Chapter 473, by adding a section.*

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

Section 1. Minnesota Statutes, 1979 Supplement, Section 174.25, Subdivision 1. is amended to read:

**174.25 PARATRANSIT GRANT PROGRAM.** Subdivision 1. **PURPOSE.** A paratransit program is established to provide grants for paratransit projects designed to accomplish the following objectives:

(a) to provide transportation services in those areas inefficiently or inadequately served by regular route transit;

(b) to provide transportation services which improve the accessibility and productivity of regular route transit;

(c) to provide transportation services for persons who because of age or incapacity are unable to drive a private automobile or use existing modes of public transit.

Subd. 1a. FINANCIAL ASSISTANCE. Grants may be made for demonstration projects or for projects of a type that the commissioner has determined to be successful on the basis of demonstration projects already implemented and evaluated. Except as otherwise provided in this subdivision, grants for a paratransit project shall not exceed two-thirds of the operating deficit and 50 percent of any non-federal share of the capital costs. Grants for a demonstration project, other than grants to the metropolitan transit commission, shall not exceed 90 percent of the capital costs and operating deficit of the project. Notwithstanding any other provision of this subdivision, the commissioner may fund up to 100 percent of a project that he determines to be unique and beneficial but lacks the necessary local financial support. Grants to the metropolitan transit commission for any paratransit project may be up to 100 percent of the operating deficit but may not include any portion of the capital costs. The commissioner may use funds appropriated to the paratransit grant program for program administration.

Changes or additions indicated by underline deletions by ~~strikeout~~

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 473.436, Subdivision 5, is amended to read:

Subd. 5. **BUS PURCHASES AND OTHER IMPROVEMENTS.** In addition to obligations outstanding on ~~July 1, 1977~~ January 1, 1980, the commission may issue certificates of indebtedness, bonds or other obligations in an amount not exceeding \$9,000,000 for the purposes of purchasing buses and related equipment, and constructing maintenance and other buildings, bus shelters and road related improvements.

Sec. 3. Minnesota Statutes 1978, Chapter 473, is amended by adding a section to read:

**[473.406] CERTAIN PROCUREMENT CONTRACTS.** Subdivision 1. DEFINITIONS. For purposes of this section the following terms have the meanings given to them, except where the context clearly indicates a different meaning is intended:

(a) "Socially or economically disadvantaged person" means a person who has been deprived of the opportunity to develop and maintain a competitive position in the economy because of social or economic disadvantage. This disadvantage may arise from cultural, social or economic circumstances or background, physical location if the person resides or is employed in an area declared as a labor surplus area by the United States department of commerce, physical handicap, or other similar cause.

(b) "Award" means the granting of a contract in accordance with all applicable laws, regulations and rules governing competitive bidding except as herein-after specially modified.

(c) "Contract" means an agreement entered into between a business entity and the metropolitan transit area, by its governing body, the metropolitan transit commission, including construction contracts.

(d) "Subcontractor" means a business entity which enters into a legally binding agreement with another business entity which is a party to a contract as defined in clause (c).

(e) "Business entity" means an entity organized for profit, including an individual, partnership, corporation, joint venture, association or cooperative.

Subd. 2. SET-ASIDES. The metropolitan transit commission may, on a fiscal year basis, designate and set aside for awarding to business entities controlled by socially or economically disadvantaged persons or handicapped persons, or for awarding to business entities which guarantee the use of subcontractors controlled by socially or economically disadvantaged persons or handicapped persons, approximately five percent of the value of its anticipated total procurement of goods and services, including construction. The failure of the commission to set aside particular procurements shall not be deemed to prohibit or discourage business entities controlled by socially or economically disadvantaged persons or handicapped persons from seeking the procurement award through the normal solicitation and bidding processes.

Changes or additions indicated by underline deletions by ~~strikeout~~

**Subd. 3. NEGOTIATED PRICE OR BID CONTRACT.** The commission may elect to use either a negotiated price or bid contract procedure in the awarding of a procurement contract under the set-aside program established in this section. The amount of an award based on a negotiated price shall not exceed by more than five percent the commission's estimated price for the goods or services if they were purchased on the open market and not under the set-aside program.

