

**16E.22 STATEWIDE ELECTRONIC LICENSING SYSTEM.**

Subdivision 1. **Account established; appropriation.** The statewide electronic licensing account is created in the special revenue fund. Receipts and transfers credited to the account are appropriated to the state chief information officer for completion of the Minnesota electronic licensing system, for transferring licensing agencies to the system, and for operation and maintenance of the system during the completion and transfer period.

Subd. 2. **Requirements.** The transfer of an existing electronic licensing system to the Minnesota electronic licensing system may not reduce the critical functionality provided by the existing system.

Subd. 3. **Temporary licensing surcharge.** (a) Except as provided in this subdivision, executive branch state agencies shall collect a temporary surcharge of ten percent of the licensing fee, but no less than \$5 and no more than \$150 on each business, commercial, professional, or occupational license that:

(1) requires a fee; and

(2) will be transferred to the Minnesota electronic licensing system, as determined by the state chief information officer.

The surcharge applies to initial license applications and license renewals. Each agency that issues a license subject to this subdivision shall collect the surcharge for the license for up to six years between July 1, 2009, and June 30, 2015, as directed by the state chief information officer. Receipts from the surcharge shall be deposited in the statewide licensing account established in subdivision 1.

(b) An agency may transfer an amount equivalent to the surcharge imposed under this section from existing license accounts to the statewide electronic licensing system account in lieu of collecting the surcharge required under this section. If a transfer is made under this subdivision or under section 45.24, the temporary surcharge required under paragraph (a) does not apply to the relevant license. Transfers received under this paragraph shall be deposited in the statewide licensing account established in subdivision 1.

(c) In lieu of collecting the surcharge imposed in paragraph (a), during each fiscal year beginning July 1, 2009, and ending June 30, 2015, one or more health-related boards established in chapter 214 may transfer funds from the health occupations licensing account in the state government special revenue fund to the statewide electronic licensing system account to meet the requirements under paragraph (b). If the commissioner of management and budget determines that the balance of the health occupations licensing account established in section 214.06, subdivision 1a, is insufficient to make transfers under paragraph (b), then the temporary surcharge required under paragraph (a) must be applied to the relevant licenses.

(d) Department of Commerce licensees who are paying for an existing electronic licensing database system under section 45.24 must not be required to pay the surcharge under this section.

Subd. 4. **Contract authority.** The state chief information officer may enter into a risk-share or phased agreement with a vendor to complete the Minnesota electronic licensing system and to transfer licensing agencies to the system, provided that the payment for the vendor's services under the agreement is limited to the revenue from the surcharge enacted under subdivision 3, after payment of state operating and maintenance costs. The agreement must clearly indicate that the state chief information officer may only expend amounts actually collected from the

surcharge, after state operations and maintenance costs have been paid, in payment for the vendor's services and that the vendor assumes this risk when performing work under the contract. This section does not require the state chief information officer to pay the vendor the entire amount of the surcharge revenue that remains after payment of state operations and maintenance costs. Before entering into a contract under this subdivision, the state chief information officer must consult with the commissioner of management and budget regarding the implementation of the surcharge and the terms of the contract.

Subd. 5. **Unused funds.** Money remaining in the statewide electronic licensing account after payment of all costs of completing the Minnesota electronic licensing system, transferring licensing agencies to the system, and operating and maintaining the system during the completion and transfer period is appropriated to the state chief information officer for the costs of operating and maintaining the Minnesota electronic licensing system after the system has been completed.

Subd. 6. **Priority.** To the extent possible, in completing the Minnesota electronic licensing system, the state chief information officer must give priority to licenses that are not issued electronically. Licenses regulated by a health board under chapter 214 must not be transferred to the Minnesota electronic licensing system before July 1, 2011.

Subd. 7. **Expiration.** This section expires on June 30, 2017.

**History:** 2009 c 101 art 2 s 59,109