

Subd. 6a. **LOAN ASSUMPTIONS AFTER MAY 8, 1981.** If the purpose of a conventional loan, or loan made pursuant to the authority granted in subdivision 1, clause (3) or (4), is to enable a borrower to purchase a one to four family dwelling for his or her primary residence, the lender shall consent to the subsequent transfer of the real estate and shall release the existing borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making conventional loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the real estate used as collateral, (2) executes an agreement in writing with the lender whereby the transferee assumes the obligations of the existing borrower under the loan instruments, and (3) executes an agreement in writing to pay interest on the remaining obligation at a new interest rate not to exceed the lender's current market rate of interest on similar loans at the time of the transfer, the most recently published monthly index of the federal ~~national~~ home loan mortgage association corporation auction yields as ~~compiled by the federal national mortgage association~~ or the existing interest rate provided for by the terms of the note, whichever is greater. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument.

Sec. 4. Minnesota Statutes 1982, section 325G.30, subdivision 3, is amended to read:

Subd. 3. **CONSUMER CONTRACT.** "Consumer contract" means any written contract with a consumer except: (1) a contract where the price, excluding interest or finance charges, is more than \$50,000; (2) a contract ~~through which a consumer obtains money or credit to be used to purchase or refinance~~ mortgaging an interest in realty; (3) a contract in which the sale of personal property is merely incidental to the sale of an interest in realty.

Sec. 5. **APPLICATION.**

This act is effective the day after final enactment. Section 2 applies to conventional or cooperative apartment loans and contracts for deed renegotiated after that date.

Approved June 7, 1983

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## CHAPTER 289 — H.F.No. 300

*An act relating to the operation of state government; reorganizing the department of commerce; providing for appointment of a commissioner of commerce; prescribing his powers and duties; transferring certain powers and duties from the commissioners of administration, banks, insurance, securities and real estate, and the director of the office of consumer services, to the commissioner of commerce; transferring certain powers and*

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duties from the chairman of the commerce commission to the commissioner of commerce; transferring certain powers and duties from the director of the office of consumer services to the commissioner of commerce and the attorney general; eliminating certain positions and divisions in the department of commerce; transferring certain rural credit records from the commissioner of banks to the commissioner of natural resources; creating an office of debt management in the department of finance; reorganizing the department of energy, planning and development; creating a state planning agency, a department of energy and economic development, and an office of tourism; renaming the small business finance agency the energy and economic development authority; creating an information office and an export financing authority; naming the energy and economic development authority assignee of community development corporations; creating energy financing programs; creating an energy intervention office in the department of public service; transferring responsibilities for trade and export development from the commissioner of energy, planning and development to the commissioner of agriculture; transferring the functions of the environmental quality board under the Environmental Procedures Act to the commissioner of energy and economic development and the bureau of business licenses; transferring the function of issuing certificates of need for large energy facilities from the department of energy, planning and development to the public utilities commission; appropriating money; amending Minnesota Statutes 1982, sections 15.039; 15.06, subdivisions 1 and 8; 15A.081, subdivision 1; 43A.08, subdivision 1a; 45.04; 45.05; 45.06; 45.07; 45.071, subdivision 2; 45.08, subdivision 3, and by adding a subdivision; 45.16, subdivisions 1 and 2; 45.17, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 46.22; 46.221; 116C.24, subdivision 3, and by adding a subdivision; 116C.25; 116C.32; 116C.33, subdivision 2; 116C.34; 116J.01, subdivisions 1, 2, and 3; 116J.03; 116J.09; 116J.10; 116J.28; 116J.31; 116J.42, subdivisions 1, 2, 4, 7, and 9; 116J.58, subdivision 1; 116J.60; 116J.61; 116J.65, subdivision 5, and by adding subdivisions; 116J.67, subdivision 1; 116J.88, subdivisions 2, 4, 5, 6, 7, 8, and by adding a subdivision; 116J.89, subdivisions 1, 2, 7, 8, 9, 10, and by adding subdivisions; 116J.90; 116J.91, subdivisions 1, 4, 9, 10, 11, 12, 14, 16, 19, and by adding a subdivision; 144A.53, subdivision 4; 155A.03, by adding a subdivision; 155A.05; 155A.18; 214.14, subdivision 1; 216B.16, by adding a subdivision; 216B.62, subdivisions 2 and 3; 299A.04; 325E.09, subdivision 4a; 325F.09; 325F.11; 472.03, subdivision 2; 472.13; proposing new law coded in Minnesota Statutes, chapters 16A, 17, 45, 116J, 216A, and 216B; proposing new law coded as Minnesota Statutes, chapter 116K; repealing Minnesota Statutes 1982, sections 45.01; 45.02; 45.021; 45.03; 45.031; 45.032; 45.033; 45.034; 45.15; 45.16, subdivisions 4 and 5; 45.17, subdivision 6; 116J.02; 116J.41; 116J.42, subdivisions 3, 5, and 6; 116J.46; 116J.47; 116J.62; 116J.88, subdivision 3; 155A.03, subdivision 10; and 155A.17.

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

Section 1. Minnesota Statutes 1982, section 15.039, is amended to read:

15.039 **EFFECT OF TRANSFER OF POWERS AMONG AGENCIES.**

Subdivision 1. **APPLICATION OF SECTION.** The provisions of this section apply whenever the responsibilities of an agency are transferred by law to another agency unless the act directing the transfer provides otherwise. The term "responsibilities" includes powers, duties, rights, obligations, and other authority imposed by law on an agency. The term "new agency" means the agency to which responsibilities have been transferred from another agency.

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Subd. 2. **IN GENERAL.** The new agency is a continuation of the former agency as to those matters within the jurisdiction of the former agency ~~which that~~ are transferred to the new agency. Following a transfer the new agency shall carry out the assigned responsibilities as though the responsibilities of the former agency had not been transferred. ~~No A transfer constitutes is not~~ a new authority for the purpose of succession to all responsibilities of the former agency as constituted at the time of the transfer.

Subd. 3. **RULES.** All rules adopted pursuant to responsibilities ~~which that~~ are transferred to another agency remain effective and shall be enforced until amended or repealed in accordance with law by the new agency. Any rulemaking authority ~~which that~~ existed to implement the responsibilities ~~which that~~ are transferred is transferred to the new agency.

Subd. 4. **COURT ACTIONS.** Any proceeding, court action, prosecution, or other business or matter ~~which is~~ pending on the effective date of a transfer of responsibilities may be conducted and completed by the new agency 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 former agency prior to the transfer.

Subd. 5. **CONTRACTS; RECORDS.** The agency whose responsibilities are transferred shall give all contracts, books, maps, plans, papers, records, and property of every description relating to the transferred responsibilities and within its jurisdiction or control to the new agency. The new agency shall accept the material presented. The transfer shall be made in accordance with the directions of the new agency.

Subd. 6. **UNEXPENDED FUNDS.** ~~All The~~ unexpended funds ~~original-~~ly appropriated balance of any appropriation to an agency for the purposes of any responsibilities ~~which that~~ are transferred to another agency are reappropriated under the same conditions as the original appropriation to the new agency effective on the date of the transfer of responsibilities. If the responsibilities are transferred to more than one agency, the commissioner of finance shall allocate any unexpended appropriation to the agencies affected. The new agencies shall pay all valid claims presented against those appropriations.

Subd. 7. **PERSONNEL.** ~~The All~~ classified and unclassified positions associated with the responsibilities being transferred are ~~abolished in transferred with their incumbents to the new agency whose responsibilities are transferred.~~ The approved staff complement for that the agency whose responsibilities are being transferred is decreased accordingly. The employees who fill the abolished positions are employees of the agency receiving the new responsibilities. The approved staff complement for that the new agency is increased accordingly. Personnel changes are effective on the date of transfer of responsibilities. Nothing in this subdivision shall be construed as abrogating or modifying any rights now enjoyed by affected employees under the managerial or commissioner's plan

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under section 43A.18 or the terms of an agreement between an exclusive representative of public employees and the state or one of its appointing authorities.

Sec. 2. Minnesota Statutes 1982, section 15.06, subdivision 1, is amended to read:

Subdivision 1. **APPLICABILITY.** This section applies to the following departments or agencies: the departments of administration, agriculture, commerce, corrections, ~~economic development~~, economic security, education, employee relations, energy and economic development, finance, health, human rights, labor and industry, natural resources, ~~personnel~~, public safety, public welfare, revenue, transportation, and veterans affairs; ~~the banking, insurance and securities divisions and the consumer services section of the department of commerce; the energy, housing finance, state planning, and pollution control agencies; the office of commissioner of iron range resources and rehabilitation; the bureau of mediation services; and their successor departments and agencies.~~ The heads of the foregoing departments or agencies are referred to in this section as "commissioners."

Sec. 3. Minnesota Statutes 1982, section 15.06, subdivision 8, is amended to read:

Subd. 8. **NUMBER OF DEPUTY COMMISSIONERS.** Unless specifically authorized by statute, other than section 43A.08, subdivision 2, no department or agency specified in subdivision 1 shall have more than one deputy commissioner. ~~Notwithstanding any other law to the contrary, none of the departments or agencies shall have more than two deputy commissioners.~~

Sec. 4. Minnesota Statutes 1982, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. The following salaries or salary ranges are provided for the below listed employees in the executive branch of government:

	Salary or Range		
	Effective July 1, 1979	Effective July 1, 1980	Effective July 1, 1981
Administration, department of commissioner	\$44,000	\$47,000	
Administrative hearings office chief hearing examiner	38,000	40,000	
Agriculture, department of			

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commissioner	38,000	40,000	
Commerce, department of			
commissioner of			<u>\$47,000</u>
banks	34,000	36,500	
commissioner of			
insurance	34,000	36,500	
commissioner of			
securities and real estate	34,000	36,500	
director of			
consumer services	28,000	30,000	
Community college system			
chancellor	44,000	46,000	
Corrections, department of			
commissioner	42,000	45,000	
ombudsman	33,000	35,000	
Economic security, department of			
commissioner	43,000	45,000	
Education, department of			
commissioner	43,000	45,000	
Energy, planning and development			
department of			
commissioner			46,000
Finance, department of			
commissioner	48,000	50,000	
Health, department of			
commissioner	47,000	49,000	
Higher education coordinating board			
executive director	40,000	42,000	
Housing finance agency executive director	39,000	41,000	
Human rights, department of			
commissioner	31,000	33,000	
Indian affairs board executive director	27,000	29,000	
Iron range resources and rehabilitation board			
commissioner	30,000	31,000	
Labor and industry, department of			
commissioner	38,000	40,000	

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judge of the workers' compensation court of appeals	38,000	40,000
Mediation services, bureau of director	36,000	38,000
Natural resources, department of commissioner	44,000	47,000
Personnel, department of commissioner	44,000	47,000
Pollution control agency director	38,000	40,000
Public safety, department of commissioner	38,000	41,000
Public service, department of commissioner, public utilities commission director	34,000 34,000	36,000 36,000
Public welfare, department of commissioner	44,000	48,000
Revenue, department of commissioner	44,000	47,000
State university system chancellor	44,000	46,000
Transportation, department of commissioner	44,000	48,000
Transportation, regulation board, board member		32,000
Veterans affairs, department of commissioner	31,000	33,000

**Sec. 5. [16A.80] OFFICE OF DEBT AND LOAN MANAGEMENT.**

Subdivision 1. CREATION. The office of debt and loan management is created in the department of finance. Administrative employees of the office shall have at least five years of experience in commercial lending or a related field. These employees shall receive compensation comparable to that received by

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employees with similar backgrounds in the private sector, but not greater than the commissioner or deputy commissioner of finance.

**Subd. 2. DUTIES.** Notwithstanding any law to the contrary, an agency of state government which is authorized (1) to make, participate in, or guarantee loans to private sector businesses, or (2) to invest directly or indirectly in a private sector business shall submit each loan, loan participation, loan guarantee, or investment proposal to the office of debt and loan management before making a commitment to make the loan, loan participation, loan guarantee, or investment. No loan, loan participation, loan guarantee, or investment covered by this section shall be made without the approval of the office of loan management. This section does not apply to the housing finance agency, the state board of investment, the iron range resources and rehabilitation board, the higher education coordinating board, the higher education facilities authority, or the energy and economic development authority.

**Subd. 3. CRITERIA.** In deciding whether to approve proposals submitted to it, the office of debt and loan management shall consider the likelihood of the state suffering financial loss as a result of the project, the magnitude of potential losses, and the intent of the legislation authorizing the loans, loan participation, loan guarantees, and investments.

**Subd. 4. DELEGATION.** The office of debt and loan management may delegate its approval responsibilities under this section to an agency which is authorized to make loans, loan participation agreements, loan guarantees, or investments involving private businesses if the office determines that the agency has the internal capability to make the judgments required by subdivision 3.

#### **Sec. 6. [17.103] TRADE AND EXPORT DEVELOPMENT.**

The commissioner of agriculture shall 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.

#### **Sec. 7. [17.104] DEFINITIONS.**

**Subdivision 1. SCOPE.** For the purposes of section 8, the following terms have the meanings given them.

**Subd. 2. FINANCE AUTHORITY.** "Finance authority" means the export finance authority.

**Subd. 3. PRE-EXPORT.** "Pre-export" means that period of time between the formation of a sale and the actual shipment of the goods.

