

ARTICLE 5

JOBS, ECONOMIC DEVELOPMENT, AND HOUSING APPROPRIATIONS

Section 1. JOBS, ECONOMIC DEVELOPMENT, AND HOUSING APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2016" and "2017" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2016, or June 30, 2017, respectively. "The first year" is fiscal year 2016. "The second year" is fiscal year 2017. "The biennium" is fiscal years 2016 and 2017.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2016</u>	<u>2017</u>

Sec. 2. DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT

Subdivision 1. Total Appropriation \$ \$

Appropriations by Fund

	<u>2016</u>	<u>2017</u>
<u>General</u>
<u>Remediation</u>
<u>Workforce Development</u>

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. Business and Community Development

Appropriations by Fund

<u>General</u>	.....	.....
<u>Remediation</u>	.....	.....

(a)(1) \$..... each year is for the Minnesota investment fund under Minnesota Statutes, section 116J.8731. Of this amount, the commissioner of employment and economic

2.1 development may use up to three percent
2.2 for administrative expenses and technology
2.3 upgrades. This appropriation is available
2.4 until expended.

2.5 (2) Of the amount appropriated in fiscal
2.6 year 2016, \$..... is for a loan to construct a
2.7 \$10,000,000 aircraft manufacturing facility.
2.8 Funds available under this section may be
2.9 used for purchases of materials and supplies
2.10 made from July 1, 2015, through June 30,
2.11 2016, and which are directly related to the
2.12 construction of the aircraft manufacturing
2.13 facility. This loan is not subject to the
2.14 limitations under Minnesota Statutes, section
2.15 116J.8731, subdivision 5. The commissioner
2.16 shall forgive the loan after verification that
2.17 the project has satisfied performance goals
2.18 and contractual obligations as required
2.19 under Minnesota Statutes, section 116J.8731,
2.20 subdivision 7. The amount available under
2.21 this paragraph is available until expended.

2.22 (3) Of the amount appropriated in fiscal
2.23 year 2016, \$..... is for a loan to construct
2.24 a biochemical facility that uses cellulosic
2.25 feedstock to produce chemical products.
2.26 This loan is not subject to the limitations
2.27 under Minnesota Statutes, section 116J.8731,
2.28 subdivision 5, and shall be matched by money
2.29 designated by the Iron Range Resources and
2.30 Rehabilitation Board. The commissioner
2.31 shall forgive the loan after verification that
2.32 the project has satisfied performance goals
2.33 and contractual obligations as required
2.34 under Minnesota Statutes, section 116J.8731,
2.35 subdivision 7. The amount available under
2.36 this paragraph is available until expended.

3.1 (b) \$..... each year is for the Minnesota
3.2 job creation fund under Minnesota Statutes,
3.3 section 116J.8748. Of this amount, the
3.4 commissioner of employment and economic
3.5 development may use up to three percent for
3.6 administrative expenses. This appropriation
3.7 is available until expended.

3.8 (c) \$..... each year is from the general
3.9 fund for contaminated site cleanup and
3.10 development grants under Minnesota
3.11 Statutes, sections 116J.551 to 116J.558. This
3.12 appropriation is available until expended.

3.13 (d) \$..... each year is from the remediation
3.14 fund for contaminated site cleanup and
3.15 development grants under Minnesota
3.16 Statutes, sections 116J.551 to 116J.558. This
3.17 appropriation is available until expended.

3.18 (e) \$..... each year is from the general fund
3.19 for the business development competitive
3.20 grant program. Of this amount, up to three
3.21 percent is for administration and monitoring
3.22 of the business development competitive
3.23 grant program. The commissioner shall
3.24 award grants to applicants that received a
3.25 business development grant in the previous
3.26 biennium through the competitive grant
3.27 program, or were named in Laws 2013,
3.28 chapter 85, or Laws 2014, chapter 312.
3.29 Remaining amounts shall be used to increase
3.30 grant awards compared to the previous
3.31 biennium and for new grantees. All grant
3.32 awards shall be for two consecutive years.
3.33 Grants shall be awarded in the first year.

3.34 (f) \$..... each year is from the general fund
3.35 for the Minnesota job skills partnership

4.1 program under Minnesota Statutes, sections
4.2 116L.01 to 116L.17. If the appropriation for
4.3 either year is insufficient, the appropriation
4.4 for the other year is available.

4.5 (g) \$..... each year is from the general fund
4.6 for a grant to the Upper Minnesota Film
4.7 Office.

4.8 (h) \$..... each year is from the general
4.9 fund for the Minnesota Film and TV Board.
4.10 The appropriation in each year is available
4.11 only upon receipt by the board of \$1 in
4.12 matching contributions of money or in-kind
4.13 contributions from nonstate sources for every
4.14 \$3 provided by this appropriation, except that
4.15 each year up to \$50,000 is available on July
4.16 1 even if the required matching contribution
4.17 has not been received by that date.

4.18 (i) \$..... each year is from the general
4.19 fund for a grant to the Minnesota Film
4.20 and TV Board for the film production jobs
4.21 program under Minnesota Statutes, section
4.22 116U.26. This appropriation is available
4.23 until expended.

4.24 (j) \$..... each year is from the general
4.25 fund for the host community economic
4.26 development program established in
4.27 Minnesota Statutes, section 116J.548. Of
4.28 the amount in the first year: (1) \$..... is for
4.29 the Harbor at Tower project to reestablish
4.30 navigable access to the harbor; and (2)
4.31 \$..... is for reconstruction and expansion
4.32 of a runway at the Duluth airport. This
4.33 appropriation is available until expended.

4.34 (k) \$..... in fiscal year 2016 is for the
4.35 workforce housing grants pilot program in

5.1 Laws 2014, chapter 308, article 6, section 14.
5.2 This appropriation is onetime and is available
5.3 until June 30, 2018. The commissioner of
5.4 employment and economic development may
5.5 use up to five percent for administrative costs.

5.6 (l) \$..... each year is for the workforce
5.7 housing grant program in Minnesota Statutes,
5.8 section 116J.549. Of this amount, up to five
5.9 percent is for administration and monitoring
5.10 of the program. The first year appropriation
5.11 is available until June 30, 2019. The second
5.12 year appropriation is available until June 30,
5.13 2020.

5.14 (m) \$..... each year for grants to small
5.15 business development centers under
5.16 Minnesota Statutes, section 116J.68. Funds
5.17 made available under this section may be
5.18 used to match funds under the federal Small
5.19 Business Development Center (SBDC)
5.20 program under United States Code, title 15,
5.21 section 648, provide consulting and technical
5.22 services, or to build additional SBDC
5.23 network capacity to serve entrepreneurs
5.24 and small businesses. The commissioner
5.25 shall allocate funds equally among the nine
5.26 regional centers and lead center.

