

CHAPTER 116O

MINNESOTA TECHNOLOGY, INC.

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116O.011 NAME CHANGE.

The Greater Minnesota Corporation is renamed Minnesota Technology, Inc.

History: 1991 c 322 s 1

116O.03 CORPORATION; BOARD OF DIRECTORS; POWERS.

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

Subd. 2. Board of directors. The corporation is governed by a board of 14 directors. The membership terms, compensation, removal, and filling of vacancies of public members of the board are as provided in section 15.0575. Membership of the board consists of the following:

- (1) a person from the private sector, appointed by the governor, who shall act as chair and serve as chief science advisor to the governor and the legislature;
- (2) the dean of the institute of technology of the University of Minnesota;
- (3) the dean of the graduate school of the University of Minnesota;
- (4) the commissioner of the department of trade and economic development;
- (5) six members appointed by the governor, at least one of whom must be a person from a public post-secondary system other than the University of Minnesota; and
- (6) one member who is not a member of the legislature appointed by each of the following: the speaker of the house of representatives, the house of representatives minority leader, the senate majority leader, and the senate minority leader.

At least 50 percent of the members described in clauses (5) and (6) must live outside the metropolitan area as defined in section 473.121, subdivision 2, and must have experience in manufacturing, the technology industry, or research and development.

Subd. 2a. [Repealed, 1991 c 322 s 20]

[For text of subds 3 to 11, see M.S.1990]

History: 1991 c 322 s 2

116O.04 CORPORATE PERSONNEL.

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

Subd. 2. Status of employees. Employees, officers, and directors of the corporation and programs governed by this chapter are not state employees, but are covered by section 3.736 and, at the option of the board, may participate in the state retirement plan and the state deferred compensation plan for employees in the unclassified service and an insurance plan administered by the commissioner of employee relations.

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

History: 1991 c 322 s 3

116O.05 POWERS OF THE CORPORATION.

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

Subd. 2. Duties. (a) The primary duties of the corporation shall include:

(1) applied research; and

(2) technology transfer and early stage funding to small manufacturers.

(b) The corporation shall also:

(1) establish programs, activities, and policies that provide technology transfer and applied research and development assistance to individuals, sole proprietorships, partnerships, corporations, other business entities, and nonprofit organizations in the state that are primarily new and existing small and medium-sized businesses in greater Minnesota;

(2) provide or provide for technology-related assistance to individuals, sole proprietorships, partnerships, corporations, other business entities, and nonprofit organizations;

(3) provide financial assistance under section 116O.06 to assist the development of new products, services, or production processes or to assist in bringing new products or services to the marketplace;

(4) provide or provide for research services including on-site research and testing of production techniques and product quality;

(5) establish and operate regional research institutes as provided for in section 116O.08;

(6) make matching research grants for applied research and development to public and private post-secondary education institutes as provided for in section 116O.11;

(7) enter into contracts for establishing formal relationships with public or private research institutes or facilities;

(8) establish the agricultural utilization research institute under section 116O.09; and

(9) not duplicate existing services or activities provided by other public and private organizations but shall build on the existing educational, business, and economic development infrastructure.

[For text of subd 3, see M.S.1990]

History: 1991 c 322 s 4

116O.071 SCIENCE AND TECHNOLOGY.

Subdivision 1. Duties. The corporation shall:

(1) prepare and deliver to the legislature every January 15 a science and technology annual report that must contain:

(i) a list of the scientifically and technologically related research and development projects and development activities funded by a grant or loan of state money that provides significant promise for the development of job-creating businesses; and

(ii) an analysis of the efficacy and completeness of a decentralized research peer review process, with special emphasis on whether or not scientifically and technologically related research and development projects in Minnesota have resulted or will result in creating scientifically and technologically related jobs;

(2) keep a current roster of technology intensive businesses in the state;

(3) collect and disseminate information on financial, technical, marketing, management, and other services available to technology intensive small and emerging businesses, including potential sources of debt and equity capital;

(4) review the technological development potential of various regions of the state and cooperate with and make recommendations to the legislature, state agencies, local governments, local technology development agencies, the federal government, private businesses, and individuals for the realization of the development potential; and

(5) sponsor and conduct conferences and studies, collect and disseminate information, and issue periodic reports relating to scientifically and technologically related

research and development and education in the state, and represent the state at appropriate interstate and national conferences.

Subd. 2. Peer review plans. A state agency, board, commission, authority, institution, or other entity that allocates state money by a grant, loan, or contract for scientifically and technologically related research shall establish a peer review system to evaluate the research. The corporation shall recommend guidelines for establishing effective peer review. An agency, board, commission, authority, or institution that funds scientifically and technologically related research shall, at least biennially, present to the corporation or to ad hoc committees a review and evaluation of the peer review process used in that organization.