#### **Sec. 8. [17.105] EXPORT FINANCE AUTHORITY.**

**Subdivision 1. CREATION; PURPOSE.** The export finance authority is created to aid and facilitate the financing of exports from this state. The

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finance authority powers shall be used exclusively to meet the pre-export credit needs of Minnesota exporters.

**Subd. 2. BOARD OF DIRECTORS.** The governor shall appoint six members to the authority's board of directors. The six members shall be knowledgeable in international finance, exporting, or international law. The commissioner of agriculture shall be chairman of the board. Membership, terms, compensation and removals are governed by section 15.0575. Board members shall perform their duties in a nonself-serving manner and in compliance with section 10A.07.

**Subd. 3. POWERS.** The finance authority has the power and authority to perform the following functions and may:

(1) insure, coinsure, and guarantee against commercial pre-export credit risks;

(2) sue and be sued;

(3) enter into agreements and transactions with any person, partnership, or corporation, both foreign and domestic, state, federal, and foreign governments and governmental agencies;

(4) acquire and hold personal and real property pursuant to the provisions of insurance and the granting of guarantees;

(5) pledge and appropriate collateral;

(6) charge premiums, interest, and fees;

(7) provide administrative, consultative, and technical services to assist in the financing of exports;

(8) prepare and receive reports regarding credit, insurance, and guarantees with respect to export finance;

(9) perform all necessary and appropriate operations, administration, processing, and marketing functions related to the authority's functions; and

(10) adopt rules necessary to carry out responsibilities under this section.

**Subd. 4. WORKING CAPITAL ACCOUNT.** An export finance authority working capital account is created as a special account in the state treasury. Money in the account is appropriated to the finance authority for the purposes of this section.

**Subd. 5. ANNUAL REPORT.** The chairman and board of directors shall submit to the governor an annual report on the activities of the finance authority.

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Subd. 6. LIABILITY LIMITATION. The finance authority may not have at any one time net liabilities greater than four times its capital and reserves.

Subd. 7. INSURANCE AND GUARANTEES. The finance authority may provide insurance and guarantees to the following extent:

(1) the finance authority may not provide to any one person insurance or guarantees in excess of \$250,000;

(2) the policy of the finance authority is to provide insurance and guarantees for export credits that would otherwise not be made and that the chairman and the board deem to represent a reasonable risk and have a sufficient likelihood of repayment;

(3) the finance authority shall contract with, among others, the Foreign Credit Insurance Association, the U.S. Export-Import Bank, and private insurers to secure reinsurance for country and commercial risks for the finance authority's insurance program;

(4) losses incurred by the finance authority that relate to its insurance or guarantee activities shall be solely borne by the finance authority to the extent of its capital and reserves.

Subd. 8. STAFFING. The commissioner of agriculture shall provide staff to work for the finance authority.

#### Sec. 9. [17.106] EXPORT INFORMATION OFFICE.

Subdivision 1. CREATION; DIRECTOR. An export information office is created in the department of agriculture. The commissioner of agriculture shall appoint a director of the export information office in the unclassified service.

Subd. 2. PURPOSE; DUTIES. The export information office shall:

(1) create a worldwide foreign communication network to coordinate foreign trade information and activities;

(2) compile foreign trade information available from, among other places, the United States Department of Commerce and private sources, and produce readily consumable marketing information;

(3) create a program to assess the potential of international investment in Minnesota and promote international investment which results in the infusion of new capital and the creation of new jobs to the benefit of the state;

(4) disseminate to Minnesota businesses collected market information that relates to potential exporting, and to export trading companies, export management companies, and other interested persons;

(5) prepare a list of firms that provide export support services and disseminate the list to potential exporters to assist their endeavors;

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(6) assist public and private universities or colleges to develop undergraduate or graduate level education programs to train persons in the knowledge of export trading; and

(7) coordinate the current international trading activities of various state and local agencies and organizations.

Sec. 10. Minnesota Statutes 1982, section 43A.08, subdivision 1a, is amended to read:

Subd. 1a. **ADDITIONAL UNCLASSIFIED POSITIONS.** Appointing authorities for the following agencies may designate additional unclassified positions pursuant according to this subdivision: the departments of administration; agriculture; ~~commerce~~; corrections; economic security; education; employee relations; energy, ~~planning~~ and economic development; finance; health; human rights; labor and industry; natural resources; public safety; public service; public welfare; revenue; transportation; and veterans affairs; ~~the banking, securities and real estate, insurance and consumer services divisions of the department of commerce~~; the housing finance, state planning, and pollution control agencies; the state board of investment; and the offices of the secretary of state, state auditor, and state treasurer.

A position designated by an appointing authority pursuant according to this subdivision must meet the following standards and criteria:

(a) the designation of the position would not be contrary to the provisions of other law relating specifically to that agency;

(b) the person occupying the position would report directly to the agency head or deputy agency head and would be designated as part of the agency head's management team;

(c) the duties of the position would involve significant discretion and substantial involvement in the development, interpretation, and implementation of agency policy;

(d) the duties of the position would not require primarily personnel, accounting, or other technical expertise where continuity in the position would be important;

(e) there would be a need for the person occupying the position to be accountable to, loyal to, and compatible with the governor and the agency head, or the employing constitutional officer;

(f) the position would be at the level of division or bureau director or assistant to the agency head; and

(g) the commissioner has approved the designation as being consistent with the standards and criteria in this subdivision.

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Sec. 11. **[45.011] DEFINITIONS.**

Subdivision 1. SCOPE. As used in chapters 45 to 83, unless the context indicates otherwise, the terms defined in this section have the meanings given them.

Subd. 2. COMMISSIONER. "Commissioner" means the commissioner of commerce.

Subd. 3. DEPARTMENT. "Department" means the department of commerce.

Sec. 12. **[45.012] COMMISSIONER.**

The department of commerce is under the supervision and control of the commissioner of commerce. The commissioner is appointed by the governor in the manner provided by section 15.06.

Sec. 13. **[45.013] DEPUTY COMMISSIONERS; ASSISTANT COMMISSIONERS; ASSISTANT TO THE COMMISSIONER.**

The commissioner of commerce may appoint four deputy commissioners, four assistant commissioners, and an assistant to the commissioner. Those positions, as well as that of a confidential secretary, are unclassified. The commissioner may appoint other employees necessary to carry out the duties and responsibilities entrusted to the commissioner.

Sec. 14. **[45.023] RULES.**

The commissioner of commerce may adopt, amend, suspend, or repeal rules, including temporary rules, in accordance with chapter 14, and as otherwise provided by law, whenever necessary or proper in discharging the commissioner's official responsibilities.

Sec. 15. **[45.024] HEARINGS.**

Subdivision 1. GENERAL. In any case in which the commissioner of commerce is required by law to conduct a hearing, the hearing must be conducted in accordance with chapter 14 and other applicable laws.

Subd. 2. DELEGATION. The commissioner of commerce may delegate to one or more of the deputy commissioners the exercise of the commissioner's statutory powers and duties, including the authority to decide and issue final orders in contested cases, rulemaking proceedings, and other hearings held under chapter 14.

Sec. 16. Minnesota Statutes 1982, section 45.04, is amended to read:

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**45.04 BANK APPLICATIONS.**

Subdivision 1. **FILING; FEE; HEARING.** The incorporators of ~~any~~ a bank proposed to be organized under the laws of this state shall execute and acknowledge an a written application, ~~in writing~~, in the form prescribed by the ~~department~~ commissioner of commerce, and shall file the same it in its the commissioner's office, ~~which~~. The application shall must be signed by two or more of the incorporators, ~~requesting and request~~ a certificate authorizing the proposed bank to transact business at the place and in the name stated in the application. At the time of filing the application, the applicant shall pay a \$1,000 filing fee of \$1,000, which shall be paid into the state treasury and credited to the general fund and shall pay to the commissioner of banks the sum of and a \$500 as a investigation fee for investigating the application, which shall be turned over by him the commissioner to the state treasurer and credited by the treasurer to the general fund of the state. Thereupon the ~~commission~~ commissioner shall fix a time, within 60 days after the filing of the application, for a hearing at its office at the state capitol, at which hearing it shall to decide whether or not the application shall will be granted. A notice of the hearing shall must be published in the form prescribed by the ~~commission~~ commissioner in some newspaper published in the municipality in which the proposed bank is to be located, and if there be no such newspaper, then at the county seat of the county in which the bank is proposed to be located. The notice shall must be published once, at the expense of the applicants, not less than 30 days prior to the date of the hearing. At the hearing the ~~commission~~ commissioner shall consider the application and hear the applicants and ~~such~~ witnesses as ~~may~~ that appear in favor of or against the granting of the application of the proposed bank.

Subd. 2. **APPROVAL, DISAPPROVAL.** If, upon the hearing, it shall appear appears to the ~~commission~~ commissioner that the application should be granted, ~~it he~~ shall, not later than 90 days after the hearing, and after the applicants have otherwise complied with the provisions of law applicable to the organization of a bank, including the provisions herein contained, make and file in the his office of the ~~commissioner~~ commissioner of banks its a written order, in writing, directing him to issue the issuance of a certificate of authorization as provided by law. If the certificate of authorization is not activated within a period of 12 months from date of ~~directive to the commissioner of banks~~ issuance, the ~~department of commerce~~ commissioner may upon written notice in writing to the applicants request a new hearing. If the ~~commission~~ shall decide commissioner decides that the application should not be granted, ~~it he~~ shall deny the application and make its a written order, in writing, to that effect, and file the same it in the his office of the ~~commissioner~~ commissioner of banks, and forthwith give notice thereof by certified mail to one of the incorporators named in the application for the proposed bank, addressed to the incorporator at the address stated in the

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application, and. Thereupon the commissioner of banks shall refuse to issue the certificate of authorization, which is prescribed by law, to the proposed bank.

Sec. 17. Minnesota Statutes 1982, section 45.05, is amended to read:

**45.05 NOTICE AND HEARING, WHEN NOT GIVEN.**

The ~~department~~ commissioner of commerce may, at its ~~his~~ discretion, dispense with the notice and hearing provided for by section 45.04 in cases where if application is made for the incorporation of a new bank to take over the assets of one or more existing banks, or where if the application contemplates the reorganization of a national bank into a state bank in the same locality; ~~provided, this act shall not increase the number of banks in the community affected.~~

Sec. 18. Minnesota Statutes 1982, section 45.06, is amended to read:

**45.06 EXPENSES OF ORGANIZATION AND INCORPORATION OF BANKS LIMITED.**

The expenses of organization and incorporation to be paid by any such banks shall a bank may not exceed the statutory fees for filing applications as provided in section 45.04 and the necessary legal expenses incurred incident to drawing articles of incorporation, publication, and recording thereof, and. The incorporators shall, prior to the issuance of the certificate of authorization provided for by law, file with the commissioner of banks a verified statement showing the total amount of expense incurred in the organization of the bank and to be paid by it after commencing operation.

Sec. 19. Minnesota Statutes 1982, section 45.07, is amended to read:

**45.07 CHARTERS ISSUED, CONDITIONS.**

If the applicants are of good moral character and financial integrity, if there is a reasonable public demand for this bank in this location, if the organization expenses being paid by the subscribing shareholders do not exceed the necessary legal expenses incurred in drawing incorporation papers and the publication and the recording thereof, as required by law, if the probable volume of business in this location is sufficient to insure and maintain the solvency of the new bank and the solvency of the then existing bank or banks in the locality without endangering the safety of any bank in the locality as a place of deposit of public and private money, and if the ~~department~~ commissioner of commerce is satisfied that the proposed bank will be properly and safely managed, the application shall must be granted; otherwise it shall must be denied. In case of the denial of the application, the ~~department~~ commissioner of commerce shall specify the grounds for the denial and the supreme court, upon petition of any a person aggrieved, may review by certiorari any such order or the determination of the department of commerce.

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Sec. 20. Minnesota Statutes 1982, section 45.071, subdivision 2, is amended to read:

Subd. 2. **APPLICATION FOR INSURANCE; UNINSURED BANKS.** Notwithstanding the provisions of subdivision 1, a bank which does not have insurance of its deposits or a commitment for insurance of its deposits by the federal deposit insurance corporation, an agency of this state, or a federal agency established for the purpose of insuring deposits in banks or collateral security deposited under section 48.74 ~~upon the effective date of Laws 1982, chapter 473, sections 1 to 29 on March 19, 1982,~~ must apply for insurance of deposits not later than July 1, 1983. A bank subject to this subdivision which has been denied a commitment for insurance of its deposits shall either dissolve, merge, or consolidate with another bank which is insured or apply in writing within 30 days of denial to the commissioner of ~~banks~~ commerce for additional time to obtain an insurance commitment. The commissioner of ~~banks~~ commerce shall grant additional time to obtain the insurance commitment upon satisfactory evidence that the bank has made or is making a substantial effort to achieve the conditions precedent to issuance of the commitment. Additional time shall not extend later than July 1, 1984.

Sec. 21. Minnesota Statutes 1982, section 45.08, subdivision 3, is amended to read:

Subd. 3. **DEPARTMENT.** The word "Department" means the department of commerce of the state of Minnesota.

Sec. 22. Minnesota Statutes 1982, section 45.08, is amended by adding a subdivision to read:

Subd. 4. COMMISSIONER. "Commissioner" means the commissioner of commerce.