5.27 (n) \$..... the first year is for a grant to a
5.28 city of the second class that is designated
5.29 as an economically depressed area by the
5.30 United States Department of Commerce for
5.31 economic development, redevelopment, and
5.32 job creation programs and projects. This
5.33 appropriation is available until expended.

5.34 **Subd. 3. Workforce Development**

6.1	<u>Appropriations by Fund</u>		
6.2	<u>General</u>	.....	.....
6.3	<u>Workforce</u>		
6.4	<u>Development</u>	.....	.....

6.5 (a) \$..... each year from the general fund
 6.6 and \$..... each year from the workforce
 6.7 development fund are for the adult workforce
 6.8 development competitive grant program.

6.9 Of this amount, up to three percent is
 6.10 for administration and monitoring of the
 6.11 program. The commissioner shall award
 6.12 grants to applicants that received an adult
 6.13 workforce development grant in the previous
 6.14 biennium through the competitive grant
 6.15 program, or were named in Laws 2013,
 6.16 chapter 85, or Laws 2014, chapter 312.

6.17 Remaining amounts shall be used to increase
 6.18 grant awards compared to the previous
 6.19 biennium and for new grantees. All grant
 6.20 awards shall be for two consecutive years.
 6.21 Grants shall be awarded in the first year.

6.22 (b) \$..... each year is from the workforce
 6.23 development fund for the Minnesota youth
 6.24 program under Minnesota Statutes, sections
 6.25 116L.56 and 116L.561.

6.26 (c) \$..... each year is from the workforce
 6.27 development fund for the youthbuild
 6.28 program under Minnesota Statutes, sections
 6.29 116L.361 to 116L.366.

6.30 (d) \$..... each year is from the workforce
 6.31 development fund for a grant to Minnesota
 6.32 Diversified Industries, Inc., to provide
 6.33 progressive development and employment
 6.34 opportunities for people with disabilities.

7.1 (e) \$..... each year is from the workforce
7.2 development fund for the youth workforce
7.3 development competitive grant program.
7.4 Of this amount, up to three percent is for
7.5 administration and monitoring of the youth
7.6 workforce development competitive grant
7.7 program. The commissioner shall award
7.8 grants to applicants that received a youth
7.9 workforce development grant in the previous
7.10 biennium through the competitive grant
7.11 program, or were named in Laws 2013,
7.12 chapter 85, or Laws 2014, chapter 312.
7.13 Remaining amounts shall be used to increase
7.14 grant awards compared to the previous
7.15 biennium and for new grantees. All grant
7.16 awards shall be for two consecutive years.
7.17 Grants shall be awarded in the first year.

7.18 (f) \$..... each year is from the workforce
7.19 development fund for the Opportunities
7.20 Industrialization Center programs. Of this
7.21 amount, \$..... each year is for the Emerging
7.22 Workforce Coalition. The remaining amount
7.23 shall be divided equally among the eligible
7.24 centers that are not part of the coalition. This
7.25 appropriation shall be divided equally among
7.26 the eligible centers.

7.27 (g) \$..... each year is from the workforce
7.28 development fund for a grant to the
7.29 Minnesota Alliance of Boys and Girls
7.30 Clubs to administer a statewide project
7.31 of youth jobs skills development. This
7.32 project, which may have career guidance
7.33 components, including health and life skills,
7.34 is to encourage, train, and assist youth in
7.35 job-seeking skills, workplace orientation,
7.36 and job-site knowledge through coaching.

8.1 This grant requires a 25 percent match from
8.2 nonstate resources.

8.3 (h) \$..... each year for the publication,
8.4 dissemination, and use of labor market
8.5 information under Minnesota Statutes,
8.6 section 116J.4011, and for pilot programs
8.7 in the workforce service areas to combine
8.8 career and higher education advising.

8.9 (i) \$..... each year is from the workforce
8.10 development fund for a grant to Big
8.11 Brothers, Big Sisters of the Greater Twin
8.12 Cities for workforce readiness, employment
8.13 exploration, and skills development for
8.14 youth ages 12 to 21. The grant must serve
8.15 youth in the Twin Cities, Central Minnesota
8.16 and Southern Minnesota Big Brothers, Big
8.17 Sisters chapters.

8.18 (j) \$..... in fiscal year 2016 for a grant
8.19 to YWCA Saint Paul for training and job
8.20 placement assistance, including commercial
8.21 driver's license training, through the job
8.22 placement and retention program. This is a
8.23 onetime appropriation.

8.24 (k) \$..... each year is for a grant to
8.25 Occupational Development Corporation
8.26 Incorporated in the city of Buhl to provide
8.27 training and employment opportunities for
8.28 people with disabilities and disadvantaged
8.29 workers. This is a onetime appropriation.

8.30 (l) \$..... in fiscal year 2016 is for an analysis
8.31 of various options for the delivery of a family
8.32 medical leave insurance program and their
8.33 associated costs and benefits. This analysis
8.34 shall include:

9.1 (1) an evaluation of mechanisms for: (i) the
9.2 determination of eligibility; (ii) the collection
9.3 of employer and employee contributions; (iii)
9.4 the processing and payment of claims; and
9.5 (iv) an effective enforcement of the program
9.6 and the protection of employees who use or
9.7 seek to use family or medical leaves pursuant
9.8 to the program;

9.9 (2) an estimated timeline for implementation
9.10 of the various mechanisms and approaches
9.11 evaluated under clause (1);

9.12 (3) separate cost estimates for each of the
9.13 following types of leave: (i) parental leave;
9.14 (ii) leave to care for a family member with a
9.15 serious health condition; (iii) family leave;
9.16 and (iv) medical leave; and

9.17 (4) options and associated mechanisms for
9.18 financing the program including, but not
9.19 limited to, a premium assessed on employers
9.20 and employees.

9.21 In conducting this analysis, the department
9.22 shall use the expertise of relevant state
9.23 agencies to take advantage of existing
9.24 systems, to minimize start-up costs, to
9.25 maximize use of existing agency systems
9.26 and programs and avoid redundancy, and
9.27 build on the experiences of other states and
9.28 agencies with existing or proposed paid
9.29 family and medical leave programs at the
9.30 state and federal level. The commissioner
9.31 shall report to the legislative committees with
9.32 jurisdiction over labor, jobs, and health and
9.33 human services on the results of its analysis
9.34 by January 15, 2016.

