

CHAPTER 116J

DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT

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116J.01 DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT.

[For text of subs 1 to 4, see M.S.1996]

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 three 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.

(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 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 and economic development.

History: 1997 c 200 art 1 s 50

116J.421 RURAL POLICY AND DEVELOPMENT CENTER.

Subdivision 1. Established. The rural policy and development center is established at Mankato State University.

Subd. 2. Governance. The center is governed by a board of directors appointed to six-year terms by the governor comprised of:

(1) a representative from each of the two largest statewide general farm organizations;

(2) a representative from a regional initiative organization selected under section 116J.415, subdivision 3;

(3) the president of Mankato State University;

(4) a representative from the general public residing in a town of less than 5,000 located outside of the metropolitan area;

(5) a member of the house of representatives appointed by the speaker of the house and a member of the senate appointed by the subcommittee on committees of the senate committee on rules and administration appointed for two-year terms;

(6) three representatives from business, including one representing rural manufacturing and one rural retail and service business;

(7) three representatives from private foundations with a demonstrated commitment to rural issues;

(8) one representative from a rural county government; and

(9) one representative from a rural regional government.

Subd. 3. **Duties.** The center shall:

(1) identify present and emerging social and economic issues for rural Minnesota, including health care, transportation, crime, housing, and job training;

(2) forge alliances and partnerships with rural communities to find practical solutions to economic and social problems;

(3) provide a resource center for rural communities on issues of importance to them;

(4) encourage collaboration across higher education institutions to provide interdisciplinary team approaches to problem solving with rural communities; and

(5) involve students in center projects.

Subd. 4. **Statewide focus.** The center has a statewide mission. It may contract and collaborate with higher education and other institutions located throughout the state.

History: 1997 c 200 art 1 s 51

116J.422 RURAL POLICY AND DEVELOPMENT CENTER FUND.

A rural policy and development center fund is established as an account in the state treasury. The commissioner of finance shall credit to the account the amounts authorized under this section and appropriations and transfers to the account. The state board of investment shall ensure that account money is invested under section 11A.24. All money earned by the account must be credited to the account. The principal of the account and any unexpended earnings must be invested and reinvested by the state board of investment.

Gifts and donations, including land or interests in land, may be made to the account. Noncash gifts and donations must be disposed of for cash as soon as the board prudently can maximize the value of the gift or donation. Gifts and donations of marketable securities may be held or be disposed of for cash at the option of the board. The cash receipts of gifts and donations of cash or capital assets and marketable securities disposed of for cash must be credited immediately to the principal of the account. The value of marketable securities at the time the gift or donation is made must be credited to the principal of the account and any earnings from the marketable securities are earnings of the account. The earnings in the account are annually appropriated to the board of the center for rural policy and development to carry out the duties of the center.

History: 1997 c 200 art 1 s 52

116J.543 FILM PRODUCTION JOBS PROGRAM.

The film production jobs program is created. The program shall be operated by the Minnesota film board with administrative oversight and control by the commissioner of trade and economic development. The program shall make payment to producers of long-form and narrative film productions that directly create new film jobs in Minnesota. To be eligible for a payment, a producer must submit documentation to the Minnesota film board of expenditures for wages for work on new film production jobs in Minnesota by resident Minnesotans. The film jobs include work such as technical crews, acting talent, set construction, sound-stage or equipment rental, local postproduction film processing, and other film production jobs.

The film board must make recommendations to the commissioner about program payment, but the recommendations are not binding and the commissioner has the authority to make the final determination on payments. The commissioner's determination must be based on the amount of wages documented to the film board and the likelihood that the payment will lead to further documentable wage payments. Payment may not exceed \$100,000 for a single long-form and narrative film. No more than five percent of the funds appropriated for the program in any year may be expended for administration. Individual feature film projects shooting on or after January 1, 1997, will be eligible for fund allocations.

History: 1997 c 200 art 1 s 53

116J.552 DEFINITIONS.

[For text of subds 1 to 3, see M.S.1996]

Subd. 4. **Development authority.** "Development authority" includes a statutory or home rule charter city, county, housing and redevelopment authority, economic development authority, and a port authority.

[For text of subds 5 to 8, see M.S.1996]

History: 1997 c 200 art 2 s 8

116J.554 GRANTS.

