

CHAPTER 116J

DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT

116J.01	Department of trade and economic development.	116J.967	Repealed.
116J.615	Office of tourism.	116J.970	Repealed.
116J.661	Workplace safety program.	116J.971	Repealed.
116J.68	Bureau of small business.	116J.974	International partnership program.
116J.693	Advantage Minnesota, Inc.	116J.975	Partnership program project.
116J.873	Economic recovery grants.	116J.980	Community development division.
116J.8766	Claims by lender to reserve fund.	116J.986	Business development and preservation program.

116J.01 DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT.

[For text of subds 1 and 2, see M.S.1990]

Subd. 3. Departmental organization. The commissioner shall organize the department as provided in section 15.06. The department must be organized into the following three divisions: the community development division, the business development and analysis division, and the Minnesota trade division, and the office of tourism. Each division and office shall administer 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 is under the direction of a deputy commissioner in the unclassified service. The deputy commissioner of the Minnesota trade division must be experienced and knowledgeable in matters of international trade.

Each office is under the direction of a director in the unclassified service.

[For text of subd 4, see M.S.1990]

History: 1991 c 261 s 1

116J.615 OFFICE OF TOURISM.

[For text of subds 1 and 2, see M.S.1990]

Subd. 3. [Repealed, 1991 c 238 art 1 s 26]

116J.661 WORKPLACE SAFETY PROGRAM.

The commissioner shall provide through the business assistance center a program that provides assistance to businesses to create a safe workplace and to reduce the number and severity of workplace injuries. The program must include:

- (1) providing information to business through publications, seminars, and other means;
- (2) providing specific advice to individual businesses; and
- (3) conducting research and developing safety programs with emphasis on businesses that have a high rate of workplace injury.

History: 1991 c 261 s 3

116J.68 BUREAU OF SMALL BUSINESS.

[For text of subd 1, see M.S.1990]

Subd. 2. The bureau shall:

- (a) provide information and assistance with respect to all aspects of business planning and business management related to the start-up, operation, or expansion of a small business in Minnesota;

(b) refer persons interested in the start-up, operation, or expansion of a small business in Minnesota to assistance programs sponsored by federal agencies, state agencies, educational institutions, chambers of commerce, civic organizations, community development groups, private industry associations, and other organizations or to the business assistance referral system established by the Minnesota Project Outreach Corporation;

(c) plan, develop, and implement a master file of information on small business assistance programs of federal, state, and local governments, and other public and private organizations so as to provide comprehensive, timely information to the bureau's clients;

(d) employ staff with adequate and appropriate skills and education and training for the delivery of information and assistance;

(e) seek out and utilize, to the extent practicable, contributed expertise and services of federal, state, and local governments, educational institutions, and other public and private organizations;

(f) maintain a close and continued relationship with the director of the procurement program within the department of administration so as to facilitate the department's duties and responsibilities under sections 16B.19 to 16B.22 relating to the small targeted group business and economically disadvantaged business program of the state;

(g) develop an information system which will enable the commissioner and other state agencies to efficiently store, retrieve, analyze, and exchange data regarding small business development and growth in the state. All executive branch agencies of state government and the secretary of state shall to the extent practicable, assist the bureau in the development and implementation of the information system;

(h) establish and maintain a toll free telephone number so that all small business persons anywhere in the state can call the bureau office for assistance. An outreach program shall be established to make the existence of the bureau well known to its potential clientele throughout the state. If the small business person requires a referral to another provider the bureau may use the business assistance referral system established by the Minnesota Project Outreach Corporation;

(i) conduct research and provide data as required by the state legislature;

(j) develop and publish material on all aspects of the start-up, operation, or expansion of a small business in Minnesota;

(k) collect and disseminate information on state procurement opportunities, including information on the procurement process;

(l) develop a public awareness program through the use of newsletters, personal contacts, and electronic and print news media advertising about state assistance programs for small businesses, including those programs specifically for socially disadvantaged small business persons;

(m) publicize to small businesses section 14.115 which requires consideration of small business issues in state agency rulemaking;

(n) enter into agreements with the federal government and other public and private entities to serve as the statewide coordinator or host agency for the federal small business development center program under United States Code, title 15, section 648;

(o) establish an evaluation mechanism to determine if assistance providers have adequate expertise and resources to deliver quality services. Evaluation of assistance providers may be based on the ability of the provider to offer the advertised service, the training and experience of the provider, and the formal evaluation process used by the provider. The evaluation mechanism must be designed so that the business assistance referral system established by the Minnesota Project Outreach Corporation may use the results of the evaluation in providing clients with referrals to providers; and

(p) assist providers in the evaluation of their programs and the assessment of their service area needs. The bureau may establish model evaluation techniques and performance standards for providers to use.

