

Avenue to Parklawn Avenue, easterly along Parklawn Avenue to York Avenue, northerly along York Avenue to the southern boundary of Independent School District No. 273, Edina, and easterly along the southern boundary of Independent School District No. 273 to the eastern boundary of the city of Edina.

(b) House district 41B consists of that portion of senate district 41 not included in house district 41A.

EFFECTIVE DATE. This section is effective the day following final enactment.

Presented to the governor April 28, 2004

Signed by the governor April 30, 2004, 3:15 p.m.

CHAPTER 171—S.F.No. 2009

An act relating to state government; transferring tourism functions from Department of Employment and Economic Development to Explore Minnesota Tourism; appropriating money; amending Minnesota Statutes 2002, sections 116J.01, subdivision 5; 160.276, subdivision 5; Minnesota Statutes 2003 Supplement, sections 15.057; 15.75, subdivision 5; 116J.60; 161.20, subdivision 3; 270B.14, subdivision 13; proposing coding for new law as Minnesota Statutes, chapter 116U; repealing Minnesota Statutes 2002, sections 116J.01, subdivision 4; 116J.036; 116J.615; 116J.616; 116J.63, subdivision 4.

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

Section 1. Minnesota Statutes 2003 Supplement, section 15.057, is amended to read:

15.057 PUBLICITY REPRESENTATIVES.

No state department, bureau, or division, whether the same operates on funds appropriated or receipts or fees of any nature whatsoever, except the Department of Transportation, the Department of Employment and Economic Development, the Game and Fish Division, the Department of Economic Security, and the State Agricultural Society, and Explore Minnesota Tourism shall use any of such funds for the payment of the salary or expenses of a publicity representative. The head of any such department, bureau, or division shall be personally liable for funds used contrary to this provision. This section shall not be construed, however, as preventing any such department, bureau, or division from sending out any bulletins or other publicity required by any state law or necessary for the satisfactory conduct of the business for which such department, bureau, or division was created.

Sec. 2. Minnesota Statutes 2003 Supplement, section 15.75, subdivision 5, is amended to read:

Subd. 5. **AGREEMENTS WITH DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT.** The commissioner of employment and economic

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development may enter into agreements with regional entities established under subdivision 4 to prepare plans to ensure coordination of the department's business development, community development, and trade and tourism functions with programs of local units of government and other public and private development agencies in the regions. The plans will identify regional development priorities and serve as a guide for the implementation of the department's programs in the regions.

Sec. 3. Minnesota Statutes 2002, section 116J.01, subdivision 5, is amended to read:

Subd. 5. **DEPARTMENTAL ORGANIZATION.** (a) The commissioner shall organize the department as provided in section 15.06.

(b) The commissioner may establish divisions and offices within the department. The commissioner may employ four deputy commissioners in the unclassified service. ~~One deputy must direct the Minnesota Trade Office and must be experienced and knowledgeable in matters of international trade. One must direct the Office of Tourism and be knowledgeable in matters of tourism.~~

(c) The commissioner shall:

(1) employ assistants and other officers, employees, and agents that the commissioner considers necessary to discharge the functions of the commissioner's office;

(2) define the duties of the officers, employees, and agents, and delegate to them any of the commissioner's powers, duties, and responsibilities, subject to the commissioner's control and under conditions prescribed by the commissioner.

(d) The commissioner shall ensure that there are at least three trade employment and economic development officers in state offices in nonmetropolitan areas of the state who will work with local units of government on developing local trade employment and economic development.

Sec. 4. Minnesota Statutes 2003 Supplement, section 116J.60, is amended to read:

116J.60 PROMOTIONAL EXPENSES.

In the promotion of ~~tourism~~, trade, and economic development of the state, the commissioner of employment and economic development may expend money appropriated by the legislature for these purposes in the same manner as private persons, firms, corporations, and associations make expenditures for these purposes. An expenditure for food, lodging, or travel is not governed by the travel rules of the commissioner of employee relations. No money shall be expended for the appearance in radio or television broadcasts by an elected public official.

Sec. 5. [116U.05] EXPLORE MINNESOTA TOURISM.

Explore Minnesota Tourism is created as an office in the executive branch with a director appointed by the governor. The director is under the supervision of the commissioner of employment and economic development. The director serves in the unclassified service and must be qualified by experience and training in travel and tourism.

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Sec. 6. [116U.10] DEFINITIONS.

Subdivision 1. SCOPE. As used in this chapter, the terms defined in this section have the meanings given them.

Subd. 2. DIRECTOR. "Director" means the director of Explore Minnesota Tourism.

Subd. 3. OFFICE. "Office" means Explore Minnesota Tourism.

Sec. 7. [116U.15] MISSION.