Subdivision 1. **Authority.** (a) The commissioner may make a grant to an applicant development authority to pay for up to 75 percent of the project costs for a qualifying site.

(b) The commissioner may also make a grant to an applicant development authority to pay up to 75 percent or \$50,000, whichever is less, toward the cost of performing contaminant investigations and the development of a response action plan for a qualifying site.

(c) The commissioner may also make a grant to an applicant to fill a site that would represent more than 50 percent of the remaining land in a city suitable for industrial development if it were properly filled.

(d) The determination of whether to make a grant for a qualifying site is within the sole discretion of the commissioner, subject to the process provided by this section, and available unencumbered money in the appropriation. The commissioner's decisions and application of the priorities under section 116J.555 are not subject to judicial review, except for abuse of discretion.

(e) The total amount of money provided in grants under paragraph (b) may not exceed \$250,000 per fiscal year.

(f) In making grants under paragraph (b), the commissioner shall give priority to applicants that have not received a grant under paragraph (a) or section 473.252 during the year ending on the date of application.

[For text of subd 1a, see M.S.1996]

Subd. 2. **Qualifying sites.** A site qualifies for a grant under this section, if the following criteria are met:

(1) the site is not scheduled for funding during the current or next fiscal year under the Comprehensive Environmental Response, Compensation, and Liability Act, United States Code, title 42, section 9601, et seq. or under the environmental response, and liability act under sections 115B.01 to 115B.24;

(2) the appraised value of the site after adjusting for the effect on the value of the presence or possible presence of contaminants using accepted appraisal methodology (i) is less than 75 percent of the estimated project costs for the site or (ii) is less than or equal to the estimated cleanup costs for the site and the cleanup costs equal or exceed \$3 per square foot for the site; and

(3) if the proposed cleanup is completed, it is expected that the site will be improved with buildings or other improvements and these improvements will provide a substantial increase in the property tax base within a reasonable period of time or the site will be used for an important publicly owned or tax-exempt facility.

History: 1997 c 246 s 14,15

116J.556 LOCAL MATCH REQUIREMENT.

(a) In order to qualify for a grant under sections 116J.551 to 116J.557, the municipality must pay for at least one-quarter of the project costs as a local match. The municipality shall pay an amount of the project costs equal to at least 12 percent of the cleanup costs from the municipality's general fund, a property tax levy for that purpose, or other unrestricted money available to the municipality (excluding tax increments). These unrestricted moneys may be

spent for project costs, other than cleanup costs, and qualify for the local match payment equal to 12 percent of cleanup costs. The rest of the local match may be paid with tax increments, regional, state, or federal money available for the redevelopment of brownfields or any other money available to the municipality.

(b) If the development authority establishes a tax increment financing district or hazardous substance subdistrict on the site to pay for part of the local match requirement, the district or subdistrict is not subject to the state aid reductions under section 273.1399. In order to qualify for the exemption from the state aid reductions, the municipality must elect, by resolution, on or before the request for certification is filed that all tax increments from the district or subdistrict will be used exclusively to pay (1) for project costs for the site and (2) administrative costs for the district or subdistrict. The district or subdistrict must be decertified when an amount of tax increments equal to no more than three times the costs of implementing the response action plan for the site and the administrative costs for the district or subdistrict have been received, after deducting the amount of the state grant.

History: 1997 c 246 s 16

116J.57 UNDERGROUND PETROLEUM TANK REPLACEMENT LOAN PROGRAM.

Subdivision 1. Loan program. (a) The commissioner shall establish and implement an underground petroleum tank replacement loan program to facilitate the continued operation of small gasoline retailers, as defined in section 115C.09, subdivision 3f, paragraph (a), in this state.

(b) The commissioner may make a direct loan for the cost of a replacement tank to a small gasoline retailer who has dispensed less than 500,000 gallons of motor fuel during the previous year who demonstrates an ability to repay the loan. The interest rate on the loan shall not exceed three percent per year, and the term of the loan may not exceed seven years. Loans made under this subdivision may not exceed \$10,000 or the total out-of-pocket expenses of the small gasoline retailer for tank replacement, whichever is less. Payments on the principal shall be credited to the petroleum tank fund under section 115C.08. The interest payments must be deposited in the state treasury and credited to an account in the special revenue fund. Money in this account is appropriated to the commissioner for administrative expenses of the underground petroleum tank replacement loan program.