Sec. 23. Minnesota Statutes 1982, section 45.16, subdivision 1, is amended to read:

**45.16 CONSUMER SERVICES SECTION, RESPONSIBILITIES AND DUTIES AFFAIRS.**

Subdivision 1. **GENERALLY.** ~~The section of consumer services shall have attorney general~~ has the responsibilities and duties prescribed by this section ~~and section 45.17 and such other authority as may be conferred by the commissioner of commerce.~~

Sec. 24. Minnesota Statutes 1982, section 45.16, subdivision 2, is amended to read:

Subd. 2. **DUTIES.** The attorney general shall:

(a) Act as the representative of the governor in all matters affecting consumer affairs;

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(b) enforce the provisions of law relating to consumer fraud and unlawful practices in connection therewith as set forth in sections 325F.68 and 325F.69, and the attorney general shall act for the division in pursuing the remedies set forth in section 325F.70;

(e) ~~(b)~~ make recommendations to the ~~chairman of the commerce commission for transmission to the~~ governor and the legislature for such statutory needs as may that exist in adequately protecting the consumer;

~~(d) Receive registration statements and annual reports of persons soliciting charitable funds in accordance with the requirements of sections 309.50 to 309.61, in lieu of the duties of the secretary of state in connection therewith. The duties of the secretary of state under such sections are hereby abolished and the activity assigned to the department of commerce, division of licensing and consumer services as provided herein; adopt, pursuant to the administrative procedures act, rules and regulations to implement the provisions of this section.~~

Sec. 25. Minnesota Statutes 1982, section 45.17, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** For the purposes of this section, the following terms defined in this subdivision shall apply have the meanings given them:

(1) "Public utility" means a publicly or privately owned entity engaged in supplying utility services to residential utility consumers in this state or to another public utility for ultimate distribution to residential utility consumers in this state and whose rates or charges are subject to approval by the public utilities commission or ~~any an~~ agency of the federal government ~~provided that~~. No municipal or cooperative utility shall be considered a "public utility" for the purposes of this clause.

(2) "~~Consumer services section~~" means the consumer services section of the department of commerce.

(3) "Residential utility consumer" or "consumer" means a person who uses utility services at his residence in this state and who is billed by or pays a public utility for these services.

(4) (3) "Utility services" means electricity, natural gas, or telephone services distributed to residential utility consumers by a public utility.

Sec. 26. Minnesota Statutes 1982, section 45.17, subdivision 2, is amended to read:

Subd. 2. **DUTIES.** ~~The consumer services section shall be attorney general~~ is responsible for representing and furthering the interests of residential utility consumers through participation in matters before the public utilities commission involving utility rates and adequacy of utility services to residential

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utility consumers. The ~~consumer services section~~ attorney general shall expend a reasonable portion of ~~its~~ his efforts among all three kinds of utility services and shall identify and promote the needs of each class of residential consumers with respect to each of the utility services.

Sec. 27. Minnesota Statutes 1982, section 45.17, subdivision 3, is amended to read:

Subd. 3. **RIGHT OF INTERVENTION.** Subject to the limitations of subdivision 2, the ~~consumer services section~~ attorney general may intervene as of right or participate as an interested party in matters pending before the public utilities commission which affect the distribution by a public utility of utility services to residential utility consumers. The right of the ~~consumer services section~~ attorney general to participate or intervene ~~shall in no way~~ does not affect the obligation of the public utilities commission to protect the public interest.

Sec. 28. Minnesota Statutes 1982, section 45.17, subdivision 4, is amended to read:

Subd. 4. **NOTICE; PROCEDURES.** The public utilities commission shall give reasonable notice to the ~~consumer services section~~ attorney general of any matter scheduled to come before the commission affecting a public utility's rates or adequacy of services to residential utility consumers. Rules of the commission governing procedures before the commission shall apply to the ~~consumer services section~~ attorney general and ~~its~~ his employees or representatives. The ~~consumer services section~~ attorney general ~~shall have~~ has the same rights and privileges accorded other intervenors or participants in matters pending before the commission.

Sec. 29. Minnesota Statutes 1982, section 45.17, subdivision 5, is amended to read:

Subd. 5. **APPEALS.** The ~~consumer services section~~ attorney general shall be deemed to have an interest sufficient to maintain, intervene as of right in, or otherwise participate in any civil action in the trial courts or supreme court of this state for the review or enforcement of any public utilities commission action which affects a public utility's rates or adequacy of service to residential utility consumers.

Sec. 30. Minnesota Statutes 1982, section 45.17, subdivision 7, is amended to read:

Subd. 7. **INTERVENTION IN FEDERAL PROCEEDINGS.** The ~~consumer services section~~ attorney general shall represent and further the interests of residential utility consumers through participation as an intervenor or interested party in federal proceedings relating to the regulation of: (a) wholesale rates for energy delivered through interstate facilities; or (b) fuel used in generation of electricity or the manufacture of gas. The ~~consumer services section~~ attorney

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general may maintain, intervene in, or otherwise participate in any civil actions relating to the federal proceedings. In performing its duties pursuant to this subdivision, the section shall follow the guidelines established pursuant to subdivision 6, clause (1).

Sec. 31. Minnesota Statutes 1982, section 45.17, is amended by adding a subdivision to read:

Subd. 8. ADDITIONAL POWERS. The power granted by this section is in addition to powers otherwise provided by law to the attorney general.

Sec. 32. Minnesota Statutes 1982, section 46.22, is amended to read:

**46.22 RURAL CREDIT RECORDS.**

The commissioner of banks natural resources shall have charge of the records of the former department of rural credit. He shall provide the public with appropriate access to and copies of the records.

Sec. 33. Minnesota Statutes 1982, section 46.221, is amended to read:

**46.221 ISSUANCE OF QUITCLAIM DEEDS.**

The commissioner of banks natural resources is empowered to issue quitclaim deeds in connection with loans made by the now defunct department of rural credit, a former state agency. The commissioner shall issue the quitclaim deeds upon reasonable evidence the state of Minnesota no longer has a valid claim of title to the property involved. No fee shall be charged for the issuance of a quitclaim deed.

Sec. 34. Minnesota Statutes 1982, section 116C.24, is amended by adding a subdivision to read:

Subd. 2a. "Commissioner" means the commissioner of energy and economic development.

Sec. 35. Minnesota Statutes 1982, section 116C.24, subdivision 3, is amended to read:

Subd. 3. "Coordination unit" means the environmental coordination unit bureau of business licenses established pursuant to section ~~116C.25~~ sections 116J.73 to 116J.76.

Sec. 36. Minnesota Statutes 1982, section 116C.25, is amended to read:

**116C.25 ENVIRONMENTAL PERMITS COORDINATION UNIT.**

The board shall establish an environmental permits commissioner of energy and economic development shall direct the bureau of business licenses to act as the coordination unit to implement and administer the provisions of

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sections 116C.22 to 116C.34 and. The chairman of the board commissioner shall employ necessary staff to work for the coordination unit on a continuous basis.

Sec. 37. Minnesota Statutes 1982, section 116C.32, is amended to read:

**116C.32 RULES; COOPERATION.**

The board commissioner shall as soon as practicable adopt rules, not inconsistent with rules of procedure established by the office of administrative hearings, to implement the provisions of sections 116C.22 to 116C.34, including master application procedures, notice procedures, and public hearing procedures and costs.

Sec. 38. Minnesota Statutes 1982, section 116C.33, subdivision 2, is amended to read:

Subd. 2. The board commissioner, to the limited extent necessary to comply with procedural requirements of federal statutes relating to permit systems operated by the state, may modify the notice, timing, hearing, and related procedural matters provided in sections 116C.22 to 116C.34.

Sec. 39. Minnesota Statutes 1982, section 116C.34, is amended to read:

**116C.34 PERMIT INFORMATION CENTERS BUREAU OF BUSINESS LICENSES.**

Subdivision 1. The board ~~shall establish a permit information center in its office at St. Paul, which center~~ bureau of business licenses shall establish and maintain an information and referral system to assist the public in the understanding and compliance with the requirements of state and local governmental regulations concerning the use of natural resources and protection of the environment. The system shall provide a telephone information service and disseminate printed materials. The board bureau shall provide assistance to regional development commissions desiring to create a permit information center.

Subd. 2. The ~~permit information center in St. Paul~~ bureau shall:

(a) Identify all existing state licenses, permit certifications, approvals, compliance schedules, or other programs which pertain to the use of natural resources and to protection of the environment.

(b) Standardize permit titles and assign designation codes to all such permits which would thereafter be imprinted on all permit forms.

(c) Develop permit profiles including applicable rules and regulations, copies of all appropriate permit forms, statutory mandate and legislative history, names of individuals administering the program, permit processing procedures, documentation of the magnitude of the program and of geographic and seasonal distribution of the workload, and estimated application processing time.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(d) Identify the public information procedures currently associated with each permit program.

(e) Identify the data monitored or acquired through each permit and ascertain current users of that data.

(f) Recommend revisions to the list of natural resource management and development permits contained in Minnesota Statutes 1974, section 116D.04, subdivision 5.

(g) Recommend legislative or administrative modifications of existing permit programs to increase their efficiency and utility.

Subd. 3. The auditor of each county shall post in a conspicuous place in his office the telephone numbers of the ~~permit information centers established in St. Paul and~~ bureau of business licenses and the permit information center in the office of the applicable regional development commission; copies of any master applications or permit applications forwarded to the auditor pursuant to section 116C.27, subdivision 1; and copies of any information published by ~~any permit~~ the bureau or an information center pursuant to subdivision 1.

Sec. 40. Minnesota Statutes 1982, section 116J.01, subdivision 1, is amended to read:

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

Sec. 41. Minnesota Statutes 1982, section 116J.01, subdivision 2, is amended to read:

Subd. 2. **UNCLASSIFIED POSITIONS CONFIDENTIAL SECRETARY.** The commissioner may appoint a ~~deputy commissioner and a personal confidential~~ secretary in the unclassified service.

Sec. 42. Minnesota Statutes 1982, section 116J.01, subdivision 3, is amended to read:

Subd. 3. **DEPARTMENTAL ORGANIZATION.** The commissioner shall organize the department as provided in section 15.06. The department shall be organized into three divisions, which shall be designated the energy division, the economic development division, and the financial management division; and the office of tourism. Each division and office is responsible for administering the duties and functions assigned to it by law. When the duties of the divisions or office are not allocated by law, the commissioner may establish and revise the assignments of each division and office. Each division shall be under the direction of a deputy commissioner in the unclassified service. The office of

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tourism is under the direction of a director of tourism in the unclassified service. The governor shall appoint the director of tourism.

Sec. 43. Minnesota Statutes 1982, section 116J.03, is amended to read:

**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~~ chapter 116J, the terms defined in this section have the meaning given them.

Subd. 2. **COMMISSIONER.** "Commissioner" means the commissioner of energy, ~~planning~~ and economic development.

Subd. 3. **DEPARTMENT.** "Department" means the department of energy, ~~planning~~ and economic development.

Sec. 44. Minnesota Statutes 1982, section 116J.09, is amended to read:

**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) ~~(g)~~ study the impact and relationship of the state energy policies to international, national, and regional energy policies;

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(~~h~~) (h) 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;

(~~i~~) (i) inform and educate the public about the sources and uses of energy and the ways in which persons can conserve energy;

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

(~~k~~) (k) charge other governmental departments and agencies involved in energy related activities with specific information gathering goals and require that those goals be met;

(l) report to the legislature by February 1 of each year both the processes and results of efforts to communicate the statutory requirements concerning energy efficiency standards under section 116J.27 and the extent of compliance with the requirements.

Sec. 45. Minnesota Statutes 1982, section 116J.10, is amended to read:

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;

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(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;

(h) Design and administer a statewide program for the energy and economic development authority and actively involve major organizations and community leaders in its work and shall solicit funds from all sources;

(i) Develop a state energy investment plan with yearly energy conservation and alternative energy development goals, investment targets, and marketing strategies;

(j) Perform market analysis studies relating to conservation, alternative and renewable energy resources, and energy recovery;

(k) Assist with the preparation of proposals for innovative conservation, renewable, alternative, or energy recovery projects;

(l) Manage and disburse funds made available for the purpose of research studies or demonstration projects related to energy conservation or other activities deemed appropriate by the commissioner; and

(m) Intervene in certificate of need proceedings before the public utilities commission.

Sec. 46. Minnesota Statutes 1982, section 116J.28, is amended to read:

**116J.28 CERTIFICATE OF NEED.**

Subdivision 1. The ~~commissioner~~ commission 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~~ commission pursuant to 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;

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(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~~ commission. In reviewing each application the ~~commissioner~~ commission 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~~ commission shall designate a ~~department~~ commission employee whose duty shall be to facilitate citizen participation in the hearing process.

Subd. 5. Within six months of the submission of an application, the ~~commissioner~~ commission 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~~ commission.

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)<sub>2</sub>, 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~~ commission 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~~ commission 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.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

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~~ commission and ~~said these~~ 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~~ does not apply to plants or facilities for the production of ethanol or fuel alcohol nor in any case where the ~~commissioner~~ commission shall determine after being advised by the attorney general that its application has been preempted by federal law. \*

Sec. 47. Minnesota Statutes 1982, section 116J.31, is amended to read:

**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 title 42, section 8211, et seq.~~ The ~~consumer services division~~ and the attorney general are ~~authorized to~~ may release information on consumer complaints about the operation of the program to the commissioner.