History: 1991 c 199 art 1 s 31

116J.693 ADVANTAGE MINNESOTA, INC.

Subdivision 1. Establishment; purpose. Advantage Minnesota, Inc. is established as a nonprofit public corporation under chapter 317A and is subject to the provisions of that chapter. The corporation is not a state agency. The purpose of the corporation is to market the economic development potential of the state in order to enhance the state's economic growth. Advantage Minnesota, Inc. objectives are to encourage businesses to remain in the state and promote in-state expansion of current and new Minnesota employers and businesses.

Subd. 2. Board of directors. Advantage Minnesota, Inc. shall be governed by a board of directors consisting of members of organizations that have been certified by the commissioner under section 2, clause 1, including Minnesota business and industry and labor organizations; the governor or a designee; the commissioner; and serving as nonvoting members representing the legislature the majority and minority leaders of the senate and the speaker of the house of representatives and the minority leader or their designees. Meetings of the board are subject to section 471.705.

Subd. 3. Executive committee; employees. (a) The board of directors, by resolution adopted by the affirmative vote of a majority of the directors, shall create an executive committee of ten members of the board including the commissioner, the vice-chair of the board of directors, and two members of the legislature. The executive director of the corporation shall be appointed by the board. The executive committee shall oversee the daily operations of the corporation.

(b) The executive committee is subject to section 471.705 except when security, trade secret, potential client lists, pending proposals, negotiations, employee matters, or labor relations information are discussed.

(c) The employees of the corporation are not state employees.

Subd. 4. Bylaws. Bylaws of Advantage Minnesota, Inc. shall provide, at a minimum, for staggered terms of not less than four years for directors, for the removal of directors, and for vacancies on the board.

Subd. 5. Other committees. The board of directors may, by resolution, create one or more committees, each consisting of five directors designated by the board of directors. The duties, responsibilities, and limitations of each committee shall be outlined in the resolution creating such committees.

Subd. 6. Articles of incorporation. The articles of incorporation of Advantage Minnesota, Inc. must be filed with the secretary of state under chapter 317A and must be consistent with this section.

Subd. 7. Audit. Advantage Minnesota, Inc. shall contract with a certified public accounting firm to perform a financial and compliance audit of the corporation in accordance with generally accepted accounting standards.

Subd. 8. Report. The commissioner shall submit an annual report on the activities of Advantage Minnesota, Inc. by January 15 of each year to the appropriations, finance, and economic development committees of the legislature and to the governor. The report must include a description of the corporation's activities for the past year, a list of all contracts entered into by the corporation, and a financial report of revenues and expenditures of the corporation.

History: 1991 c 252 s 1

116J.873 ECONOMIC RECOVERY GRANTS.

Subdivision 1. Administration. Economic recovery grants shall be made available to local communities and recognized Indian tribal governments in accordance with the rules adopted for economic development grants in the small cities community development block grant programs, except that all units of general purpose local government are eligible applicants for economic recovery grants. The commissioner of trade and economic development shall administer the economic recovery grant program as a part of the small cities development program. A city, county, or town may grant money received under this section to a regional development commission to provide the local match required for capitalization of a regional revolving loan fund.

[For text of subds 2 to 4, see M.S.1990]

History: 1991 c 345 art 1 s 71

116J.8766 CLAIMS BY LENDER TO RESERVE FUND.

[For text of subd 1, see M.S.1990]

Subd. 2. Disbursement of reserve fund. (a) Upon receipt by the commissioner of a claim filed by the lender, the commissioner shall, within ten business days, pay or authorize the lender to withdraw from the reserve fund the amount of the claim as submitted, unless the information provided by the lender was known by the lender to be false at the time the loan was filed for enrollment. No other violation of sections 116J.876 to 116J.8769 or the agreement is grounds for denial of a claim. All money transferred or credited to the reserve fund from any source is appropriated to the commissioner to pay claims under this section.

(b) If there is insufficient money in the reserve fund to cover the entire amount of the lender's claim, the commissioner shall pay to the lender or authorize the lender to withdraw an amount equal to the current balance in the reserve fund and the following shall apply:

(1) If the enrolled loan for which the claim has been filed is not an early loan, the payment fully satisfies the claim, and the lender has no right to receive any further amount from the reserve fund with respect to that claim.

(2) If the loan is an early loan, the partial payment does not satisfy the lender's claim, and at any time that the remaining balance of the claim is not greater than 75 percent of the balance in the reserve fund at the time of the loss, the commissioner, upon request of the lender, shall pay the remaining balance of the claim.

[For text of subds 3 and 4, see M.S.1990]

History: 1991 c 345 art 1 s 72

116J.967 [Repealed, 1991 c 345 art 1 s 117]

116J.970 [Repealed, 1991 c 322 s 20]

116J.971 [Repealed, 1991 c 322 s 20]

INTERNATIONAL PARTNERSHIP PROGRAM

116J.974 INTERNATIONAL PARTNERSHIP PROGRAM.