Subd. 2. Appropriation. An amount necessary is appropriated from the petroleum tank release cleanup fund to the commissioner of trade and economic development for the underground petroleum tank replacement loan program established under this section.

Subd. 3. Expiration. This section expires January 1, 2000.

History: 1997 c 246 s 17

116J.581 [Repealed, 1997 c 200 art 1 s 74]

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 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 director may enter into interagency agreements and may agree to share net revenues with the contributing agencies. 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.

History: 1997 c 200 art 1 s 54

116J.70 DEFINITIONS.

[For text of subds 1 and 2, see M.S.1996]

Subd. 2a. License; exceptions. "Business license" or "license" does not include the following:

(1) any occupational license or registration issued by a licensing board listed in section 214.01 or any occupational registration issued by the commissioner of health pursuant to section 214.13;

(2) any license issued by a county, home rule charter city, statutory city, township, or other political subdivision;

(3) any license required to practice the following occupation regulated by the following sections:

- (a) abstracters regulated pursuant to chapter 386;
- (b) accountants regulated pursuant to chapter 326;
- (c) adjusters regulated pursuant to chapter 72B;
- (d) architects regulated pursuant to chapter 326;
- (e) assessors regulated pursuant to chapter 270;
- (f) athletic trainers regulated pursuant to chapter 148;
- (g) attorneys regulated pursuant to chapter 481;
- (h) auctioneers regulated pursuant to chapter 330;
- (i) barbers regulated pursuant to chapter 154;
- (j) beauticians regulated pursuant to chapter 155A;
- (k) boiler operators regulated pursuant to chapter 183;
- (l) chiropractors regulated pursuant to chapter 148;
- (m) collection agencies regulated pursuant to chapter 332;
- (n) cosmetologists regulated pursuant to chapter 155A;
- (o) dentists, registered dental assistants, and dental hygienists regulated pursuant to chapter 150A;
- (p) detectives regulated pursuant to chapter 326;
- (q) electricians regulated pursuant to chapter 326;
- (r) mortuary science practitioners regulated pursuant to chapter 149A;
- (s) engineers regulated pursuant to chapter 326;
- (t) insurance brokers and salespersons regulated pursuant to chapter 60A;
- (u) certified interior designers regulated pursuant to chapter 326;
- (v) midwives regulated pursuant to chapter 148;
- (w) nursing home administrators regulated pursuant to chapter 144A;

- (x) optometrists regulated pursuant to chapter 148;
- (y) osteopathic physicians regulated pursuant to chapter 147;
- (z) pharmacists regulated pursuant to chapter 151;
- (aa) physical therapists regulated pursuant to chapter 148;
- (bb) physician assistants regulated pursuant to chapter 147A;
- (cc) physicians and surgeons regulated pursuant to chapter 147;
- (dd) plumbers regulated pursuant to chapter 326;
- (ee) podiatrists regulated pursuant to chapter 153;
- (ff) practical nurses regulated pursuant to chapter 148;
- (gg) professional fund raisers regulated pursuant to chapter 309;
- (hh) psychologists regulated pursuant to chapter 148;
- (ii) real estate brokers, salespersons, and others regulated pursuant to chapters 82 and 83;
- (jj) registered nurses regulated pursuant to chapter 148;
- (kk) securities brokers, dealers, agents, and investment advisers regulated pursuant to chapter 80A;
- (ll) steamfitters regulated pursuant to chapter 326;
- (mm) teachers and supervisory and support personnel regulated pursuant to chapter 125;
- (nn) veterinarians regulated pursuant to chapter 156;
- (oo) water conditioning contractors and installers regulated pursuant to chapter 326;
- (pp) water well contractors regulated pursuant to chapter 103I;
- (qq) water and waste treatment operators regulated pursuant to chapter 115;
- (rr) motor carriers regulated pursuant to chapter 221;
- (ss) professional corporations regulated pursuant to chapter 319A or professional firms regulated under chapter 319B;
- (tt) real estate appraisers regulated pursuant to chapter 82B;
- (uu) residential building contractors, residential remodelers, residential roofers, manufactured home installers, and specialty contractors regulated pursuant to chapter 326;
- (4) any driver's license required pursuant to chapter 171;
- (5) any aircraft license required pursuant to chapter 360;
- (6) any watercraft license required pursuant to chapter 86B;
- (7) any license, permit, registration, certification, or other approval pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the resources of land, air, or water, which is required to be obtained from a state agency or instrumentality; and
- (8) any pollution control rule or standard established by the pollution control agency or any health rule or standard established by the commissioner of health or any licensing rule or standard established by the commissioner of human services.