10.1 (m) \$..... each year is for rural career
10.2 counseling coordinator positions in the
10.3 workforce service areas and for the purposes
10.4 specified in Minnesota Statutes, section
10.5 116L.667. The commissioner, in consultation
10.6 with local workforce investment boards and
10.7 local elected officials in each of the service
10.8 areas receiving funds, shall develop a method
10.9 of distributing funds to provide equitable
10.10 services across workforce service areas.

10.11 (n) \$..... each year is for a grant to the
10.12 Eastside Enterprise Center for economic
10.13 development and job creation, including
10.14 loans, business and workforce training, and
10.15 business assistance. This appropriation
10.16 shall be divided equally between African
10.17 Economic Development Solutions, Asian
10.18 Economic Development Association, and
10.19 Latino Economic Development Center. This
10.20 is a onetime appropriation.

10.21 (o) \$..... each year is for a grant to Ujamaa
10.22 Place for implementation of paid internships
10.23 through the employment and career
10.24 preparation program. This is a onetime
10.25 appropriation.

10.26 (p) \$..... the first year is for a grant to
10.27 Northern Bedrock Historic Preservation
10.28 Corps for the pathway to the preservation
10.29 trades program for recruitment of corps
10.30 members, engagement of technical
10.31 specialists, development of a certificate
10.32 program, and skill development in historic
10.33 preservation for youth ages 18 to 25. This is
10.34 a onetime appropriation.

10.35 Subd. 4. **General Support Services**

11.1	<u>Appropriations by Fund</u>		
11.2	<u>General</u>	.....	.....
11.3	<u>Workforce</u>		
11.4	<u>Development</u>	.....	.....

11.5 (a) \$..... each year is from the general fund
 11.6 for the cost-of-living study required under
 11.7 Minnesota Statutes, section 116J.013.

11.8 (b) \$..... each year for operating the
 11.9 Olmstead Implementation Office. The base
 11.10 appropriation for the office is \$..... for fiscal
 11.11 year 2018 and \$..... in fiscal year 2019.

11.12 **Subd. 5. Minnesota Trade Office**

11.13 (a) \$..... each year is for the STEP grants in
 11.14 Minnesota Statutes, section 116J.979.

11.15 (b) \$..... each year is for the Invest
 11.16 Minnesota Marketing Initiative in Minnesota
 11.17 Statutes, section 116J.9781.

11.18 (c) \$..... each year is for the expansion of
 11.19 Minnesota Trade Offices under Minnesota
 11.20 Statutes, section 116J.978.

11.21 (d) \$..... each year is for the trade policy
 11.22 advisory group under Minnesota Statutes,
 11.23 section 116J.9661.

11.24 **Subd. 6. Vocational Rehabilitation**

11.25	<u>Appropriations by Fund</u>		
11.26	<u>General</u>	.....	.....
11.27	<u>Workforce</u>		
11.28	<u>Development</u>	.....	.....

11.29 (a) \$..... each year is from the general
 11.30 fund for the state's vocational rehabilitation
 11.31 program under Minnesota Statutes, chapter
 11.32 268A.

- 12.1 (b) \$..... each year is from the general fund
12.2 for grants to centers for independent living
12.3 under Minnesota Statutes, section 268A.11.
- 12.4 (c) \$..... each year from the general
12.5 fund and \$..... each year from the
12.6 workforce development fund is for extended
12.7 employment services for persons with severe
12.8 disabilities under Minnesota Statutes, section
12.9 268A.15.
- 12.10 (d) \$..... in fiscal year 2016 and \$..... in
12.11 fiscal year 2017 are from the workforce
12.12 development fund for rate increases to
12.13 providers of extended employment services
12.14 for persons with severe disabilities under
12.15 Minnesota Statutes, section 268A.15. This
12.16 appropriation is added to the agency's base.
- 12.17 (e) \$..... each year is from the general
12.18 fund for grants to programs that provide
12.19 employment support services to persons with
12.20 mental illness under Minnesota Statutes,
12.21 sections 268A.13 and 268A.14.
- 12.22 (f) \$..... each year is from the workforce
12.23 development fund for grants under
12.24 Minnesota Statutes, section 268A.16, for
12.25 employment services for persons, including
12.26 transition-aged youth, who are deaf,
12.27 deafblind, or hard-of-hearing.
- 12.28 (g) \$..... in fiscal year 2016 is for a grant
12.29 to a statewide nonprofit organization that is
12.30 exclusively dedicated to the issues of access
12.31 to and the acquisition of assistive technology.
12.32 The purpose of the grant is to acquire assistive
12.33 technology and to work in tandem with
12.34 individuals using this technology to create
12.35 career paths. This is a onetime appropriation.

13.1 (h) \$..... the first year for grants to day
 13.2 training and habilitation providers to provide
 13.3 innovative employment options and to
 13.4 advance community integration for persons
 13.5 with disabilities as required under the
 13.6 Minnesota Olmstead Plan. Unexpended
 13.7 funds for fiscal year 2016 do not cancel but
 13.8 are available in fiscal year 2017. This is a
 13.9 onetime appropriation.

13.10 (i) For purposes of this subdivision,
 13.11 Minnesota Diversified Industries, Inc. is an
 13.12 eligible provider of services for persons with
 13.13 severe disabilities under Minnesota Statutes,
 13.14 section 268A.15.

13.15 Subd. 7. **Services for the Blind**

13.16 Subd. 8. **Broadband Development**

13.17 (a) \$..... each year is for the Broadband
 13.18 Development Office.

13.19 (b)(1) \$..... in fiscal year 2016 is for
 13.20 deposit in the border-to-border broadband
 13.21 fund account created under Minnesota
 13.22 Statutes, section 116J.396, and may be used
 13.23 for the purposes provided in Minnesota
 13.24 Statutes, section 116J.395. This is a onetime
 13.25 appropriation and is available until June 30,
 13.26 2017.

13.27 (2) Of the appropriation in clause (1), up
 13.28 to three percent of this amount is for costs
 13.29 incurred by the commissioner to administer
 13.30 Minnesota Statutes, section 116J.395.
 13.31 Administrative costs may include the
 13.32 following activities related to measuring
 13.33 progress toward the state's broadband goals
 13.34 established in Minnesota Statutes, section
 13.35 237.012:

14.1 (i) collecting broadband deployment data
 14.2 from Minnesota providers, verifying its
 14.3 accuracy through on-the-ground testing, and
 14.4 creating state and county maps available
 14.5 to the public showing the availability of
 14.6 broadband service at various upload and
 14.7 download speeds throughout Minnesota;
 14.8 (ii) analyzing the deployment data collected
 14.9 to help inform future investments in
 14.10 broadband infrastructure; and
 14.11 (iii) conducting business and residential
 14.12 surveys that measure broadband adoption
 14.13 and use in the state.