Sec. 48. Minnesota Statutes 1982, section 116J.42, subdivision 1, is amended to read:

Subdivision 1. **POWERS AND DUTIES.** The ~~commissioner~~ director 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 on major public investment proposals and programs in the state.~~

(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. Develop and maintain a statewide long-range policy planning process involving local units of government, regional development commissions, the metropolitan council, and state agencies.~~

\* Laws 1983, chapter 289, section 46, appears as in the enrolled bill.

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(3) Develop and analyze information and forecasts relating to the state's population, economy, natural resources and human services, including but not limited to: (a) collection and analysis of information necessary to enable him to report annually to the governor and the legislature on the status of the state's economy and on forecasts of medium and long-term economic prospects for the state; (b) analysis and reporting on the comparability of economic data, assumptions and analyses used by other planning entities, state agencies, and levels of government as he deems appropriate; (c) assessment of the implications of demographic, economic, and programmatic trends on state and local policies and institutions for providing health, education, and other human services; and (d) assessment of the availability and quality of data for long-range planning and policy development.

(4) Assist the governor in developing and evaluating alternative long-range policies and strategies.

(5) Act in coordination with the commissioner of finance and affected state agencies in the planning and financing of major public programs, including but not limited to capital improvements.

(6) Initiate studies of major policy issues having long-range implications.

(7) Provide planning assistance to local, regional, and state agencies, and coordinate these levels of planning with the state long-range policy planning process.

Sec. 49. Minnesota Statutes 1982, section 116J.42, subdivision 2, is amended to read:

Subd. 2. ~~The commissioner~~ director shall:

(1) Review current programming and future planning plans, studies and proposed studies, 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.

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(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.

(4) Develop and maintain, in consultation with local government elected officials, a process and procedures for the review of federal grant applications, and the coordination of planning activities including state and local responsibilities as existed on January 1, 1983, in federal Office of Management and Budget Circular A-95, Parts I, II, III, and IV; and the federal Executive Order 12372.

(5) Assist the governor and the commissioner of finance in the review of biennial budget proposals and in the analysis of major public investments.

(6) Promote awareness by citizens and public officials of major long-range trends and policy issues.

Sec. 50. Minnesota Statutes 1982, section 116J.42, subdivision 4, is amended to read:

Subd. 4. The commissioner director 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 conduct research and make recommendations to the governor and the legislature concerning relationships among federal, state, and local governments; and review and report on

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changes in federal policies and budgets as they affect the state and state and local government programs;

(3) provide regional development commissions, the metropolitan council, and units of local government with information, technical assistance, training, and advice in utilizing federal and state programs;

(4) receive and administer the small cities community development block grant program authorized by the Congress under the Housing and Development Act of 1974, as amended; and

(5) receive and administer other state and federal grants and grant programs for planning, community affairs, community development purposes, and other state and federal programs assigned to the agency by law or by the governor in accordance with section 4.07.

Sec. 51. Minnesota Statutes 1982, section 116J.42, subdivision 7, is amended to read:

Subd. 7. ~~The commissioner~~ director shall:

(1) Appoint the state demographer, who shall be compensated in accordance with section 43A.18, subdivision 3. The state demographer shall be professionally competent in the field of demography and shall possess demonstrated ability, based upon past performance;

~~(1) Shall~~ (2) Continuously gather and develop demographic data within the state;

~~(2) Shall~~ (3) Design and test methods of research and data collection;

~~(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 as necessary to carry out the purposes of this section;

~~(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~~ and 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;

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(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.

Sec. 52. Minnesota Statutes 1982, section 116J.42, subdivision 8, is amended to read:

Subd. 8. (1) The land management information center is established to foster integration of environmental information and provide services in computer mapping and graphics, environmental analysis, and small systems development.

(2) The director shall periodically compile studies of land use and natural resources on the basis of county, regional, and other political subdivisions.

(3) The commissioner director may charge a fee fees to each user of the Minnesota land management clients for information system products and services.

Sec. 53. Minnesota Statutes 1982, section 116J.42, subdivision 9, is amended to read:

Subd. 9. **JUVENILE JUSTICE.** The governor shall designate the ~~department of energy, state planning, and development~~ agency 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, state planning and development~~ agency 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.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 54. Minnesota Statutes 1982, section 116J.58, subdivision 1, is amended to read:

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;

(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;

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(11) (10) 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) (11) 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) (12) 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) (13) 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) (14) 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.

Sec. 55. Minnesota Statutes 1982, section 116J.60, is amended to read:

116J.60 **PROMOTIONAL EXPENSES.**

In the promotion of tourism and economic development of the state of Minnesota, the state commissioner of energy, ~~planning~~ and economic development may expend ~~from moneys~~ money appropriated by the legislature for ~~such~~ these purposes in the same manner as private persons, firms, corporations, and associations make expenditures for ~~such~~ these 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~~ An expenditure for food, lodging, or travel ~~shall is~~ not be governed by the travel ~~regulations~~ rules of the commissioner of

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administration employee relations. No money shall be expended for the appearance in radio or television broadcasts by an elected public official.

Sec. 56. Minnesota Statutes 1982, section 116J.61, is amended to read:

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

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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.~~

Sec. 57. [116J.615] OFFICE OF TOURISM.

Subdivision 1. DUTIES OF DIRECTOR. The director of tourism shall:

(1) publish, disseminate, and distribute informational and promotional literature;

(2) promote and encourage the expansion and development of international tourism marketing;

(3) advertise and disseminate information about travel opportunities in the state of Minnesota;

(4) aid various local communities to improve their tourism marketing programs;

(5) coordinate and implement a comprehensive state tourism marketing program that takes into consideration all public and private businesses and attractions;

(6) conduct market research and analysis to improve marketing techniques in the area of tourism;

(7) investigate and study conditions affecting Minnesota's tourism industry, collect and disseminate information, and engage in technical studies, scientific investigations, and statistical research and educational activities necessary or

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useful for the proper execution of the powers and duties of the director in promoting and developing Minnesota's tourism industry, both within and outside the state;

(8) apply for, accept, receive, and expend any funds for the promotion of tourism in Minnesota. All money received by the director under this subdivision shall be deposited in the state treasury and is appropriated to the director for the purposes for which the money has been received. The money does not cancel and is available until expended; and

(9) plan and conduct information and publicity programs to attract tourists, visitors, and other interested persons from outside the state to this state; encourage and coordinate efforts of other public and private organizations or groups of citizens to publicize facilities and attractions in this state; and work with representatives of the hospitality and tourism industry to carry out its programs.

Subd. 2. ART AND HISTORICAL EXHIBITIONS. In order to promote tourism, trade, and cultural enrichment, the director of tourism may arrange for the exhibition of art collections and historical displays from other nations in the state capitol and in other public buildings throughout the state of Minnesota. The director of tourism shall cooperate with the state historical society in implementing this cultural exchange program and may enter into any contracts or joint ventures that are necessary to achieve the objectives of this section.

Sec. 58. Minnesota Statutes 1982, section 116J.65, is amended by adding a subdivision to read:

Subd. 1a. "Authority" means the energy and economic development authority, formerly known as the small business finance agency.

Sec. 59. Minnesota Statutes 1982, section 116J.65, subdivision 5, is amended to read:

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

Sec. 60. Minnesota Statutes 1982, section 116J.65, is amended by adding a subdivision to read:

Subd. 8a. The energy and economic development authority shall be named as an assignee of the rights of a state funded community development corporation on any loan or other evidence of debt provided by a community development corporation to a private enterprise. The assignment of rights shall provide that it will be effective upon the dormancy or cessation of existence of the

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community development corporation. "Dormancy" for the purpose of this section means the continuation of the corporation in name only without any functioning officers or activities. Upon the cessation of the activities of a state funded community development corporation, any assigned moneys paid to the energy and economic development authority shall be deposited into the community development corporation fund to be used for the purposes as set out in chapter 116J.

Sec. 61. Minnesota Statutes 1982, section 116J.67, subdivision 1, is amended to read:

Subdivision 1. **PURPOSE; OBJECTIVES.** ~~The commissioner of energy, planning and development~~ energy and economic development authority may create, promote, and assist a state development company, also known as a "503" certified development company, ~~which that~~ will qualify as a certified development company for the purposes of 45 United States Code, title 15, section 697, and Code of Federal Regulations, title 13, section 108.503.

~~The commissioner~~ authority 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.

Sec. 62. [116J.875] **ENERGY AND ECONOMIC DEVELOPMENT AUTHORITY; PURPOSES.**

The legislature finds that certain public needs can best be met by the public and private sectors working in close cooperation. Two of the specific areas in which this cooperation is most needed are small business development and energy program management and financing. The energy and economic development authority created by section 116J.89 is the mechanism for cooperation in these two areas. By providing an efficient arrangement to pool financing, personnel, information, and technological knowledge, the authority, as a partnership between the public and private sectors, will promote job creation, business development, and energy policies more effectively than would be the case if these sectors acted independently.

Sec. 63. Minnesota Statutes 1982, section 116J.88, subdivision 2, is amended to read:

Subd. 2. **AUTHORITY.** ~~"Agency"~~ "Authority" means the ~~small business finance agency~~ energy and economic development authority created in section 116J.89.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 64. Minnesota Statutes 1982, section 116J.88, subdivision 4, is amended to read:

Subd. 4. **ELIGIBLE SMALL BUSINESS.** "Eligible small business" means an enterprise determined by the agency authority to constitute a small business concern as defined in regulations of the United States small business administration pursuant to 15 U. S. Code United States Code, title 15, 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) servicing food or beverages to be consumed on or adjacent to the premises where they are sold amended from time to time.

Sec. 65. Minnesota Statutes 1982, section 116J.88, subdivision 5, is amended to read:

Subd. 5. **TARGETED SMALL BUSINESS.** "Eligible Targeted 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 "Targeted small business" includes a farm business engaged in farming, agricultural production or processing, or storage of agricultural products, which otherwise qualifies as a small business.

Sec. 66. Minnesota Statutes 1982, section 116J.88, subdivision 6, is amended to read:

Subd. 6. **FINANCIAL INSTITUTION.** "Financial institution" means any a 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, bank or trust company, trust company,

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mortgage company, mortgage banker, national banking association, savings bank, savings and loan association, building and loan association, insurance company, securities broker-dealer, financial organizations relating to commercial credit or venture capital or any other financial or lending institution, whether organized under federal law or the laws of any state of the United States, and whether located within or without this state.

Sec. 67. Minnesota Statutes 1982, section 116J.88, subdivision 7, is amended to read:

Subd. 7. **BUSINESS LOAN.** "Business loan" means a loan, other than a pollution control loan, to the owner of a an eligible small business for the ~~interim or long term~~ financing of (a) capital expenditures, on an interim or long-term basis, 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; or (b) short-term costs of conducting an eligible small business.

Subd. 7a. **FARM LOAN.** "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.

Sec. 68. Minnesota Statutes 1982, section 116J.88, subdivision 8, is amended to read:

Subd. 8. **POLLUTION CONTROL LOAN.** "Pollution control loan" means a loan to ~~the owner of a~~ an eligible small business for the acquisition, construction, or improvement of pollution control facilities or operations. Pollution control facilities or operations 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.

Sec. 69. Minnesota Statutes 1982, section 116J.88, is amended by adding a subdivision to read:

Subd. 9. **FUND.** "Fund" means the economic development fund created by section 73.

Sec. 70. Minnesota Statutes 1982, section 116J.89, subdivision 1, is amended to read:

Subdivision 1. **ENERGY AND ECONOMIC DEVELOPMENT AUTHORITY; CREATION; SUCCESSOR STATUS.** A The small business finance agency created by Laws 1980, chapter 547, is renamed the energy and economic development authority is hereby created and is constituted as an

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authority to and may 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 loan programs and to provide financial assistance under the economic development fund by which, the authority alone or in cooperation with cities, towns, counties, and private or public lenders, may provide adequate funds may be provided or incentives to financing such as guarantees or insurance on sufficiently favorable terms to assist and encourage the establishment, maintenance, and growth of eligible small business businesses and employment opportunities 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 eligible small business businesses.

The authority so named is the legal successor in all respects of the small business finance agency as originally named and constituted and all bonds, resolutions, contracts, and liabilities of that original agency are the bonds, resolutions, contracts, and liabilities of the authority as so renamed and reconstituted.

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 authority will be able to spread its financing costs among the eligible small businesses to which the agency makes loans authority provides financing, thereby reducing costs incurred by each eligible small business.