The mission of Explore Minnesota Tourism is to promote and facilitate increased travel to and within the state of Minnesota. Its goals are to:

(1) expand public and private partnerships through increased interagency efforts and increased tourism industry participation;

(2) increase productivity through enhanced flexibility and options; and

(3) use innovative fiscal and human resource practices to manage the state's resources and operate the office as efficiently as possible.

The director shall report to the legislature on the performance of the office's operations and the accomplishment of its goals in the office's biennial budget according to section 16A.10, subdivision 1.

Sec. 8. [116U.20] ORGANIZATION.

The director shall:

(1) employ assistants and other officers, employees, and agents that the director considers necessary to discharge the functions of the office; and

(2) define the duties of the officers, employees, and agents, and delegate to them any of the director's powers, duties, and responsibilities, subject to the director's control and under conditions prescribed by the director.

Sec. 9. [116U.25] EXPLORE MINNESOTA TOURISM COUNCIL.

(a) The director shall be advised by the Explore Minnesota Tourism Council consisting of up to 28 voting members appointed by the governor for four-year terms, including:

(1) the director of Explore Minnesota Tourism who serves as the chair;

(2) eleven representatives of statewide associations representing bed and breakfast establishments, golf, festivals and events, counties, convention and visitor bureaus, lodging, resorts, trails, campgrounds, restaurants, and chambers of commerce;

(3) one representative from each of the four tourism marketing regions of the state as designated by the office;

(4) six representatives of the tourism business representing transportation, retail, travel agencies, tour operators, travel media, and convention facilities;

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(5) one or more ex-officio nonvoting members including at least one from the University of Minnesota Tourism Center;

(6) four legislators, two from each house, one each from the two largest political party caucuses in each house, appointed according to the rules of the respective houses; and

(7) other persons, if any, as designated from time to time by the governor.

(b) The council shall act to serve the broader interests of tourism in Minnesota by promoting activities that support, maintain, and expand the state's domestic and international travel market, thereby generating increased visitor expenditures, tax revenue, and employment.

(c) Filling of membership vacancies is as provided in section 15.059. The terms of one-half of the members shall be coterminous with the governor and the terms of the remaining one-half of the members shall end on the first Monday in January one year after the terms of the other members. Members may serve until their successors are appointed and qualify. Members are not compensated. A member may be reappointed.

(d) The council shall meet at least four times per year and at other times determined by the council. Notwithstanding section 15.059, the council does not expire.

Sec. 10. **[116U.30] DUTIES OF DIRECTOR.**

(a) The director shall:

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

(2) promote and encourage the coordination of Minnesota tourism promotion efforts with other state agencies and develop multiagency marketing strategies when appropriate;

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

(4) advertise and disseminate information about Minnesota travel opportunities;

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

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

(7) contract, in accordance with section 16C.08, for professional services if the work or services cannot be satisfactorily performed by employees of the agency or by any other state agency;

(8) provide local, regional, and statewide tourism organizations with information, technical assistance, training, and advice on using state tourism programs; and

(9) generally gather, compile, and make available statistical information relating to Minnesota tourism and related areas in this state, with authority to call upon other

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state agencies for statistical data and results obtained by them and to arrange and compile that statistical information.

(b) The director may:

(1) apply for, receive, and spend money for tourism development and marketing from other agencies and tourism organizations and businesses;

(2) apply for, accept, and disburse grants and other aids for tourism development and marketing from the federal government and other sources;

(3) enter into joint powers or cooperative agreements with agencies of the federal government, local governmental units, regional development commissions, other state agencies, the University of Minnesota and other educational institutions, other states, Canadian provinces, local, statewide, and regional tourism organizations as necessary to perform the director's duties;

(4) enter into interagency agreements and agree to share net revenues with the contributing agencies;

(5) make grants;

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

(7) monitor and study trends in the tourism industry and provide resources and training to address change;

(8) annually convene conferences of Minnesota tourism providers for the purposes of exchanging information on tourism development, coordinating marketing activities, and formulating tourism development strategies; and

(9) enter into tourism promotion contracts or other agreements with private persons and public entities, including agreements to establish and maintain offices and other types of representation in foreign countries, to promote international travel and to implement this chapter.

(c) Contracts for goods and nonprofessional technical services made under paragraph (b), clauses (3) and (9), are not subject to the provisions of sections 16C.03, subdivision 3, and 16C.06 concerning competitive bidding and section 16C.055 concerning barter arrangements. Unless otherwise determined by the commissioner of administration, all other provisions of chapter 16C apply to this section, including section 16C.08, relating to professional and technical services.

Sec. 11. [116U.35] PROMOTIONAL EXPENSES.

To promote tourism of the state, the director may expend money appropriated by the legislature for these purposes in the same manner as private persons, firms, corporations, and associations make expenditures for these purposes. Policies on promotional expenses must be approved by the Explore Minnesota Tourism Council and the commissioner of administration. A policy for expenditures on food, lodging, and travel must be approved by the commissioner of employee relations. No money

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may be expended for the appearance in radio or television broadcasts by an elected public official.