14.14 (3) Data provided by a broadband provider
 14.15 under this paragraph is nonpublic data
 14.16 under Minnesota Statutes, section 13.02,
 14.17 subdivision 9. Maps produced under this
 14.18 paragraph are public data under Minnesota
 14.19 Statutes, section 13.03.

14.20 Subd. 9. **Transfer.**

14.21 The commissioner shall transfer \$8,000,000
 14.22 from the Minnesota minerals 21st century
 14.23 fund to the commissioner of the Iron Range
 14.24 Resources and Rehabilitation Board for
 14.25 a grant or forgivable loan to construct a
 14.26 biochemical facility that uses cellulosic
 14.27 feedstock to produce chemical products. The
 14.28 amount available under this subdivision shall
 14.29 be matched by money designated by the Iron
 14.30 Range Resources and Rehabilitation Board
 14.31 and is available until expended.

14.32 Sec. 3. **HOUSING FINANCE AGENCY**

14.33 Subdivision 1. **Total Appropriation** \$ \$

15.1 The amounts that may be spent for each
 15.2 purpose are specified in the following
 15.3 subdivisions.

15.4 Unless otherwise specified, this appropriation
 15.5 is for transfer to the housing development
 15.6 fund for the programs specified in this
 15.7 section. Except as otherwise indicated, this
 15.8 transfer is part of the agency's permanent
 15.9 budget base.

15.10 Subd. 2. **Challenge Program**

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15.11 (a) This appropriation is for the economic
 15.12 development and housing challenge program
 15.13 under Minnesota Statutes, section 462A.33.

15.14 The agency must continue to strengthen its
 15.15 efforts to address the disparity rate between
 15.16 white households and indigenous American
 15.17 Indians and communities of color. Of this
 15.18 amount, \$1,208,000 each year shall be made
 15.19 available during the first 11 months of the
 15.20 fiscal year exclusively for housing projects
 15.21 for American Indians. Any funds not
 15.22 committed to housing projects for American
 15.23 Indians in the first 11 months of the fiscal year
 15.24 shall be available for any eligible activity
 15.25 under Minnesota Statutes, section 462A.33.

15.26 (b)(1) \$..... the first year is a onetime
 15.27 appropriation and is targeted for housing in
 15.28 communities and regions that have:

- 15.29 (i) low housing vacancy rates;
- 15.30 (ii) cooperatively developed a plan that
- 15.31 identifies current and future housing needs;
- 15.32 (iii) evidence of anticipated job expansion; or

16.1 (iv) a significant portion of area employees
 16.2 who commute more than 30 miles between
 16.3 their residence and their employment.

16.4 (2) Among comparable housing proposals,
 16.5 preference must be given to proposals that:

16.6 (i) include a meaningful contribution from
 16.7 area employers that reduces the need for
 16.8 deferred loan or grant funds from state
 16.9 resources; or

16.10 (ii) provide housing opportunities for an
 16.11 expanded range of household incomes
 16.12 within a community or that provide housing
 16.13 opportunities for a wide range of incomes
 16.14 within the development.

16.15 Subd. 3. **Housing Trust Fund**

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16.16 (a) This appropriation is for deposit in the
 16.17 housing trust fund account created under
 16.18 Minnesota Statutes, section 462A.201, and
 16.19 may be used for the purposes provided in
 16.20 that section. To the extent that these funds
 16.21 are used for the acquisition of housing, the
 16.22 agency shall give priority among comparable
 16.23 projects to projects that focus on creating
 16.24 safe and stable housing for homeless youth
 16.25 or projects that provide housing to trafficked
 16.26 women and children.

16.27 (b) \$..... the first year is a onetime
 16.28 appropriation for temporary rental assistance
 16.29 for families with school-age children who
 16.30 have changed their school or home at least
 16.31 once in the last school year. The agency,
 16.32 in consultation with the Department of
 16.33 Education, may establish additional targeting
 16.34 criteria.

17.1 **Subd. 4. Rental Assistance for Mentally Ill**

17.2 This appropriation is for the rental housing
17.3 assistance program for persons with a mental
17.4 illness or families with an adult member with
17.5 a mental illness under Minnesota Statutes,
17.6 section 462A.2097. Among comparable
17.7 proposals, the agency shall prioritize those
17.8 proposals that target, in part, eligible persons
17.9 who desire to move to more integrated,
17.10 community-based settings.

17.11 **Subd. 5. Family Homeless Prevention**

17.12 This appropriation is for the family homeless
17.13 prevention and assistance programs under
17.14 Minnesota Statutes, section 462A.204.

17.15 **Subd. 6. Home Ownership Assistance Fund**

17.16 This appropriation is for the home ownership
17.17 assistance program under Minnesota
17.18 Statutes, section 462A.21, subdivision 8.
17.19 The agency shall continue to strengthen
17.20 its efforts to address the disparity gap in
17.21 the homeownership rate between white
17.22 households and indigenous American Indians
17.23 and communities of color.

17.24 **Subd. 7. Affordable Rental Investment Fund**

17.25 (a) This appropriation is for the affordable
17.26 rental investment fund program under
17.27 Minnesota Statutes, section 462A.21,
17.28 subdivision 8b, to finance the acquisition,
17.29 rehabilitation, and debt restructuring of
17.30 federally assisted rental property and
17.31 for making equity take-out loans under
17.32 Minnesota Statutes, section 462A.05,
17.33 subdivision 39.

18.1 (b) The owner of federally assisted rental
 18.2 property must agree to participate in the
 18.3 applicable federally assisted housing program
 18.4 and to extend any existing low-income
 18.5 affordability restrictions on the housing for
 18.6 the maximum term permitted. The owner
 18.7 must also enter into an agreement that gives
 18.8 local units of government, housing and
 18.9 redevelopment authorities, and nonprofit
 18.10 housing organizations the right of first refusal
 18.11 if the rental property is offered for sale.
 18.12 Priority must be given among comparable
 18.13 federally assisted rental properties to
 18.14 properties with the longest remaining term
 18.15 under an agreement for federal assistance.
 18.16 Priority must also be given among
 18.17 comparable rental housing developments
 18.18 to developments that are or will be owned
 18.19 by local government units, a housing and
 18.20 redevelopment authority, or a nonprofit
 18.21 housing organization. Among comparable
 18.22 rental housing proposals, priority may be
 18.23 given to proposals that contain identified
 18.24 goals relating to the housing element of
 18.25 a cooperatively developed plan that are
 18.26 consistent with the mission of the agency.