The commissioner shall establish an international partnership program to promote joint ventures in research and development, commercialization, and export opportunities between Minnesota companies, foreign companies, and foreign governments. The purpose of the partnership program is to encourage Minnesota business development, joint venture access to foreign markets, and the export of state products, and to create employment opportunities in Minnesota. Activities of the partnership program may include the following:

(1) develop and maintain a data base of international partnership programs that finance, assist, or otherwise promote joint projects or ventures with companies in the United States;

(2) collect and disseminate information on international joint venture programs to Minnesota companies and entrepreneurs;

(3) provide technical assistance to Minnesota companies in preparing proposals or other applications for international programs that support joint projects or ventures;

(4) explore methods of improved access to new and expanding international markets in the European Economic Community 1992 and the newly democratized countries;

(5) encourage public-private business and leadership exchanges between Minnesota and foreign countries;

(6) identify potential sources of domestic financing for international partnership programs; and

(7) review and evaluate the need for a state grant or loan program to assist Minnesota companies by providing matching funds through the international partnership program.

State money in an international partnership fund must be matched on a dollar for dollar basis with money from participating foreign governments. An international partnership fund must contribute no more than 50 percent of total costs for each project. Applicants to an international partnership fund must demonstrate a nonpublic commitment of no less than 50 percent of eligible project costs.

History: 1991 c 220 s 1

116J.975 PARTNERSHIP PROGRAM PROJECT.

The commissioner may establish an international partnership project as part of the review procedure under section 116J.974, clause (7). The commissioner may solicit applications and proposals from Minnesota companies and nonprofit organizations for projects that will achieve the goals of the international partnership program. The grants may be used for planning or for participation in joint venture programs. Applications or proposals must:

- (1) contain a detailed description of the project or activities that will be used to achieve the goals of the partnership program;
- (2) identify the source of the matching funds as required by section 116J.974;
- (3) identify the participating country or countries and their financial or other contributions to the project;
- (4) identify the expected outcomes from the project; and
- (5) contain any other information the commissioner determines necessary to award grants.

The commissioner may establish priorities for applications. The commissioner may adopt rules as necessary for the administration of the grants under this section. The commissioner may establish an advisory committee to assist in carrying out the purposes of this section.

History: 1991 c 220 s 2

116J.980 COMMUNITY DEVELOPMENT DIVISION.

[For text of subds 1 to 3, see M.S.1990]

Subd. 4. Preference for outdoor recreation grants. In awarding grants under the outdoor recreation grant program, the commissioner shall give special consideration to proposed outdoor recreation projects for which particular need has been demonstrated by the applicant based on, but not limited to, the following factors:

- (1) low to moderate income status of persons living adjacent to or most likely to make use of the proposed facility;
- (2) lack of adequate transportation or access to existing outdoor recreation facilities by those most likely to use the proposed facility;
- (3) the need for outdoor recreation facilities designed to accommodate handicapped persons and other special populations that would be met by the proposed facility;
- (4) the overall inadequacy or lack of outdoor recreation facilities within the area to be served by the proposed project;
- (5) the need for acquisition of land in fully developed areas with limited opportunities for recreation facility development; and
- (6) a high population of school-aged children in the area to be served by the proposed outdoor recreation facility and a lack of appropriate recreation facilities for children.

The commissioner shall incorporate into the annual project ranking process a procedure for awarding additional ranking points to those project applications which demonstrate a special need based on the above or similar factors.

History: 1991 c 157 s 1

116J.986 BUSINESS DEVELOPMENT AND PRESERVATION PROGRAM.

Subdivision 1. Establishment. The commissioner shall establish a business development and preservation program. The program shall have a goal of creating new businesses and preserving existing businesses. The program is to be delivered by nonprofit organizations with experience in providing intensive technical assistance to individuals or small groups for the purpose of establishing a small business or preserving a business.

Subd. 2. Program criteria. The commissioner shall develop expected program outcome criteria. The program criteria must include the number of businesses started, the number of new jobs developed, and the number of businesses improved through consultation and technical assistance. The program criteria must be incorporated into the contracts entered between the department and each nonprofit organization. At least annually, the commissioner shall report on criteria established and results achieved to the senate committee on economic development and housing and the house committee on economic development.

Subd. 3. Eligible organizations. Four nonprofit organizations may receive funds under this program: Metropolitan Economic Development Association, Inc.; Minnesota Cooperation Office for Small Business and Job Creation; Northeast Entrepreneur Fund, Inc.; and WomenVenture, Inc.

History: 1991 c 345 art 1 s 73