Sec. 71. Minnesota Statutes 1982, section 116J.89, is amended by adding a subdivision to read:

Subd. 1a. USE OF ECONOMIC DEVELOPMENT FUND. In addition, the authority may use the economic development fund to provide financial assistance to eligible small businesses as follows:

(a) to provide loan guarantees or insurance, in whole or in part, to eligible small businesses in connection with business loans or pollution control loans;

(b) to provide direct loans to eligible small businesses in connection with business loans or pollution control loans;

(c) to participate in other investment programs as appropriate under the terms of sections 116J.65, 116J.67, 116J.88 to 116J.91, and chapters 472 and 474;

(d) to purchase loan packages made to eligible small businesses by financial institutions in the state in connection with business loans or pollution control loans;

(e) to enter into or to pay fees on insurance contracts, letters of credit, municipal bond insurance, surety bonds, or similar obligations and other agreements or contracts with financial institutions;

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(f) to guarantee or insure bonds and notes issued by the authority, in whole or in part;

(g) the authority may create separate accounts within the fund for use in accordance with the separate purposes listed in this section and may irrevocably pledge and allocate moneys on deposit in the fund to the accounts for the purposes. The authority may make contracts with note and bond holders, trustees for them, financial institutions, or other persons interested in the disposition of moneys in the fund or its accounts with respect to the conditions upon which money in the fund or its accounts is to be held, invested, applied, and disposed of and the use of the fund and its accounts and the termination of accounts. The authority may determine to leverage amounts in accounts to be used to guarantee or insure bonds and notes of the authority or loans to eligible small businesses and may covenant as to the rate of leveraging with holders of the authority's bonds and notes or any trustee for them, financial institutions, or other persons. Money in the fund and its accounts shall, consistent with contracts with holders of the authority's bonds and notes or any trustee for them, financial institutions, or other interested persons, be invested in accordance with section 116J.91, subdivision 15, and the investment income from them, absent contractual provisions to the contrary, shall be added to and retained in the fund or its accounts if provided by the authority. The repayments to the authority of any direct loans made by the authority from money in the fund or its accounts shall be paid by the authority into the fund or, as provided by the authority, into an account. The authority may collect fees, initially or from time to time, or both, with respect to any direct loan it extends or any insurance or guarantee it grants. The authority may enter into contracts and security instruments with eligible small businesses, with bond and note holders or any trustee for them, or financial institutions or other persons to provide for and secure the repayment to the authority of money provided by the authority from the fund or its accounts for direct loans or which have been paid by the authority from the fund or accounts pursuant to an authority guarantee or insurance.

The state covenants with all holders of the authority's bonds and notes, financial institutions, and other persons interested in the disposition of money in the fund or its accounts, which money the authority has irrevocably pledged and allocated for any authorized purpose described in this subdivision, that the state will not take any action to limit the effect of the pledge and allocation and will not take any action to limit the effect of contracts entered into as authorized in this subdivision with respect to the pledge and allocation and will not limit or alter the rights vested in the authority or the state to administer the application of money pursuant to the pledge and allocation and to perform its obligations under the contracts. The authority may include and recite this covenant of the state in any of its bonds or notes benefitting from the pledge and allocation or contracts or related documents or resolutions;

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(h) to enter into contract with note and bond holders or other persons interested in the disposition of the fund; and

(i) for any legal purpose or program of the authority, including without limitation the payment of the cost of issuing authority bonds and notes and authority administrative costs and expenses.

Sec. 72. Minnesota Statutes 1982, section 116J.89, is amended by adding a subdivision to read:

Subd. 1b. PREFERENCES. (a) The following eligible small businesses have preference among business applicants:

(1) businesses located in areas of the state that are experiencing the most severe unemployment rates in the state;

(2) eligible small businesses that are likely to expand and provide additional permanent employment;

(3) businesses located in border communities that experience a competitive disadvantage due to location;

(4) businesses that have been unable to obtain traditional financial assistance due to a disadvantageous location, minority ownership, or other factors rather than due to the business' having been considered a poor financial risk;

(5) businesses that utilize state resources, thereby reducing state dependence on outside resources, and that produce products or services consistent with the long-term social and economic needs of the state;

(6) businesses located in designated enterprise zones, as described in section 273.1312, subdivision 4; and

(7) business located in federally designated economically distressed areas.

(b) Except in the issuance of agency bonds or notes, the agency may not invest the fund in a program that does not have financial participation from the private sector, as determined by the authority.

Sec. 73. Minnesota Statutes 1982, section 116J.89, is amended by adding a subdivision to read:

Subd. 1c. CREATION OF ECONOMIC DEVELOPMENT FUND. There is created the economic development fund to be administered by the authority. All money in the fund is appropriated to the authority to accomplish the authority's business development purposes.

Sec. 74. Minnesota Statutes 1982, section 116J.89, subdivision 2, is amended to read:

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Subd. 2. **PUBLIC PURPOSES.** Sections ~~116J.63~~ and 116J.88 to 116J.91 and sections 90 to 95 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.

Sec. 75. Minnesota Statutes 1982, section 116J.89, subdivision 7, is amended to read:

Subd. 7. **TAXATION OF AUTHORITY NOTES AND BONDS.** The state covenants with the purchasers and all subsequent holders and transferees of notes and bonds issued by the agency authority in consideration of the acceptance of and payment for the notes and bonds, that the notes and bonds of the agency authority issued pursuant to sections 116J.65, 116J.67, 116J.88 to 116J.91, sections 90 to 95, and chapters 472 and 474, 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.

Sec. 76. Minnesota Statutes 1982, section 116J.89, subdivision 8, is amended to read:

Subd. 8. **MEMBERSHIP.** The members and governing body of the agency authority shall be the commissioner and ~~six ten~~ 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.~~ The board shall elect a secretary from among its members. On the effective date of this act, the governor shall have authority to appoint new members. The terms of the current members shall expire, respectively, when they are replaced and new members are appointed by the governor and qualified. Section 15.0575, governs the terms, compensation, removal and filling of vacancies in the offices of members other than the commissioner.

Sec. 77. Minnesota Statutes 1982, section 116J.89, subdivision 9, is amended to read:

Subd. 9. **EXERCISE OF POWERS.** ~~The members shall be responsible for management and control of the agency powers of the authority are vested in the members.~~ A majority of the members, excluding vacant memberships, is a quorum. When a quorum is present at any meeting of which notice has been

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

Sec. 78. Minnesota Statutes 1982, section 116J.89, subdivision 10, is amended to read:

Subd. 10. **STAFFING.** 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 authority. The governing body of the agency may enter into agreements under which the department will provide administrative support for the agency. The commissioner may enter into agreements under which staff from private corporations, agencies, or other organizations are loaned to the authority for the purpose of performing its duties.

Sec. 79. Minnesota Statutes 1982, section 116J.90, is amended to read:

**116J.90 LOANS.**

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

Subd. 2. **BUSINESS LOANS; LIMITATIONS.** The agency authority may make or purchase or 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

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(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 with respect to business loans made or purchased by the authority and not exceeding \$1,000,000 principal amount with respect to the authority's share thereof when the authority participates in making or purchasing business loans.

With respect to business loans that the authority makes or purchases or participates with, the authority may determine or provide for their servicing, the percentage of authority participation, if any, the times the loans or participations shall be payable and the amounts of payment, their amount and interest rates, their security, if any, and other terms, conditions, and provisions necessary or convenient in connection with them and may enter into all necessary contracts and security instruments in connection with them. The authority may provide for or require the insurance or guaranteeing of the business loans or authority participations in whole or in part by the federal government or a department, agency, or instrumentality of it, by an appropriate account created with respect to the economic development fund, or by a private insurer. In connection with making or purchasing business loans or participations in them, the authority may enter into commitments to purchase or participate with financial institutions upon the terms, conditions, and provisions determined by it. Business loans or participations may be serviced by financial institutions or other persons designated by the authority. The dollar limitations contained in this subdivision do not apply to energy loans and loans insured under sections 93 and 94.

Subd. 3. **DIRECT BUSINESS AND FARM LOANS; LIMITATIONS.** The agency authority may make business loans or farm loans not exceeding \$100,000 in principal amount, at interest rates and subject to terms

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determined by the authority, provided that each loan shall be made only from the proceeds of a bond or note sold and issued to a financial institution, payable exclusively in whole or part from the repayments of principal and interest on the loan, which shall be assigned to and serviced by the financial institution. The loans may also be guaranteed or insured by money on deposit in the economic development fund or any special account of it, and may be secured by reserve funds and other collateral and available money as determined by the authority. The authority may enter into all necessary contracts and security instruments in connection with them. The limitation on loan amounts in this subdivision does not apply to energy loans and loans insured under sections 93 and 94.

Subd. 4. **POLLUTION CONTROL LOANS.** The agency authority may make or purchase or participate in making or purchasing 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 in any amount, which may be secured in whole or part by the guarantee or insurance of the federal government or any federal department, agency, or instrumentality, by a private insurer, from guarantees or insurance provided by the economic development fund or any special account of it, by reserves, moneys, funds, or other collateral required by the authority or any combination of the foregoing. To the extent consistent with this subdivision, the authority may make or purchase or participate in the making or purchasing of pollution control loans in the manner provided in subdivision 2 or 3 with respect to business loans.

Subd. 5. **TARGETED LOANS.** The agency authority shall make every effort to assure that at least 50 percent of the principal amount of the loans made or purchased by the agency authority in each fiscal year consists of loans with a principal amount of \$100,000 or less to eligible targeted small businesses as defined in section 116J.88, subdivision 5, and the financial management division shall provide technical assistance needed by eligible targeted small business owners businesses to complete applications and meet other requirements for those loans. The agency authority shall report to the legislature annually on or before ~~October~~ February 1 as to its compliance with the requirements of this subdivision during the preceding fiscal year. Noncompliance with this subdivision does not affect the validity of bonds and notes heretofore or hereafter issued.

Subd. 6. **REPORTS.** (a) Each financial institution which that participates in a pollution control or business loan with the agency authority shall annually on or before March 1 submit a report for the prior calendar year to the agency authority 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.

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(b) The agency authority 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~~ that 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~~ that fails to comply with the requirements of this subdivision shall be prohibited from participating in future loans until it complies.

Sec. 80. Minnesota Statutes 1982, section 116J.91, subdivision 1, is amended to read:

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

Sec. 81. Minnesota Statutes 1982, section 116J.91, subdivision 4, is amended to read:

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.

Sec. 82. Minnesota Statutes 1982, section 116J.91, subdivision 9, is amended to read:

Subd. 9. It may procure insurance against any loss in connection with its property in ~~such~~ the amounts, and from ~~such~~ the insurers, as may be necessary or desirable. It may obtain municipal bond insurance, letters of credit, surety obligations, or equivalent security for its bonds and notes.

Sec. 83. Minnesota Statutes 1982, section 116J.91, subdivision 10, is amended to read:

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,~~ a contract or agreement of any kind to which the agency authority is a party.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 84. Minnesota Statutes 1982, section 116J.91, subdivision 11, is amended to read:

Subd. 11. It may borrow money to carry out and effectuate its ~~corporate purpose~~ purposes 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 bonds and notes may be issued pursuant to a trust indenture that is substantially identical to a resolution pursuant to which the authority issues bonds and notes as provided in sections 462A.08 to 462A.13, 462A.16, and 462A.17, except that the authority may pledge money and securities to a trustee for the security of the holders of bonds and notes. The authority may refund bonds and notes and may guarantee or insure its bonds and notes in whole or in part with money from the economic development fund or an account created by the authority for that purpose. The aggregate principal amount of the ~~agency's~~ authority'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 the federal government or a department, an agency or instrumentality of the federal government or by a private insurer or guarantor authorized to do business in the state of Minnesota and acceptable to the authority, shall not exceed \$30,000,000 unless authorized by another law.

Sec. 85. Minnesota Statutes 1982, section 116J.91, subdivision 12, is amended to read:

Subd. 12. It may issue and sell bonds, notes, and other obligations payable solely from particular moneys, assets, or revenues derived from its programs, or any business loan, farm loan, or pollution control loan, notwithstanding section 462A.08, subdivision 3. Obligations issued to participate in making or purchasing business loans pursuant to section 116J.90, subdivision 2, or pollution control loans shall be payable solely from revenues derived by the agency authority from repayments of ~~such~~ these 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, or from other funds or security specifically pledged by the authority, 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 or a transfer from the economic development fund as the authority may provide by resolution. The agency authority 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 authority shall determine. Until so pledged and appropriated by the agency authority the general reserve fund shall not be available to pay principal

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and interest on the agency's authority'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. The authority may at its option provide by resolution that obligations issued to participate in making or purchasing business loans or pollution control loans be secured at the time of issuance in whole or in part by a debt service reserve fund or funds, 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. The operation of the debt service reserve fund or funds or a segregated portion of the general reserve fund and other relevant terms or provisions shall be determined by resolution or indenture of the authority. Obligations issued to make or purchase business loans, farm loans, or pollution control loans may be issued pursuant to an indenture of trust or a resolution of the authority. It may pledge to holders of obligations, or to a trustee, repayments from the loans, any security or collateral for them, contract rights with respect to them, and any other funds or security specifically pledged by the authority for them.

Sec. 86. Minnesota Statutes 1982, section 116J.91, subdivision 14, is amended to read:

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.

Sec. 87. Minnesota Statutes 1982, section 116J.91, subdivision 16, is amended to read:

Subd. 16. It may provide general consultative and technical services to assist in financing small business facilities for which loans may be made pursuant

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to section 116J.90. It may enter into agreements or other transactions concerning the receipt or provision of those services.

Sec. 88. Minnesota Statutes 1982, section 116J.91, subdivision 19, is amended to read:

Subd. 19. All Proceeds of the agency's authority'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, money in the economic development fund, and all revenues from loans, fees, and charges of the agency authority 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.