History: 1997 c 174 art 12 s 70; 1997 c 215 s 3

116J.75 BUREAU OF BUSINESS LICENSES.

Subdivision 1. **Appointment of director.** The head of the bureau shall be the director of business licenses. The director shall be appointed by the commissioner in accordance with section 116J.01, and shall be in the classified service.

[For text of subs 2 to 4, see M.S.1996]

History: 1997 c 7 art 1 s 39

116J.8745 MICROENTERPRISE ENTREPRENEURIAL ASSISTANCE.

Subdivision 1. **Technical assistance; loan administration.** The commissioner of trade and economic development shall make grants to nonprofit organizations to provide technical

assistance to individuals with entrepreneurial plans that require microenterprise loans in an amount ranging from approximately \$1,000 to \$25,000, and for loan administration costs related to those microenterprise loans. Microenterprise is a small business which employs under five employees plus the owner and requires under \$25,000 to start.

Subd. 2. Grant eligibility and allocation. Nonprofit organizations must apply for grants under this section following procedures established by the commissioner. To be eligible for a grant, an organization must demonstrate to the commissioner that it has the appropriate expertise. The commissioner shall give preference for grants to organizations that target nontraditional entrepreneurs such as women, members of a minority, low-income individuals, or persons seeking work who are currently on or recently removed from welfare assistance.

An application must include:

- (1) the local need for microenterprise support;
- (2) proposed criteria for business eligibility;
- (3) proposals for identifying and serving eligible businesses;
- (4) a description of technical assistance to be provided to eligible businesses;
- (5) proposals to coordinate technical assistance with financial assistance; and
- (6) a demonstration of ability to collaborate with other agencies including educational and financial institutions.

Subd. 3. Grant evaluations. Grant recipients must report to the commissioner by February 1 in each of the two years succeeding the year of receipt of the grant. The report must detail the number of customers served, the number of businesses started, stabilized, or expanded, the number of jobs created and retained, and business success rates. The commissioner shall report to the legislature on the microenterprise entrepreneurial assistance. The report shall contain an evaluation of the results, recommendations to continue or change the program, and a suggested level of funding.

History: 1997 c 200 art 1 s 55

116J.8755 SMALL BUSINESS; ELECTRONIC ACCESS TO INTERNATIONAL MARKETS.

The commissioner shall develop a plan for enabling small businesses to gain electronic access to international markets through mechanisms that may include electronic trade points.

History: 1997 c 200 art 1 s 56

116J.975 [Repealed, 1997 c 7 art 1 s 40]

116J.990 DUTIES.

[For text of subs 1 to 6, see M.S.1996]

Subd. 7. [Repealed, 1997 c 200 art 1 s 74]

116J.992 TACONITE MINING GRANTS.

(a) The commissioner shall establish a program to make grants to taconite mining companies to enable them to research technologies that:

- (1) reduce energy consumption;
- (2) reduce environmental emissions;
- (3) improve productivity; or
- (4) improve pellet quality.

(b) To receive a grant a recipient must convey to the state permanent ownership of both mineral reserves and corresponding surface lands that:

- (1) contain unmined taconite with a 23 percent minimum magnetic iron content;
- (2) have an open pit stripping ratio of less than 1.5 to 1;
- (3) are unencumbered by current or planned surface development;

- (4) are substantially unencumbered by past mining activity;
- (5) have marketable title for both surface and mineral interests; and
- (6) are in an area that could reasonably be expected to be mined within 50 years.

(c) A grant may not exceed the value of the mineral reserves and surface land as assessed by the commissioner of natural resources. When assessing value, the commissioner must, at a minimum, take into account the future value of any royalty stream, the state's cost of capital, the costs of removing any encumbrances, and the probability that the reserves will be mined in the future. Any revenue generated by ownership or sale of the property must be deposited in the general fund.

History: 1997 c 200 art 1 s 57