18.27 (c) The appropriation also may be used to
 18.28 finance the acquisition, rehabilitation, and
 18.29 debt restructuring of existing supportive
 18.30 housing properties. For purposes of this
 18.31 paragraph, "supportive housing" means
 18.32 affordable rental housing with links to
 18.33 services necessary for individuals, youth, and
 18.34 families with children to maintain housing
 18.35 stability.

18.36 **Subd. 8. Housing Rehabilitation**

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19.1 This appropriation is for the housing
 19.2 rehabilitation program under Minnesota
 19.3 Statutes, section 462A.05, subdivision 14. Of
 19.4 this amount, \$2,772,000 each year is for the
 19.5 rehabilitation of owner-occupied housing and
 19.6 \$3,743,000 each year is for the rehabilitation
 19.7 of eligible rental housing. In administering a
 19.8 rehabilitation program for rental housing, the
 19.9 agency may apply the processes and priorities
 19.10 adopted for administration of the economic
 19.11 development and housing challenge program
 19.12 under Minnesota Statutes, section 462A.33.

19.13 **Subd. 9. Homeownership Education,**
 19.14 **Counseling, and Training**

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19.15 This appropriation is for the homeownership
 19.16 education, counseling, and training program
 19.17 under Minnesota Statutes, section 462A.209.
 19.18 Priority may be given to funding programs
 19.19 that are aimed at culturally specific groups
 19.20 who are providing services to members of
 19.21 their communities.

19.22 **Subd. 10. Capacity Building Grants**

.....

.....

19.23 (a) This appropriation is for nonprofit
 19.24 capacity building grants under Minnesota
 19.25 Statutes, section 462A.21, subdivision 3b.
 19.26 Of this amount, \$250,000 each year is
 19.27 for support of the Homeless Management
 19.28 Information System (HMIS).

19.29 (b) \$..... each year is for competitive grants
 19.30 to community organizations to provide
 19.31 long-term financial education training, case
 19.32 management, credit mending, homebuyer
 19.33 education, and foreclosure prevention
 19.34 mitigation services according to Laws 2014,
 19.35 chapter 188, section 4, paragraph (c).

20.1 (c) \$..... each year is for a grant to Open
 20.2 Access Connection to provide free voice mail
 20.3 services for homeless and low-income people
 20.4 throughout Minnesota so that they have a
 20.5 reliable and consistent communication tool
 20.6 to aid in their search for affordable housing
 20.7 and to help those individuals find and keep
 20.8 jobs that will allow them to maintain their
 20.9 housing. In addition to programs already
 20.10 available in greater Minnesota, \$15,000 each
 20.11 year must be used to increase use of and
 20.12 access to community voice mail in the areas
 20.13 outside the seven-county metropolitan area.
 20.14 This is a onetime appropriation.

20.15 **Sec. 4. EXPLORE MINNESOTA TOURISM \$ \$**

20.16 To develop maximum private sector
 20.17 involvement in tourism, \$500,000 in fiscal
 20.18 year 2016 and \$500,000 in fiscal year 2017
 20.19 must be matched by Explore Minnesota
 20.20 Tourism from nonstate sources. Each \$1 of
 20.21 state incentive must be matched with \$6 of
 20.22 private sector funding. Cash match is defined
 20.23 as revenue to the state or documented cash
 20.24 expenditures directly expended to support
 20.25 Explore Minnesota Tourism programs. Up
 20.26 to one-half of the private sector contribution
 20.27 may be in-kind or soft match. The incentive
 20.28 in fiscal year 2016 shall be based on fiscal
 20.29 year 2015 private sector contributions. The
 20.30 incentive in fiscal year 2017 shall be based on
 20.31 fiscal year 2016 private sector contributions.
 20.32 This incentive is ongoing.
 20.33 Funding for the marketing grants is available
 20.34 either year of the biennium. Unexpended

22.1 Minnesota Statutes, section 16E.0466. Any
 22.2 ongoing information technology costs will be
 22.3 incorporated into the service level agreement
 22.4 and will be paid to the Office of MN.IT
 22.5 Services by the commissioner of labor and
 22.6 industry under the rates and mechanism
 22.7 specified in that agreement.

22.8 **Subd. 3. Labor Standards and Apprenticeship**

22.9	<u>Appropriations by Fund</u>		
22.10	<u>General</u>	.....	.....
22.11	<u>Workforce</u>		
22.12	<u>Development</u>	.....	.....

22.13 (a) \$..... in fiscal year 2016 and \$..... in
 22.14 fiscal year 2017 are from the general fund
 22.15 for the labor standards and apprenticeship
 22.16 program.

22.17 (b) \$..... in fiscal year 2016 and \$..... in
 22.18 fiscal year 2017 are from the workforce
 22.19 development fund for the apprenticeship
 22.20 program under Minnesota Statutes, chapter
 22.21 178. Of this amount, \$100,000 each year
 22.22 is for labor education and advancement
 22.23 program grants and to expand and promote
 22.24 registered apprenticeship training in
 22.25 nonconstruction trade programs.

22.26 (c) \$..... each year is from the workforce
 22.27 development fund for prevailing wage
 22.28 enforcement.

22.29 **Subd. 4. Workplace Safety**

22.30 This appropriation is from the workers'
 22.31 compensation fund.

22.32 **Subd. 5. General Support**

22.33 This appropriation is from the workers'
 22.34 compensation fund.

23.1 **Sec. 6. BUREAU OF MEDIATION**
 23.2 **SERVICES** \$ \$

23.3 (a) \$..... each year is for grants to area labor
 23.4 management committees. Grants may be
 23.5 awarded for a 12-month period beginning
 23.6 July 1 each year. Any unencumbered balance
 23.7 remaining at the end of the first year does not
 23.8 cancel but is available for the second year.

23.9 (b) \$..... each year is for purposes of the
 23.10 Public Employment Relations Board under
 23.11 Minnesota Statutes, section 179A.041.