Sec. 89. Minnesota Statutes 1982, section 116J.91, is amended by adding a subdivision to read:

Subd. 20. The authority may do all things necessary and proper to fulfill its purpose and the purposes of the economic development fund as provided in sections 116J.65, 116J.67, 116J.88 to 116J.91, sections 90 to 95, and chapters 472 and 474.

Sec. 90. **[116J.921] ENERGY FINANCING POLICIES.**

A reliable, economic supply of energy is essential for the state's households, business establishments, and municipalities. Imported supplies are increasingly costly, unreliable, and environmentally disadvantageous. As a result, a partnership of the private and public sectors is needed to provide leadership, cooperation, and aid for the purposes of planning, developing, and managing economically viable energy conservation programs.

Sec. 91. **[116J.922] DEFINITIONS.**

Subdivision 1. **GENERAL.** For purposes of sections 90 to 95, the terms defined in this section have the meanings given them, unless the context in which they are used clearly indicates otherwise or another meaning is specifically provided.

Subd. 2. **AUTHORITY.** "Authority" means the energy and economic development authority, formerly known as the small business finance agency.

Subd. 3. **PERSON.** "Person" includes an individual, firm, partnership, corporation, or association.

Subd. 4. **CONSERVATION.** "Conservation" means a product or system designed to reduce the amount of energy needed for an energy-consuming activity or process. Conservation includes but is not limited to thermal insula-

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tion and air infiltration control in buildings, products or methods that reduce energy consumption for transportation or soil tillage practices, improvements in combustion efficiency or heat transfer efficiency in boilers, furnaces or direct-fired process heaters, and changes to industrial production equipment that result in lower energy use per unit of output.

Subd. 5. MUNICIPALITY. "Municipality" means a city, town, county, school district, special taxing district, or a municipal power agency governed by chapter 453, or a group or combination of those units operating under an agreement to jointly undertake projects authorized by sections 90 to 95.

Subd. 6. ALTERNATIVE ENERGY RESOURCE. "Alternative energy resource" means a source of energy available from indigenous Minnesota resources including but not limited to peat, biomass, solar energy, wind, municipal wastes, agricultural or forestry wastes, hydropower, and agricultural crops suitable for conversion to an energy fuel.

Subd. 7. RENEWABLE ENERGY RESOURCE. "Renewable energy resource" means a source of energy occurring in Minnesota which, when consumed for energy purposes, is replaced within a matter of days, months, or years by new or additional supplies of the energy source. Renewable energy resources include, but are not limited to, forestry products and forest harvest residues, solar energy, wind energy, waterpower, and agricultural wastes.

Subd. 8. ENERGY RECOVERY. "Energy recovery" means the extraction of energy from materials, components, or processes which would normally represent wasted energy resources. Municipal solid wastes, volatile sewer gases, and power plant waste heat, among others, offer the potential for energy recovery.

Subd. 9. BUSINESS. "Business" means any commercial, industrial, or nonprofit enterprise.

**Sec. 92. [116J.923] POWERS AND DUTIES OF COMMISSIONER AND AUTHORITY RELATING TO ENERGY PROGRAMS.**

Subdivision 1. SERVICES. The authority shall identify general consultative and technical services to assist in financing and marketing household and municipal energy conservation or alternative energy development. It may enter into agreements or other transactions concerning the receipt or provisions of those services.

Subd. 2. DATA PRIVACY. Financial information, including but not limited to credit reports, financial statements and net worth calculations, received or prepared by the authority regarding any loan or loan insurance issued by the authority is private data on individuals, as defined in section 13.02, subdivision 12, or, if not relating to individuals, is nonpublic data as defined in section 13.02, subdivision 9.

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**Subd. 3. BROAD INTERPRETATION.** The authority through the commissioner shall perform, direct, or closely oversee the functions and programs delegated to it. The powers granted to the authority shall be broadly interpreted to facilitate innovative leadership in all areas of energy including policy setting, goal definition, strategy planning, conservation, development of renewable and alternative energy resources, energy recovery, and monitoring.

**Subd. 4. CAMPAIGN FOR ENERGY EFFICIENCY.** The authority shall promote a campaign for energy efficiency. The authority shall actively promote public awareness of the potentials and benefits of energy efficiency.

**Subd. 5. JOB CREATION, LOW INCOME.** The authority shall assure that programs under its control and direction make accommodation wherever possible for job creation and the needs of low income families and persons.

**Subd. 6. FINANCING PROGRAMS.** The authority shall initiate and operate programs to assist the financing of qualified energy projects by:

(a) insuring private loans to businesses; and

(b) issuing its revenue bonds, notes, or other obligations for the purpose of making or purchasing or participating with financial institutions in making or purchasing loans to businesses.

**Subd. 7. LOANS TO MUNICIPALITIES.** The authority shall receive applications from municipalities for loans to finance improvements to public buildings for the purpose of energy conservation, reduction of the use of conventional energy sources, or the use of alternative energy resources, and make recommendations thereon to the commissioner of finance, in the event of the authorization and issuance of bonds of the state for this purpose. Financial and technical support for this program shall be provided by the financial management division. This program shall include the district heating loan program established in section 116J.36 and the program of energy improvement loans to schools created by the concepts in a bill styled as H. F. No. 549 of the 1983 legislative session.

**Subd. 8. RULES.** The authority may adopt temporary and permanent rules for the purpose of implementing subdivisions 6 and 7. The temporary rules need not be adopted in compliance with chapter 14 and shall be effective for 360 days or until the permanent rules are adopted, whichever occurs first. The temporary rules shall be effective upon adoption by the authority and shall be published in the State Register as soon thereafter as possible.

**Subd. 9. PLANNING AND REPORTS.** (a) The authority shall adopt a plan to use as the basis for its investment decisions.

(b) By the start of the 1984 legislative session, the authority shall have (1) identified various nongovernmental funding sources; (2) provided for the efficient administration of its affairs; (3) solicited public comment on its plans; and (4)

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prepared recommendations as to appropriate reserve and guarantee fund levels required by sections 90 to 95.

(c) The authority shall annually report not later than February 1 to the legislature. The report should contain recommendations for legislation as necessary to better coordinate its activities and the energy activities of state government.

Subd. 10. CONSERVATION EQUIPMENT. The authority may assist in the financing of the development and operation of conservation or alternative or renewable energy system equipment.

Subd. 11. SERVICES TO BUSINESSES. The authority shall provide direct assistance to businesses that plan to begin or expand their operations into the area of energy. The assistance shall include:

(a) providing data currently collected by the state that relates to resources, markets, economics, demographics, loans, and business planning;

(b) performing a limited technical review of prototypes or processes;

(c) conducting a limited number of feasibility studies to assist business development;

(d) conducting workshops, seminars, and other educational opportunities that relate to starting energy businesses or specific technical subjects, when appropriate, working in cooperation with the department of education and appropriate educational institutions in the state; and

(e) sharing information or networking among energy developers by use of newsletters, conferences, or the like.

Subd. 12. APPROPRIATIONS, GIFTS, GRANTS. The authority may accept appropriations, gifts, grants, bequests, and devises and utilize or dispose of the same to carry out any provision of sections 90 to 95. All gifts, grants, bequests, and revenues from those sources are appropriated to the authority for the purposes of sections 90 to 95. The funding may include, but is not limited to, public utility investments and expenditures ordered by the public utilities commission pursuant to the provisions of section 216B.241.

**Sec. 93. [116J.924] ENERGY LOAN INSURANCE PROGRAM.**

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

(a) "Fund" means the energy loan insurance fund created by subdivision 2.

(b) "Lender" means any state or federally chartered bank, credit union, savings bank, savings and loan association, savings association, trust company or a lender certified by the secretary of housing and urban development or the

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administrator of veterans affairs or approved or certified by the administrator of the farmers home administration.

(c) "Energy loan" means a loan or advance of credit, with security as may be required by the authority.

(d) "Qualified energy project" means acquiring, installing or constructing land, buildings, capital improvements, or equipment for (1) conservation of energy or use of alternative or renewable energy resources in the operation of a business, (2) recovery or production from alternative or renewable resources of energy to be sold in the course of business, or (3) production for sale in the course of business of equipment for the conservation or recovery of energy or for the use of energy from alternative or renewable resources.

**Subd. 2. ENERGY LOAN INSURANCE FUND.** An energy loan insurance fund is created. The fund shall be used by the authority as a revolving fund, and all money in the fund is appropriated to the authority, for carrying out the provisions of this section with respect to loans insured under subdivision 3.

**Subd. 3. INSURANCE OF LOANS. (a) AUTHORIZATION.** The authority is authorized, upon application by a lender, to insure loans for qualified energy projects as provided in this section; and under terms as the authority may prescribe by rule, to make commitments for the insuring of loans prior to the date of their execution or disbursement.

(b) **ELIGIBILITY REQUIREMENTS.** The authority may by rule establish requirements for energy loans to be eligible for insurance under this section, relating to:

(1) maximum principal amount, amortization schedule, interest rate, delinquency charges, and other terms;

(2) the portion of the loan to be insured;

(3) acceleration and other remedies;

(4) covenants regarding insurance, repairs, and maintenance of the project;

(5) conditions regarding subordination of the loan security, if any, of the project to other liens against the property;

(6) the aggregate principal amount of loans to be insured in relation to the reserves from time to time on hand in the insurance fund, and priorities as to the loans to be insured; and

(7) any other matters determined by the authority.

(c) **CONCLUSIVE EVIDENCE OF INSURABILITY.** Any contract of insurance executed by the authority under this section shall be conclusive evidence of the eligibility of the loan for insurance, and the validity of any contract of insurance properly executed and in the hands of any approved lender

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shall not be contestable, except for fraud or misrepresentation on the part of the lender.

(d) PREMIUMS. The authority is authorized to fix premium charges for the insurance of loans under this section at levels which in its judgment, taking into account other amounts available in the fund, will be sufficient to cover and maintain a reserve for loan losses.

(e) PROCEDURES UPON DEFAULT. The authority may establish procedures to be followed by lenders and to be taken by the authority in the event of default upon an energy loan, including:

(1) time for filing claims;

(2) rights and interests to be assigned and documents to be furnished by the lender;

(3) principal and interest to be included in the claim; and

(4) conditions, if any, upon which the authority will pay the entire principal amount in default, after foreclosure and receipt of marketable title to the property.

Subd. 4. INVESTMENT INTEREST. All interest and profits accruing from investment of the fund's money shall be credited to and be a part of the fund, and any loss incurred in the principal of the investments of the fund shall be borne by the fund.

Subd. 5. MAXIMUM AUTHORIZED INSURANCE. The authority may not at any time issue insurance under this section aggregating in excess of an amount equal to the current balance contained in the fund multiplied by ten.

#### Sec. 94. [116J.925] ENERGY LOAN PROGRAM.

Subdivision 1. AUTHORITY TO MAKE LOANS. The authority may make loans to individuals, partnerships, corporations, or other entities for the financing of capital improvements to be used in connection with a trade or business if the principal purpose of improvement is energy conservation, to reduce the usage of conventional fuels as a source of energy, or to develop Minnesota's alternative energy resources as provided by the authority's rules.

Subd. 2. REVENUE BONDS. The authority may borrow money and may issue bonds, notes, or other obligations as evidence of the borrowing in accordance with sections 462A.08 to 462A.17, all with the force and effect stated and the incidental powers granted and duties imposed in those sections. The authority may sell any of its obligations at public or private sale, at the price or prices as the authority determines are appropriate, notwithstanding the limitations on sale price in section 462A.09. These obligations may be issued and loans made from the proceeds in excess of the limitations contained in section 116J.90, subdivisions 2 and 3, and section 116J.91, subdivision 11.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

**Subd. 3. ENERGY DEVELOPMENT FUND.** An energy development fund is created and is eligible to receive appropriations. The authority may irrevocably pledge and appropriate all or a segregated portion of the energy development fund to make principal and interest payments when due on all or one or more series of its obligations for which other funds are not available, pursuant to the terms and conditions the authority shall prescribe. Unless the energy development fund has been pledged and appropriated to secure the obligations, the energy development fund shall not be available to make principal or interest payments on the obligations.

**Subd. 4. INVESTMENT INCOME.** All interest and profits accruing from investment of the energy development fund's moneys shall be credited to and be part of the energy development fund, and any loss incurred in the principal of the investment of the reserve fund shall be borne by the fund. Assets of the energy development fund shall be invested only in direct obligations or obligations of agencies of the United States or in insured depository accounts, up to the amount of the insurance, in any institution insured by an agency of the United States government, or in other obligations or depository accounts referred to in section 11A.24, subdivision 4, except clause (d) of that subdivision. Other funds and revenues of the authority shall be invested or deposited in the manner and with the security provided in bond or note resolutions or indentures under which obligations of the authority are issued for the program.

**Subd. 5. ADDITIONAL POWERS.** In addition to the powers specifically enumerated, the authority shall have any corporate powers necessary to effectuate or appropriate to the efficient implementation and operation of the revenue bond loan program authorized by this section, except to the extent explicitly limited by this section.

**Subd. 6. FUNDING.** All proceeds of the authority's bonds, notes, and other obligations, any amounts granted or appropriated to the authority to make, purchase, or insure loans, or for bond reserves, all income from the investment thereof, and all revenues from loans, fees, and charges of the authority are annually appropriated to the authority to accomplish its 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 authority.