Sec. 12. [116U.40] SPECIFIC AGREEMENTS PROHIBITED.

The director may not enter into an agreement which would obligate the state to pay any part of a debt incurred by a public or private facility, organization, or attraction.

Sec. 13. [116U.45] SALE OF PUBLICATIONS AND PROMOTIONAL MATERIALS; FEES; ADVERTISING.

The director may sell reports, publications, or related publicity or promotional material of the office as the director determines.

Fees for reports, publications, or related publicity or promotional material are not subject to section 14.386 or to the rulemaking requirements of chapter 14 in general and are not subject to section 16A.1283 or 16A.1285. The fees prescribed by the director must be commensurate with the distribution objective of the office for the material produced or with the cost of furnishing the services.

Office publications may contain advertising and may receive advertising revenue from profit and nonprofit organizations, associations, individuals and corporations, and other state, federal, or local government agencies. The director shall set advertising rates and fees commensurate with services rendered and distribution objectives.

Revenue under this section is governed by section 116U.50.

Sec. 14. [116U.50] REVENUE.

All revenue received by the office must be deposited in a special revenue account and is appropriated to the director for the purposes of this chapter. The money does not cancel and is available until expended.

Sec. 15. [116U.55] GIFTS, GRANTS, AND ENDOWMENTS.

The office may accept gifts of money, property, or services, may apply for and accept grants from the United States, the state, a subdivision of the state, or a person for any of its purposes; may enter into an agreement required in connection with it; and may hold, use, and dispose of the money, property, or services in accordance with the terms of the gift, grant, or agreement relating to it. The office may also make grants, gifts, and bequests of money, property, or services and enter into contracts to carry out the same. The gift acceptance procedures of sections 16A.013 to 16A.016 do not apply to this section.

Sec. 16. [116U.65] TRANSITION.

(a) Effective July 1, 2004, all Office of Tourism duties of the Department of Employment and Economic Development are transferred to Explore Minnesota Tourism under Minnesota Statutes, section 15.039.

(b) The Department of Employment and Economic Development shall provide research; communications; administration, including fiscal, technology, and human

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resources assistance; and legislative services to Explore Minnesota Tourism through June 30, 2005. Effective July 1, 2005, one full-time equivalent position for communications and one for research is permanently transferred from the Department of Employment and Economic Development to Explore Minnesota Tourism.

(c) Funding for the services in paragraph (b), rent, and salaries shall be added to Explore Minnesota Tourism's base budget for the biennium ending June 30, 2007, and the base budget for the Department of Employment and Economic Development is reduced by that amount.

Sec. 17. Minnesota Statutes 2002, section 160.276, subdivision 5, is amended to read:

Subd. 5. **OFFICE OF EXPLORE MINNESOTA TOURISM.** The commissioner shall provide space free of charge to the Office of Explore Minnesota Tourism for travel information centers. The commissioner shall not charge the Office of Explore Minnesota Tourism for any regular expenses associated with the operation of the travel information centers. The commissioner shall provide highway maps free of charge for use and distribution through the travel information centers.

Sec. 18. Minnesota Statutes 2003 Supplement, section 161.20, subdivision 3, is amended to read:

Subd. 3. **TRUNK HIGHWAY FUND APPROPRIATIONS.** The commissioner may expend trunk highway funds only for trunk highway purposes. Payment of expenses related to Bureau of Criminal Apprehension laboratory, Office of Explore Minnesota Tourism kiosks, Minnesota Safety Council, tort claims, driver education programs, Emergency Medical Services Board, and Mississippi River Parkway Commission do not further a highway purpose and do not aid in the construction, improvement, or maintenance of the highway system.

Sec. 19. Minnesota Statutes 2003 Supplement, section 270B.14, subdivision 13, is amended to read:

Subd. 13. **DISCLOSURE TO OFFICE OF EXPLORE MINNESOTA TOURISM.** The commissioner may disclose to the Office of Explore Minnesota Tourism in the Department of Employment and Economic Development, the name, address, standard industrial North American Industry Classification System (NAICS) code, and telephone number of a travel or tourism related business that is authorized to collect sales and use tax. The data may be used only by the Office of Explore Minnesota Tourism to survey travel or tourism related businesses.

Sec. 20. **REPEALER.**

Minnesota Statutes 2002, sections 116J.01, subdivision 4; 116J.036; 116J.615; 116J.616; and 116J.63, subdivision 4, are repealed.

Sec. 21. **EFFECTIVE DATE.**

Except as specified otherwise, this act is effective July 1, 2004.

Presented to the governor April 28, 2004

Signed by the governor April 30, 2004, 3:05 p.m.

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