23.12 (c) \$..... in fiscal year 2016 and \$..... in
 23.13 fiscal year 2017 are for the case management
 23.14 database IT project. This appropriation
 23.15 includes funds for information technology
 23.16 project services and support subject to the
 23.17 provisions of Minnesota Statutes, section
 23.18 16E.0466. Any ongoing information
 23.19 technology costs will be incorporated into
 23.20 the service level agreement and will be
 23.21 paid to the Office of MN.IT Services by the
 23.22 commissioner of mediation services under
 23.23 the rates and mechanism specified in that
 23.24 agreement.

23.25 (d) \$..... each year is for the Office of
 23.26 Collaboration and Dispute Resolution under
 23.27 Minnesota Statutes, section 179.90. Of this
 23.28 amount, \$..... each year is for grants under
 23.29 Minnesota Statutes, section 179.91, and
 23.30 \$..... each year is for intergovernmental and
 23.31 public policy collaboration and operation of
 23.32 the office.

23.33 **Sec. 7. WORKERS' COMPENSATION**
 23.34 **COURT OF APPEALS** \$ \$

25.1 \$1,240,000 each year is from the
 25.2 telecommunication access fund for the
 25.3 following transfers. This appropriation is
 25.4 added to the department's base.

25.5 (1) \$800,000 each year is to the commissioner
 25.6 of human services to supplement the ongoing
 25.7 operational expenses of the Commission
 25.8 of Deaf, DeafBlind, and Hard-of-Hearing
 25.9 Minnesotans;

25.10 (2) \$290,000 each year is to the chief
 25.11 information officer for the purpose of
 25.12 coordinating technology accessibility and
 25.13 usability;

25.14 (3) \$100,000 each year is to the Legislative
 25.15 Coordinating Commission for captioning of
 25.16 legislative coverage; and

25.17 (4) \$50,000 each year is to the Office of
 25.18 MN.IT Services for a consolidated access
 25.19 fund to provide grants to other state agencies
 25.20 related to accessibility of their Web-based
 25.21 services.

25.22 Subd. 6. **Enforcement**

25.23	<u>Appropriations by Fund</u>		
25.24	<u>General</u>	.....	.....
25.25	<u>Workers'</u>		
25.26	<u>Compensation</u>	.....	.....

25.27 \$..... each year is from the general fund for
 25.28 health care enforcement.

25.29 Subd. 7. **Energy Resources**

25.30 (a) \$150,000 each year is for grants to
 25.31 providers of low-income weatherization
 25.32 services to install renewable energy
 25.33 equipment in households that are eligible for
 25.34 weatherization assistance under Minnesota's

26.1 weatherization assistance program state
 26.2 plan as provided for in Minnesota Statutes,
 26.3 section 239.101.

26.4 (b) \$..... in fiscal year 2016 is for the state's
 26.5 defense of the Next Generation Energy Act in
 26.6 Laws 2007, chapter 136. This appropriation
 26.7 is onetime.

26.8 (c) Of the unexpended general fund
 26.9 appropriations under Laws 2013, chapter 85,
 26.10 article 1, section 13, subdivision 7, excluding
 26.11 appropriated amounts identified in rider, up
 26.12 to \$350,000 may be transferred to the utility
 26.13 assessment account on June 30, 2015, to
 26.14 provide cash flow.

26.15 Subd. 8. Insurance

26.16	<u>Appropriations by Fund</u>		
26.17	<u>General</u>	.....	.....
26.18	<u>Workers'</u>		
26.19	<u>Compensation</u>	.....	.....

26.20 \$642,000 each year is for health insurance
 26.21 rate review staffing.

26.22 Subd. 9. Propane prepurchase.

26.23 \$..... each year is for the propane
 26.24 prepurchase program under Minnesota
 26.25 Statutes, section 216B.0951. This is a
 26.26 onetime appropriation.

26.27 Sec. 9. PUBLIC UTILITIES COMMISSION \$ \$

26.28 Sec. 10. TRANSFERS.

26.29 (a) Of the amount deposited into the contingent account created under Minnesota
 26.30 Statutes, section 268.199, \$..... in fiscal year 2016 and \$..... in fiscal year 2017 shall be
 26.31 transferred before the closing of each fiscal year to the general fund.

26.32 (b) Of the amount of surplus workforce development fund money reallocated
 26.33 under Minnesota Statutes, section 116L.05, subdivision 5, by the Minnesota Job Skills

27.1 Partnership Board in fiscal year 2015, \$..... shall be cancelled and credited back to the
27.2 workforce development fund.

27.3 **Sec. 11. LEGAL FEES; ITASCA COUNTY.**

27.4 The commissioner of employment and economic development shall grant the
27.5 unspent amount from the Minnesota minerals 21st century fund appropriation in Laws
27.6 2007, chapter 135, article 1, section 3, subdivision 2, paragraph (y) to Itasca County for
27.7 legal fees for recovering business subsidy funds according to Minnesota Statutes, section
27.8 116J.994, and under the reimbursement agreement dated September 9, 2008.

27.9 **ARTICLE 6**

27.10 **DEPARTMENT OF LABOR AND INDUSTRY**

27.11 Section 1. Minnesota Statutes 2014, section 326B.092, subdivision 7, is amended to
27.12 read:

27.13 Subd. 7. **License fees and license renewal fees.** (a) The license fee for each
27.14 license is the base license fee plus any applicable board fee, continuing education fee, and
27.15 contractor recovery fund fee and additional assessment, as set forth in this subdivision.

27.16 (b) For purposes of this section, "license duration" means the number of years for
27.17 which the license is issued except that:

27.18 (1) if the initial license is not issued for a whole number of years, the license duration
27.19 shall be rounded up to the next whole number; and

27.20 (2) if the department receives an application for license renewal after the renewal
27.21 deadline, license duration means the number of years for which the renewed license would
27.22 have been issued if the renewal application had been submitted on time and all other
27.23 requirements for renewal had been met.

27.24 (c) The base license fee shall depend on whether the license is classified as an entry
27.25 level, master, journeyman, or business license, and on the license duration. The base
27.26 license fee shall be:

License Classification	License Duration		
	1 Year	2 Years	3 Years
Entry level	\$10	\$20	\$30
<u>Journeyman</u> Journeyworker	\$20	\$40	\$60
Master	\$40	\$80	\$120
Business	\$90	\$180	\$270

27.34 (d) If there is a continuing education requirement for renewal of the license, then
27.35 a continuing education fee must be included in the renewal license fee. The continuing

28.1 education fee for all license classifications shall be: \$10 if the renewal license duration
 28.2 is one year; and \$20 if the renewal license duration is two years; and \$30 if the renewal
 28.3 license duration is three years.