**Sec. 95. [116J.926] LOANS TO MUNICIPALITIES.**

**Subdivision 1. QUALIFIED ENERGY IMPROVEMENTS.** For the purposes of this section, "qualified energy improvements" means any capital improvements to public land or buildings, including the installation of equipment, undertaken by a municipality for the principal purpose of energy conservation or to reduce usage of conventional energy sources, as provided by rules adopted by the authority.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 2. APPLICATIONS. The authority shall establish procedures, form, and the required contents of applications to be made by municipalities for loans to finance the acquisition or construction of qualified energy improvements when state bonds are authorized and issued for this purpose.

Subd. 3. MUNICIPAL OBLIGATION. A loan shall not be made to a municipality until it has entered into an agreement with the state providing that the municipality shall make payments of principal and interest at least equal in the aggregate to the principal amount of the loan plus interest at the rate payable on the state bonds. The annual amounts of the payments shall be determined by the commissioner of finance, and need not coincide with the principal and interest payments on the bonds. However, the amounts due each year shall be payable prior to the times transfers are required to be made pursuant to section 16A.65. The agreement shall obligate the municipality to levy an ad valorem property tax equal to the amounts necessary to make the payments. The amount required to be levied may be reduced by any other available amounts contained in a special fund dedicated to payment of the loan obligation.

Subd. 4. RECEIPTS. The principal and interest 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 purpose of that fund.

**Sec. 96. [116K.02] STATE PLANNING AGENCY.**

Subdivision 1. CREATION. A state planning agency is created in the executive branch of state government.

Subd. 2. DIRECTOR. The governor shall appoint a state planning director in the unclassified service. He shall be professionally competent in the fields of public administration and planning and shall possess demonstrated ability, based upon past performance, to perform the duties of state planning director.

Subd. 3. ORGANIZATION. The director shall organize the agency and employ the officers, employees, and agents as the director deems necessary to discharge the functions of the office, and define their duties. The director shall appoint a deputy director and division directors, who shall serve in the unclassified service of the state. To fulfill long-range planning objectives requiring special projects anticipated to be of limited duration, the director shall request temporary unclassified positions pursuant to section 43A.08, subdivision 2a. All other officers, employees, and agents are in the classified service of the state civil service.

Subd. 4. STAFF. The director shall employ personnel with qualifications needed to perform the duties prescribed in chapter 116K.

**Sec. 97. [116K.03] DEFINITIONS.**

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subdivision 1. SCOPE. For the purposes of chapter 116K, the terms defined in this section have the meanings given them.

Subd. 2. DIRECTOR. "Director" means the state planning director.

Subd. 3. AGENCY. "Agency" means the state planning agency.

Sec. 98. Minnesota Statutes 1982, section 144A.53, subdivision 4, is amended to read:

Subd. 4. **REFERRAL OF COMPLAINTS.** If a complaint received by the director relates to a matter more properly within the jurisdiction of an occupational licensing board, ~~the office of consumer services or any other governmental agency,~~ the director shall forward the complaint to that agency and shall inform the complaining party of the forwarding. The agency shall promptly act in respect to the complaint, and shall inform the complaining party and the director of its disposition. If a governmental agency receives a complaint which is more properly within the jurisdiction of the director, it shall promptly forward the complaint to the director, and shall inform the complaining party of the forwarding. If the director has reason to believe that ~~any an~~ official or employee of an administrative agency or health facility has acted in a manner warranting criminal or disciplinary proceedings, he shall refer the matter to the state commissioner of health, the commissioner of public welfare, an appropriate prosecuting authority, or ~~any~~ other appropriate agency.

Sec. 99. Minnesota Statutes 1982, section 155A.03, is amended by adding a subdivision to read:

Subd. 13. COMMISSIONER. "Commissioner" means the commissioner of commerce.

Sec. 100. Minnesota Statutes 1982, section 155A.05, is amended to read:

**155A.05 RULES.**

The ~~director~~ commissioner shall develop and adopt rules to carry out the provisions of sections 155A.01 to 155A.18 by ~~December 31, 1982,~~ pursuant according to chapter 14. For purposes of sections 155A.01 to 155A.18, the ~~director~~ commissioner may adopt temporary rules, pursuant according to sections 14.29 to 14.36. These rules may be reissued as temporary rules until permanent rules are adopted or until ~~December 31, 1982,~~ whichever is earlier. These temporary rules may provide that for ~~any a~~ a renewal license issued by the ~~director~~ commissioner within one year after July 1, 1981, the term of renewal shall be either one, two, or three years. The fee for a one-year renewal license shall be one-third of the fee for a three-year renewal license, and the fee for a two-year renewal shall be two-thirds of the three-year fee.

Sec. 101. Minnesota Statutes 1982, section 155A.18, is amended to read:

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**155A.18 PRIOR LICENSES.**

All licenses which were issued by the board of cosmetology director of the office of consumer services under chapter ~~155~~ 155A, shall continue in effect under the office of consumer services commissioner until the licenses expire.

Sec. 102. Minnesota Statutes 1982, section 214.14, subdivision 1, is amended to read:

Subdivision 1. There is established a human services occupations advisory council to assist the commissioner of health in formulating policies and rules ~~pursuant according~~ to section 214.13. The commissioner shall determine the duties of the council, shall establish procedures for the proper functioning of the council including, but not limited to the following: the method of selection of membership, the selection of a committee chairman and methods of communicating recommendations and advice to the commissioner for his consideration. Each of the health related licensing boards, the state examining committee for physical therapists, ~~the consumer services section of the department of commerce,~~ the state comprehensive health planning advisory council and the higher education coordinating board shall have a representative selected by the boards ~~or section, committee, or council.~~ The governor shall appoint the remaining members who shall not exceed 11 and shall include six persons broadly representative of human services, particularly human services professions not presently credentialed ~~pursuant according~~ to existing law, and five public members. The committee shall expire and the terms of the appointed members and the compensation and removal of all members shall be as provided in section 15.059.

**Sec. 103. [216A.085] ENERGY ISSUES INTERVENTION OFFICE.**

Subdivision 1. CREATION. There is created within the department of public service an intervention office to represent the interests of Minnesota residents, businesses, and governments before bodies and agencies outside the state that make, interpret, or implement national and international energy policy.

Subd. 2. DUTIES. The intervention office shall determine those areas in which state intervention is most needed, most likely to have a positive impact, and most effective for the broad public interest of the state. The office shall seek recommendations from appropriate public and private sources before deciding which cases merit intervention.

Subd. 3. STAFFING. The intervention office shall be under the control and supervision of the director of the department of public service. The director may hire staff or contract for outside services as needed to carry out the purposes of this section. The attorney general shall act as counsel in all intervention proceedings.

Sec. 104. Minnesota Statutes 1982, section 216B.16, is amended by adding a subdivision to read:

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Subd. 10. INTERVENOR PAYMENT. The commission may order a utility to pay all or a portion of a party's intervention costs not to exceed \$20,000 per intervenor in any proceeding when the commission finds that the intervenor has materially assisted the commission's deliberation and the intervenor has insufficient financial resources to afford the costs of intervention.

Sec. 105. Minnesota Statutes 1982, section 216B.62, subdivision 2, is amended to read:

Subd. 2. Whenever the commission or department, in a proceeding upon its own motion, on complaint, or upon an application to it, shall deem it necessary, in order to carry out the duties imposed by ~~Laws 1974, Chapter 429~~ under this chapter and section 103, to investigate the books, accounts, practices, and activities of, or make appraisals of the property of any public utility, or to render any engineering or accounting services to any public utility, or to intervene before an energy regulatory agency, the public utility shall pay the expenses reasonably attributable to the investigation, appraisal, ~~or service, or intervention~~. The commission and department shall ascertain the expenses, and the department shall render a bill therefor to the public utility, either at the conclusion of the investigation, appraisal, or services, or from time to time during its progress, which bill shall constitute notice of the assessment and a demand for payment. The amount of the bills so rendered by the department shall be paid by the public utility into the state treasury within 30 days from the date of rendition. The total amount, in any one calendar year, for which any public utility shall become liable, by reason of costs incurred by the commission within that calendar year, shall not exceed two-fifths of one percent of the gross operating revenue from retail sales of gas, or electric service by the public utility within the state in the last preceding calendar year. Where, pursuant to this subdivision, costs are incurred within any calendar year which are in excess of two-fifths of one percent of the gross operating revenues, the excess costs shall not be chargeable as part of the remainder under subdivision 3, but shall be paid out of the general appropriation to the department and commission. In the case of public utilities offering more than one public utility service only the gross operating revenues from the public utility service in connection with which the investigation is being conducted shall be considered when determining this limitation.

Sec. 106. Minnesota Statutes 1982, section 216B.62, subdivision 3, is amended to read:

Subd. 3. The department and commission shall quarterly, at least 30 days before the start of each quarter, estimate the total of their expenditures in the performance of their duties relating to public utilities under section 103, and sections 216B.01 to 216B.67, other than amounts chargeable to public utilities under subdivision 2 or 6. The remainder shall be assessed by the commission and department to the several public utilities in proportion to their respective gross operating revenues from retail sales of gas or electric service within the state

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during the last calendar year. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed to the several public utilities, which shall constitute notice of the assessment and demand of payment thereof. The total amount which may be assessed to the public utilities, under authority of this subdivision, shall not exceed one-eighth of one percent of the total gross operating revenues of the public utilities during the calendar year from retail sales of gas or electric service within the state. The assessment for the second quarter of each fiscal year shall be adjusted to compensate for the amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed.

Sec. 107. Minnesota Statutes 1982, section 299A.04, is amended to read:

**299A.04 GRANTS-IN-AID TO YOUTH INTERVENTION PROGRAMS.**

Subdivision 1. The ~~commissioner~~ director may make grants to nonprofit agencies administering youth intervention programs in communities where the programs are or may be established.

“Youth intervention program” means a nonresidential community based program providing advocacy, education, counseling, and referral services to youth and their families experiencing personal, familial, school, legal, or chemical problems with the goal of resolving the present problems and preventing the occurrence of the problems in the future.

Subd. 2. Applications for a grant-in-aid shall be made by the administering agency to the ~~commissioner~~ director. The grant-in-aid is contingent upon the agency having obtained from the community in which the youth intervention program is established local matching money two times the amount of the grant that is sought.

The ~~commissioner~~ director shall provide by rule the application form, procedures for making application form, criteria for review of the application, and kinds of contributions in addition to cash that qualify as local matching money. No grant to any agency shall exceed \$25,000.

Sec. 108. Minnesota Statutes 1982, section 325E.09, subdivision 4a, is amended to read:

Subd. 4a. For the purposes of this section, octane rating shall be determined in the manner described in the American Society for Testing and Materials (ASTM) “Standard Specification for Gasoline,” D439-71 or such other manner as prescribed by the director of ~~consumer services~~ by regulations the department of public service in accordance with applicable rules, adopted pursuant according to the Administrative ~~procedures~~ Procedure Act. ~~Such regulations shall~~ The rules

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

must only be ~~promulgated~~ adopted to place Laws 1973, chapter 687 in accordance with regulations promulgated by a federal agency.

Sec. 109. Minnesota Statutes 1982, section 325F.09, is amended to read:

**325F.09 DEFINITIONS.**

(a) "Child" means any person less than 14 years of age;

(b) A toy presents an electrical hazard if, in normal use or when subjected to reasonably foreseeable damage or abuse, its design or manufacture may cause personal injury or illness by electrical shock or electrocution;

(c) A toy presents a mechanical hazard if, in normal use or when subjected to reasonably foreseeable damage or abuse, its design or manufacture presents an unreasonable risk of personal injury or illness:

(1) from fracture, fragmentation, or disassembly of the article;

(2) from propulsion of the article or any part or accessory thereof;

(3) from points or other protrusions, surfaces, edges, openings, or closures;

(4) from moving parts;

(5) from lack or insufficiency of controls to reduce or stop motion;

(6) as a result of self-adhering characteristics of the article;

(7) because the article or any part or accessory thereof may be aspirated or ingested;

(8) because of instability;

(9) from stuffing material which is not free of dangerous or harmful substances; or

(10) because of any other aspect of the article's design or manufacture.

(d) A toy presents a thermal hazard if, in normal use or when subjected to reasonably foreseeable damage or abuse, its design or manufacture presents an unreasonable risk of personal injury or illness because of heat as from heated parts, substances, or surfaces.

(e) "Toxic" means able to produce personal injury or illness to a person through ingestion, inhalation, or absorption through any body surface and can apply to any substance other than a radioactive substance.

(f) "Flammable" means having a flash point up to 80 degrees Fahrenheit as determined by the Tagliabue Open Cup Tester. The flammability of solids and of the contents of self-pressurized containers shall be determined by methods generally recognized as applicable to the materials or containers and established by regulations rules issued by the ~~director~~ commissioner.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(g) A toy presents a hazard of asphyxiation or suffocation if, in normal use or when subject to reasonable foreseeable damage or abuse, its design, manufacture or storage presents a risk of personal injury or illness from interference with normal breathing.

(h) "~~Director~~" "Commissioner" means the ~~director~~ commissioner of the consumer services section of the department of commerce.