**Subd. 4. DETERMINATION OF ABILITY TO PERFORM.** Before announcing a set-aside award, the commission shall evaluate whether the business entity controlled by socially or economically disadvantaged persons or handicapped persons scheduled to receive the award is able to perform the set-aside contract. This determination may include consideration of production and financial capacity and technical competence.

**Subd. 5. RECOURSE TO OTHER BUSINESSES.** If this section does not operate to extend a contract award to a business entity controlled by socially or economically disadvantaged persons or handicapped persons, the award shall be placed pursuant to the normal solicitation and award procedures set forth in section 471.345.

**Subd. 6. RULES.** The commission shall promulgate by rule standards and procedures for certifying that business entities eligible to participate in the set-aside program authorized in this section are controlled by socially or economically disadvantaged persons or handicapped persons. The commission shall promulgate other rules as may be necessary or advisable to carry out the provisions of this section.

**Subd. 7. OTHER LAWS SUPERSEDED.** In the event of conflict with other laws, regulations or rules, the provisions of this section and rules promulgated pursuant to it shall govern.

Sec. 4. Minnesota Statutes 1978, Section 471.345, is amended by adding a subdivision to read:

**Subd. 8. PROCUREMENT FROM SOCIALLY OR ECONOMICALLY DISADVANTAGED PERSONS.** For purposes of this subdivision, the following terms shall have the meanings herein ascribed to them:

(a) "socially and economically disadvantaged person" means a person who has been deprived of the opportunity to develop and maintain a competitive position in the economy because of social or economic disadvantage. This disadvantage may arise from cultural, social or economic circumstances or background, physical location if the person resides or is employed in an area declared as a labor surplus area by the United States department of commerce, physical handicap, or other similar cause.

(b) "business entity" means an entity organized for profit, including an individual, partnership, corporation, joint venture, association, or cooperative.

Nothing in this section shall be construed to prohibit any municipality from adopting a resolution, rule, regulation or ordinance which on an annual basis designates and sets aside for awarding to business entities controlled by socially or economically disadvantaged persons a percentage of the value of its anticipated total procurement of goods and services, including construction, and which uses either a negotiated price or bid contract procedure in the awarding of a procurement contract under a set-aside program as allowed in this subdivision, provided that any award based on a negotiated price shall not exceed by more than five percent the municipality's estimated price for the goods and services if they were purchased on the open market and not under the set-aside program.

Sec. 5. Sections 2 and 3 are effective in Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington counties.

Sec. 6. EFFECTIVE DATE. This act is effective the day after final enactment.

Approved April 3, 1980

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#### CHAPTER 463—S.F.No. 1630

*An act relating to the City of Minneapolis; authorizing the establishment of a detached banking facility.*

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

Section 1. **MINNEAPOLIS, CITY OF; DETACHED BANKING FACILITY; AUTHORIZATION.** Notwithstanding the numerical limitation of facilities allowed for one bank in Minnesota Statutes, Sections 47.51 to 47.57 and if no other bank or detached facility has been authorized within four city blocks of the 48th and Chicago intersection in the City of Minneapolis, any bank with its principal office located within 25 miles of that intersection may, after one month after approval of this section by the city, and subject to the approval procedure prescribed in Minnesota Statutes, Section 47.54, apply to establish a detached facility in that location subject to Minnesota Statutes, Sections 47.51 to 47.57 except insofar as inconsistent with this section.

If the bank is exceeding the numerical limitation of facilities provided by Minnesota Statutes, Sections 47.51 to 47.57 but made exempt by this section, the facility authorized by this section may not be transferred pursuant to Minnesota Statutes, Section 47.56 except within the location described.

Sec. 2. This act is effective when approved by the governing body of the city of Minneapolis and upon compliance with Minnesota Statutes, Section 645.021.

Approved April 3, 1980

Changes or additions indicated by underline deletions by ~~strikeout~~