28.4 (e) If the license is issued under sections 326B.31 to 326B.59 or 326B.90 to
 28.5 326B.93, then a board fee must be included in the license fee and the renewal license fee.
 28.6 The board fee for all license classifications shall be: \$4 if the license duration is one year;
 28.7 \$8 if the license duration is two years; ~~and \$12 if the license duration is three years.~~

28.8 (f) If the application is for the renewal of a license issued under sections 326B.802
 28.9 to 326B.885, then the contractor recovery fund fee required under section 326B.89,
 28.10 subdivision 3, and any additional assessment required under section 326B.89, subdivision
 28.11 16, must be included in the license renewal fee.

28.12 (g) Notwithstanding the fee amounts described in paragraphs (c) to (f), for the period
 28.13 July 1, 2015, through June 30, 2017, the following fees apply:

<u>License Classification</u>	<u>License Duration</u>	
	<u>1 year</u>	<u>2 years</u>
<u>Entry level</u>	<u>\$10</u>	<u>\$20</u>
<u>Journeyworker</u>	<u>\$15</u>	<u>\$35</u>
<u>Master</u>	<u>\$30</u>	<u>\$75</u>
<u>Business</u>		<u>\$160</u>

28.20 If there is a continuing education requirement for renewal of the license, then a
 28.21 continuing education fee must be included in the renewal license fee. The continuing
 28.22 education fee for all license classifications shall be \$5.

28.23 Sec. 2. Minnesota Statutes 2014, section 326B.096, is amended to read:

28.24 **326B.096 REINSTATEMENT OF LICENSES.**

28.25 Subdivision 1. **Reinstatement after revocation.** (a) If a license is revoked under
 28.26 this chapter and if an applicant for a license needs to pass an examination administered by
 28.27 the commissioner before becoming licensed, then, in order to have the license reinstated,
 28.28 the person who holds the revoked license must:

28.29 (1) retake the examination and achieve a passing score; and

28.30 (2) meet all other requirements for an initial license, including payment of the
 28.31 application and examination fee and the license fee. The person holding the revoked
 28.32 license is not eligible for Minnesota licensure without examination based on reciprocity.

28.33 (b) If a license is revoked under a chapter other than this chapter, then, in order to
 28.34 have the license reinstated, the person who holds the revoked license must:

28.35 (1) apply for reinstatement to the commissioner no later than two years after the
 28.36 effective date of the revocation;

29.1 (2) pay a ~~\$100~~ \$50 reinstatement application fee and any applicable renewal license
29.2 fee; and

29.3 (3) meet all applicable requirements for licensure, except that, unless required by the
29.4 order revoking the license, the applicant does not need to retake any examination and does
29.5 not need to repay a license fee that was paid before the revocation.

29.6 Subd. 2. **Reinstatement after suspension.** If a license is suspended, then, in order
29.7 to have the license reinstated, the person who holds the suspended license must:

29.8 (1) apply for reinstatement to the commissioner no later than two years after the
29.9 completion of the suspension period;

29.10 (2) pay a ~~\$100~~ \$50 reinstatement application fee and any applicable renewal license
29.11 fee; and

29.12 (3) meet all applicable requirements for licensure, except that, unless required by the
29.13 order suspending the license, the applicant does not need to retake any examination and
29.14 does not need to repay a license fee that was paid before the suspension.

29.15 Subd. 3. **Reinstatement after voluntary termination.** A licensee who is not an
29.16 individual may voluntarily terminate a license issued to the person under this chapter. If a
29.17 licensee has voluntarily terminated a license under this subdivision, then, in order to have
29.18 the license reinstated, the person who holds the terminated license must:

29.19 (1) apply for reinstatement to the commissioner no later than the date that the license
29.20 would have expired if it had not been terminated;

29.21 (2) pay a ~~\$100~~ \$50 reinstatement application fee and any applicable renewal license
29.22 fee; and

29.23 (3) meet all applicable requirements for licensure, except that the applicant does not
29.24 need to repay a license fee that was paid before the termination.

29.25 **EFFECTIVE DATE.** The amendments to this section are effective July 1, 2015,
29.26 and expire July 1, 2017.

29.27 Sec. 3. Minnesota Statutes 2014, section 326B.986, subdivision 5, is amended to read:

29.28 Subd. 5. **Boiler engineer license fees.** (a) For purposes of calculating license fees
29.29 and renewal license fees required under section 326B.092:

29.30 (1) the boiler special engineer license is an entry level license;

29.31 (2) the following licenses are journeyman licenses: first class engineer, Grade A;
29.32 first class engineer, Grade B; first class engineer, Grade C; second class engineer, Grade
29.33 A; second class engineer, Grade B; second class engineer, Grade C; and provisional
29.34 license; and

30.1 (3) the following licenses are master licenses: boiler chief engineer, Grade A; boiler
 30.2 chief engineer, Grade B; boiler chief engineer, Grade C; boiler commissioner inspector
 30.3 certificate of competency; and traction or hobby boiler engineer.

30.4 (b) Notwithstanding section 326B.092, subdivision 7, paragraph (a), the license
 30.5 duration for steam traction and hobby engineer licenses are one year only for the purpose
 30.6 of calculating license fees under section 326B.092, subdivision 7, paragraph (b).

30.7 Sec. 4. Minnesota Statutes 2014, section 326B.986, subdivision 8, is amended to read:

30.8 Subd. 8. **Certificate of competency.** ~~The fee for issuance of the original certificate~~
 30.9 ~~of competency is \$85 for inspectors who did not pay the national board examination fee~~
 30.10 ~~specified in subdivision 6, or \$35 for inspectors who paid that examination fee.~~ (a) Each
 30.11 applicant for a certificate of competency must complete an interview with the chief boiler
 30.12 inspector before issuance of the certificate of competency.

30.13 (b) All initial certificates of competency shall be effective for more than one calendar
 30.14 year and shall expire on December 31 of the year after the year in which the application
 30.15 is made. ~~The commissioner shall in a manner determined by the commissioner, without~~
 30.16 ~~the need for any rulemaking under chapter 14, phase in the renewal of certificates of~~
 30.17 ~~competency from one calendar year to two calendar years. By June 30, 2011,~~

30.18 (c) All renewed certificates of competency shall be valid for two calendar years. The
 30.19 fee for renewal of the state of Minnesota certificate of competency is \$35 for one year or
 30.20 \$70 for two years, and is due the day after the certificate expires.

30.21 **EFFECTIVE DATE.** The amendments to paragraphs (a) and (c) are effective July
 30.22 1, 2015, and expire July 1, 2017.