(i) "Inspector" means an inspector of the consumer services section of the department of commerce.

Sec. 110. Minnesota Statutes 1982, section 325F.11, is amended to read:

**325F.11 TESTING OF ARTICLES TO DETERMINE AND INSURE COMPLIANCE.**

The ~~director~~ commissioner or an authorized and qualified employee or inspector, may undertake or provide for testing of toys and other articles as he deems necessary to determine their safety and fitness for commerce in this state in compliance with the provisions of sections 325F.08 to 325F.18. The ~~director~~ commissioner may contract or otherwise arrange with any testing facility, public or private, for testing and reporting the results. The ~~director~~ commissioner may, by regulation rule, require that any toy or other article within the provisions of sections 325F.08 to 325F.18 be adequately tested by the ~~consumer services section~~, a reputable testing facility, or the manufacturer or distributor of the article, and that the certified results of the test be filed with the ~~director~~ commissioner before the sale, distribution, or other movement in commerce within this state of the toys or articles. The ~~director~~ commissioner may by regulation rule provide for penalties for the failure to provide test results.

Sec. 111. Minnesota Statutes 1982, section 472.03, subdivision 2, is amended to read:

Subd. 2. "~~State agency~~" "Authority" means the ~~executive council created and established by section 9.011~~ energy and economic development authority.

Sec. 112. Minnesota Statutes 1982, section 472.13, is amended to read:

**472.13 APPROPRIATION TO ECONOMIC DEVELOPMENT REVOLVING FUND.**

Subdivision 1. **APPROPRIATION.** There is ~~hereby~~ appropriated out of the general fund in the state treasury not otherwise appropriated the sum of \$1,500,000 to the ~~state executive council authority~~ to be used for the purposes set forth in these sections 472.01 to 472.16 excluding the necessary cost of administration thereof. The sum ~~hereby~~ appropriated shall be credited to a special account in the ~~state treasury to be known as the economic development revolving fund created in section 73~~ to be drawn upon and used by the ~~state agency~~

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authority in the manner and for the purposes provided for in ~~these~~ sections 472.01 to 472.16.

Subd. 2. **LOANS.** ~~The state agency authority~~ shall have the power, from time to time, to draw upon the special account in the economic development revolving fund ~~such the~~ amounts as the state agency shall determine authority determines for loans to local or area redevelopment agencies for the financing and planning of redevelopment projects. When the amounts so allocated by the state agency authority as loans to local or area redevelopment agencies are repaid to the state agency authority pursuant to the terms of its agreements with the local agency, the state agency authority shall pay ~~such the~~ amounts into the special account in the economic development revolving fund, it being the purpose and intent of this section that said fund the account shall operate as a revolving fund account whereby all appropriations and payments made ~~thereto to it~~ may be applied and reapplied to the purposes of ~~these~~ sections 472.01 to 472.16 and shall not revert to the general revenues fund of the state.

Subd. 3. **EXCESS FUNDS.** ~~In the event that~~ If the state agency shall determine authority determines that funds held for the credit of the special account in the economic development revolving fund are in excess of the amounts needed by the state agency authority to carry out the purposes of ~~these~~ sections 472.01 to 472.16, the state agency authority may by resolution release ~~such the~~ excess from the development revolving fund, the same to be transferred account and transfer it to the general revenues fund of the state treasury.

Subd. 4. **MATCHING FUNDS.** The state agency authority may utilize any moneys in the revolving fund special account for the purpose of matching federal funds available under the Public Works and Economic Development Act of 1965.

Sec. 113. Minnesota Statutes 1982, section 474.01, is amended by adding a subdivision to read:

Subd. 11. EMPLOYMENT PREFERENCE. The welfare of the state requires that, whenever feasible, employment opportunities made available in part by sections 474.01 to 474.15 or other state law providing for financing mechanisms similar to those described in those sections should be offered to individuals who are unemployed or who are economically disadvantaged as defined in the federal Job Training Partnership Act of 1982, Statutes at Large, volume 96, page 1322. Every municipality, redevelopment agency, or other person undertaking a project financed wholly or in part by these financing mechanisms is encouraged to target employment opportunities to qualified individuals who are unemployed or economically disadvantaged. The intent of this subdivision may be accomplished by but is not limited to mechanisms such as a first source agreement in which the employer agrees to use a designated employment office as a first source for employment recruitment, referral, and placement.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Not later than July 1, 1984, and each July 1 for the succeeding three years, every municipality, redevelopment agency, or other person who undertakes a project financed wholly or in part by these financing mechanisms shall submit an employment report to the commissioner of energy and economic development. The report shall be on forms provided by the commissioner and shall include, but need not be limited to, the following information:

(a) the total number of jobs created by the project,

(b) the number of unemployed and economically disadvantaged persons hired, and

(c) the average wage level of the jobs created.

Sec. 114. **INSTRUCTIONS TO REVISOR.**

Subdivision 1. The revisor of statutes shall substitute the term "commissioner of commerce" or "commissioner" or "department" or similar terms as appropriate for the following terms and similar terms, as necessary to reflect the transfers of powers, duties, and responsibilities prescribed by this act:

(a) "commerce commission" meaning the state commerce commission, "department of commerce," or "commerce department" where those terms appear in Minnesota Statutes;

(b) "commissioner of banks," "commissioner of banking," or "banking commissioner" where those terms appear in Minnesota Statutes;

(c) "commissioner of insurance" or "insurance commissioner" where those terms appear in Minnesota Statutes;

(d) "commissioner of securities and real estate" where that term appears in Minnesota Statutes;

(e) "division" where that term appears in chapters 46 to 59A, and "banking division" or "division of banking" where those terms appear in Minnesota Statutes;

(f) "division of insurance," "insurance division," "department of insurance," or "insurance department" where those terms appear in Minnesota Statutes;

(g) "department of securities and real estate," "securities and real estate department," "securities and real estate division," or "division of securities and real estate" where those terms appear in Minnesota Statutes;

(h) "department of administration" or "commissioner of administration" where those terms appear in chapter 238; and

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(i) “director of office of consumer services,” “office of consumer services,” “consumer services section,” where those terms appear in chapter 155A and sections 325F.08 to 325F.18.

Subd. 2. The revisor of statutes shall renumber each section specified in column A with the numbers set forth in column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering.

Column A	Column B
<u>45.04</u>	<u>46.041</u>
<u>45.05</u>	<u>46.042</u>
<u>45.06</u>	<u>46.043</u>
<u>45.07</u>	<u>46.044</u>
<u>45.071</u>	<u>46.045</u>
<u>45.08</u>	<u>46.046</u>
<u>45.16</u>	<u>8.32</u>
<u>45.17</u>	<u>8.33</u>

#### Sec. 115. INSTRUCTIONS TO REVISOR.

Subdivision 1. **TERMS.** (a) The revisor of statutes shall substitute the terms “state planning director” or “director” or “state planning agency” or “agency” or similar terms as appropriate for the terms “commissioner” or “department” meaning the commissioner or department of energy, planning and development, and similar terms where those terms appear in chapters 116C, 116D, and 116G, sections 116J.40 to 116J.54, and other laws relating to the planning functions of the department of energy, planning and development.

(b) The revisor of statutes shall remove the term “planning” wherever it appears in Minnesota Statutes in reference to the department of energy, planning and development, the commissioner of energy, planning and development or similar terms to reflect the removal of the planning functions from that department.

(c) The revisor of statutes shall substitute the terms “commissioner of energy and economic development” or “commissioner” for the terms meaning the commissioner or department of energy, planning and development, where those terms appear in sections 116J.04 to 116J.36 and 116J.58 to 116J.91, and other laws relating to the energy and economic development functions of the department of energy, planning and development.

(d) The revisor of statutes shall change the words “commissioner,” “commissioner of energy, planning and development,” “department,” “agency,” “state agency,” “executive council,” or similar terms to “the energy and economic development authority” wherever it appears in sections 116J.65 and 116J.67; and in chapters 472 and 474.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 2. RENUMBERING. The revisor of statutes shall renumber each section specified in column A with the numbers in column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering.

<u>Column A</u>	<u>Column B</u>
<u>116J.28</u>	<u>216B.242</u>
<u>116J.40</u>	<u>116K.01</u>
<u>116J.42</u>	<u>116K.04</u>
<u>116J.43</u>	<u>116K.05</u>
<u>116J.44</u>	<u>116K.06</u>
<u>116J.45</u>	<u>116K.07</u>
<u>116J.48</u>	<u>116K.08</u>
<u>116J.49</u>	<u>116K.09</u>
<u>116J.50</u>	<u>116K.10</u>
<u>116J.51</u>	<u>116K.11</u>
<u>116J.52</u>	<u>116K.12</u>
<u>116J.53</u>	<u>116K.13</u>
<u>116J.54</u>	<u>116K.14</u>
<u>299A.04</u>	<u>116K.15</u>

**Sec. 116. INSTRUCTION TO REVISOR.**

The revisor of statutes shall change the words "agency" or "small business finance agency" or similar terms to "authority" or "energy and economic development authority" wherever it appears in chapter 116J and other laws to reflect the change of name made by this act.

**Sec. 117. TRANSFER OF TRADE AND EXPORT DEVELOPMENT RESPONSIBILITIES.**

The responsibilities for trade and export development set forth in Minnesota Statutes 1982, section 116J.58, subdivision 1, clause (9), are transferred from the commissioner of energy, planning and development to the commissioner of agriculture under the provisions of section 15.039.

**Sec. 118. APPROPRIATION.**

The sum of \$196,900 is appropriated from the general fund to the director of the department of public service for intervention in energy policy development and regulatory proceedings, to be available for the fiscal year ending June 30 in the years indicated.

<u>1984</u>	<u>1985</u>
<u>\$98,400</u>	<u>\$98,500</u>

The complement of the department is increased by one position in the unclassified service.

**Sec. 119. REPEALER.**

Changes or additions are indicated by underline, deletions by ~~strikeout~~.



Minnesota Statutes 1982, sections 45.01; 45.02; 45.021; 45.03; 45.031; 45.032; 45.033; 45.034; 45.15; 45.16, subdivisions 4 and 5; 45.17, subdivision 6; 116J.02; 116J.41; 116J.42, subdivisions 3, 5, and 6; 116J.46; 116J.47; 116J.62; 116J.88, subdivision 3; 155A.03, subdivision 10; and 155A.17 are repealed.

Sec. 120. **EFFECTIVE DATE.**

This act is effective July 1, 1983.

Approved June 7, 1983

**CHAPTER 290 — H.F.No. 274**

*An act relating to workers' compensation; providing for comprehensive reform of all aspects of workers' compensation; providing penalties; appropriating money; amending Minnesota Statutes 1982, sections 43A.23, by adding a subdivision; 79.071, subdivisions 1 and 1a; 79.211, subdivision 2; 79.251; 79.34, subdivisions 1, 2, and by adding a subdivision; 79.35; 79.37; 79.51, subdivision 3; 79.52, by adding a subdivision; 79.53; 147.02, by adding a subdivision; 175.006, subdivision 1; 175.007, subdivision 1; 175.08; 175.10; 175.101, subdivisions 1 and 2; 176.001; 176.011, subdivision 9, and by adding subdivisions; 176.012; 176.021, subdivisions 1a and 3; 176.041, subdivision 1; 176.061; 176.081, subdivisions 1, 2, 5, 6, 7, and by adding a subdivision; 176.101, subdivisions 1, 2, 6, and by adding subdivisions; 176.102, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and by adding subdivisions; 176.105, by adding a subdivision; 176.111, subdivisions 6, 7, 8, and 18, and by adding a subdivision; 176.121; 176.131, subdivisions 1, 1a, 2, 3, 4, 5, 6, 7, and 8; 176.132, subdivision 1, and by adding a subdivision; 176.134, subdivision 4; 176.135, subdivisions 1 and 3; 176.136; 176.155, subdivisions 3 and 5; 176.179; 176.181, by adding a subdivision; 176.182; 176.183, subdivisions 1, 1a, and by adding subdivisions; 176.185, subdivision 1, and by adding a subdivision; 176.191, by adding subdivisions; 176.195, subdivision 2, and by adding subdivisions; 176.221; 176.225, subdivisions 1, 2, and 3; 176.231, subdivisions 3, 4, 5, 9, and 10; 176.241, subdivisions 2 and 4; 176.281; 176.285; 176.321, subdivision 1; 176.331; 176.341; 176.361; 176.371; 176.421, subdivisions 3, 4, 6, and 7; 176.442; 176.461; 176.521, subdivisions 2, 2a, and 3; 176.561; 176.571, subdivision 6; 176.66, by adding subdivisions; 268.08, subdivision 3; and 471.982, subdivision 2, and by adding a subdivision; Laws 1981, chapter 346, sections 145 and 146; proposing new law coded in Minnesota Statutes, chapters 79; 148; and 176; proposing new law coded as Minnesota Statutes, chapter 176A; repealing Minnesota Statutes 1982, sections 8.31, subdivision 4; 79.51, subdivision 2; 79.63; 175.07; 175.101, subdivision 3; 175.36; 176.101, subdivision 3; 176.102, subdivision 12; 176.131, subdivisions 9, 10, 11, and 12; 176.152; and 176.262.*

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

Section 1. Minnesota Statutes 1982, section 43A.23, is amended by adding a subdivision to read:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.