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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 2479

03/08/2016 Authored by Anderson, M.; Runbeck; Drazkowski; Dettmer and Pugh

The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance

1.1 A bill for an act
1.2 relating to economic development; regulating business license fees; establishing
1.3 maximum annual fees; requiring conforming action; amending Minnesota
1.4 Statutes 2014, section 116J.69, subdivision 2.

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

1.6 Section 1. Minnesota Statutes 2014, section 116J.69, subdivision 2, is amended to read:

1.7 Subd. 2. **Policy.** It is the policy of the state of Minnesota that to the extent
1.8 practicable, when required, a business license:

1.9 (1) should be necessary to protect the safety, health or welfare of the citizens of the
1.10 state or to ensure fair competition, competency in business, responsible financial practices,
1.11 or other ethical business conduct;

1.12 (2) should not duplicate or significantly overlap any other business license;

1.13 (3) should be issued and renewed for the longest period possible consistent with the
1.14 need to review eligibility and compliance with the terms and conditions of the license;

1.15 (4) should contain a termination or renewal date determined by the agency to be as
1.16 convenient as possible for the license holder consistent with clause (3). When an agency
1.17 issues more than one license to the same business these licenses should have the same
1.18 calendar renewal date; and

1.19 (5) should involve payment of a fee in an amount no greater than specified by
1.20 statute, which in no event may exceed \$100 per year. If a fee is authorized by statute and
1.21 set by rule, the fee shall be no greater than necessary to recover the administrative cost of
1.22 issuing or renewing the license or enforcing its terms and conditions, which in no event
1.23 may exceed \$100 per year. The fees and conditions may be different for different classes
1.24 of businesses and for initial issuance and subsequent renewals.

2.1 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
2.2 final enactment and applies to a business license fee payable on or after that date.

2.3 Sec. 2. **CONFORMING LEGISLATION AND RULEMAKING.**

2.4 (a) Each agency that receives or imposes a business license fee shall draft and
2.5 introduce legislation during the 2017 regular legislative session to correct all statutory
2.6 business license fee amounts, consistent with the policy established in Minnesota Statutes,
2.7 section 116J.69, subdivision 2, clause (5).

2.8 (b) The agency shall also use the procedure in Minnesota Statutes, section 14.388, to
2.9 correct all business license fee amounts in rules administered by the agency, consistent with
2.10 the policy established in Minnesota Statutes, section 116J.69, subdivision 2, clause (5).