Subd. 3. Authority to perform requested evaluations. The governor, speaker of the house of representatives, house of representatives minority leader, senate majority leader, senate minority leader, chair of the house of representatives appropriations committee, chair of the senate finance committee, director, or a member of the legislature considering the introduction or approval of legislation containing funding for scientifically and technologically related research and development may request the corporation to evaluate a loan or grant made or to be made or the proposed legislation for funding scientifically and technologically related research and development to determine (1) whether it complies with the guidelines required by subdivision 1, clause (1), item (ii); (2) whether it is technically feasible; and (3) for development proposals, whether the proposal appears to have the potential for economic development. Ad hoc committees may be appointed by the corporation.

History: 1991 c 322 s 5

116O.072 TECHNOLOGY RESOURCE CENTERS.

The corporation must provide funding for technology resource centers so as to maintain a geographic balance of services throughout Minnesota.

History: 1991 c 322 s 17

116O.09 AGRICULTURAL UTILIZATION RESEARCH INSTITUTE.

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

Subd. 3. Staff. The board of directors shall hire staff for the agricultural utilization research institute. Persons employed by the agricultural utilization research institute are not state employees and may participate in state retirement, deferred compensation, insurance, or other plans that apply to state employees generally and are subject to regulation by the state ethical practices board.

[For text of subds 4 and 5, see M.S.1990]

Subd. 6. Bylaws. The board of directors shall adopt bylaws necessary for the conduct of the business of the institute consistent with this section. The corporation must publish bylaws and amendments to the bylaws in the State Register.

Subd. 7. Place of business. The board of directors shall locate and maintain the institute's place of business within the state.

Subd. 8. Chair. The board of directors shall annually elect from among its members a chair and other officers necessary for the performance of its duties.

Subd. 9. Meetings. The board of directors shall meet at least twice each year and may hold additional meetings upon giving notice in accordance with the bylaws of the institute. Board meetings are subject to section 471.705.

Subd. 10. Conflict of interest. A director, employee, or officer of the institute may not participate in or vote on a decision of the board relating to an organization in which the director has either a direct or indirect financial interest.

Subd. 11. No benefit to private individuals or corporations. This institute shall not afford pecuniary gain, incidental or otherwise, to any private individual, firm, or corpo-

ration, except the payment of reasonable fees for goods and services provided and approved in accordance with the bylaws of the corporation. No part of the net income or net earnings of the institute shall, directly or indirectly, be distributable to or otherwise inure to the benefit of any individual.

Subd. 12. Funds. The institute may accept and use gifts, grants, or contributions from any source. Unless otherwise restricted by the terms of a gift or bequest, the board may sell, exchange, or otherwise dispose of and invest or reinvest the money, securities, or other property given or bequested to it. The principal of these funds, the income from them, and all other revenues received by it from any nonstate source must be placed in the depositories the board determines and is subject to expenditure for the board's purposes. Expenditures of more than \$25,000 must be approved by the full board.

Subd. 13. Accounts; audits. The institute may establish funds and accounts that it finds convenient. The board shall provide for and pay the cost of an independent annual audit of its official books and records by the legislative auditor subject to sections 3.971 and 3.972. A copy of this audit shall be filed with the secretary of state.

For purposes of this section, "institute" means the agricultural utilization research institute established under this section and "board of directors" means the board of directors of the agricultural utilization research institute.

History: 1991 c 322 s 614

116O.122 SEED CAPITAL FUND.

Subdivision 1. Establishment. The corporation shall, in consultation with private venture and seed capital companies and other public and private organizations as appropriate, implement a centrally managed seed capital fund to invest in early stage companies and small companies in Minnesota through equity or equity-type investments. The seed capital fund may receive contributions from the corporation, as well as from local, state, or federal government, private foundations, or other sources. Total investments by the seed capital fund in seven-county metropolitan area based companies must not exceed 20 percent of the total amount invested. Investments which contribute to the 20 percent metropolitan area limitation are those which will primarily enhance the operations of a metropolitan based facility. Investments that benefit a Greater Minnesota facility of a metropolitan based company are not subject to the limitation. Investments by the seed capital fund must be matched by other sources of capital at a ratio to be determined by the corporation. The seed capital fund shall identify sources of technical, management, and marketing assistance for companies funded by the seed capital program and make appropriate referrals. The seed capital fund shall establish a procedure for liquidating private investments.

Subd. 2. Regional seed capital report. By February 15, the board shall submit to the legislature and governor an annual report on the activities of the seed capital program.

History: 1991 c 295 s 1