30.23 Sec. 5. Minnesota Statutes 2014, section 341.321, is amended to read:

30.24 **341.321 FEE SCHEDULE.**

30.25 (a) The fee schedule for professional and amateur licenses issued by the
 30.26 commissioner is as follows:

- 30.27 (1) referees, \$80 ~~for each initial license and each renewal~~;
- 30.28 (2) promoters, \$700 ~~for each initial license and each renewal~~;
- 30.29 (3) judges and knockdown judges, \$80 ~~for each initial license and each renewal~~;
- 30.30 (4) trainers and seconds, \$80 ~~for each initial license and each renewal~~;
- 30.31 (5) ring announcers, \$80 ~~for each initial license and each renewal~~;
- 30.32 (6) seconds, \$80 ~~for each initial license and each renewal~~;
- 30.33 (7) (6) timekeepers, \$80 ~~for each initial license and each renewal~~;

- 31.1 ~~(8) (7) professional combatants, \$100 for each initial license and each renewal \$70;~~
 31.2 ~~(8) amateur combatants, \$50;~~
 31.3 ~~(9) managers, \$80 for each initial license and each renewal; and~~
 31.4 ~~(10) ringside physicians, \$80 for each initial license and each renewal.~~

31.5 In addition to the license fee ~~and the late filing penalty fee in section 341.32, subdivision~~
 31.6 ~~2, if applicable, an individual who applies for a professional license on the same day~~
 31.7 ~~within the 48 hours preceding when the combative sporting event is held shall pay a late~~
 31.8 ~~fee of \$100 plus the original license fee of \$120 at the time the application is submitted.~~

31.9 (b) ~~The fee schedule for amateur licenses issued by the commissioner is as follows:~~

- 31.10 ~~(1) referees, \$80 for each initial license and each renewal;~~
 31.11 ~~(2) promoters, \$700 for each initial license and each renewal;~~
 31.12 ~~(3) judges and knockdown judges, \$80 for each initial license and each renewal;~~
 31.13 ~~(4) trainers, \$80 for each initial license and each renewal;~~
 31.14 ~~(5) ring announcers, \$80 for each initial license and each renewal;~~
 31.15 ~~(6) seconds, \$80 for each initial license and each renewal;~~
 31.16 ~~(7) timekeepers, \$80 for each initial license and each renewal;~~
 31.17 ~~(8) combatant, \$60 for each initial license and each renewal;~~
 31.18 ~~(9) managers, \$80 for each initial license and each renewal; and~~
 31.19 ~~(10) ringside physicians, \$80 for each initial license and each renewal.~~

31.20 (e) ~~(b)~~ The commissioner shall establish a contest fee for each combative sport
 31.21 ~~contest and shall consider the size and type of venue when establishing a contest fee.~~ The
 31.22 professional combative sport contest fee is \$1,500 per event or not more than four percent
 31.23 of the gross ticket sales, whichever is greater, as determined by the commissioner when
 31.24 the combative sport contest is scheduled. The amateur combative sport contest fee shall
 31.25 be \$1,500 or not more than four percent of the gross ticket sales, whichever is greater.
 31.26 ~~The commissioner shall consider the size and type of venue when establishing a contest~~
 31.27 ~~fee. The commissioner may establish the maximum number of complimentary tickets~~
 31.28 ~~allowed for each event by rule.~~

31.29 (c) A professional or amateur combative sport contest fee is nonrefundable; and
 31.30 shall be paid as follows:

- 31.31 (1) \$500 at the time the combative sport contest is scheduled; and
 31.32 (2) \$1,000 at the weigh-in prior to the contest.

31.33 If four percent of the gross ticket sales is greater than \$1,500, the balance is due to the
 31.34 commissioner within 24 hours of the completed contest.

31.35 (d) The commissioner may establish the maximum number of complimentary tickets
 31.36 allowed for each event by rule.

32.1 ~~(d)~~ (e) All fees and penalties collected by the commissioner must be deposited in the
 32.2 commissioner account in the special revenue fund.

32.3 **ARTICLE 7**

32.4 **DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT**

32.5 Section 1. **[116J.549] WORKFORCE HOUSING GRANTS PROGRAM.**

32.6 Subdivision 1. **Establishment.** A workforce housing grants program is established
 32.7 to award grants to qualified cities to be used for qualified expenditures related to the
 32.8 construction of or financing for market rate residential rental properties, and includes new
 32.9 modular homes or new manufactured homes, or new manufactured homes on leased land
 32.10 or in a manufactured home park.

32.11 Subd. 2. **Definitions.** For purposes of this section:

32.12 (1) "commissioner" means the commissioner of employment and economic
 32.13 development;

32.14 (2) "local unit of government" means a home rule charter or statutory city or county;

32.15 (3) "qualified city" means a home rule charter or statutory city located outside the
 32.16 metropolitan area or an area served by a joint county-city economic development agency;

32.17 (4) "qualified expenditure" means expenditures for the acquisition of property,
 32.18 construction of improvements, provisions of loans or subsidies, grants, interest rate
 32.19 subsidies, public infrastructure, and related financing costs for market rate residential
 32.20 rental properties;

32.21 (5) "market rate residential rental properties" means properties that are rented at
 32.22 market value and excludes: (i) properties constructed with financial assistance requiring
 32.23 the property to be occupied by residents that meet income limits under federal or state
 32.24 law of initial occupancy; and (ii) properties constructed with federal, state, or local flood
 32.25 recovery assistance, regardless of whether that assistance imposed income limits as a
 32.26 condition of receiving assistance;

32.27 (6) "metropolitan area" means the area of Minnesota located outside the
 32.28 seven-county metropolitan area as defined by section 473.121, subdivision 2; and

32.29 (7) "joint county-city economic development authority" means an economic
 32.30 development authority, formed under Laws 1998, chapter 516, section 1, as a joint
 32.31 partnership between a city and county and excluding those established by the county only.

32.32 Subd. 3. **Application.** The commissioner shall develop forms and procedures
 32.33 for soliciting and reviewing application for grants under this section. At a minimum, a
 32.34 city must include in its application a resolution of its governing body certifying that the
 32.35 matching amount as required under this section is available and committed.

33.1 Subd. 4. **Program requirements.** The commissioner must not award a grant to a
33.2 city under this section until the following determinations are made:

33.3 (1) the average vacancy rate for rental housing located in the city, and in any city
33.4 located within 60 miles or less of the boundaries of the city, has been three percent or less
33.5 for at least the immediately preceding two-year period;

33.6 (2) one or more businesses located in the city, or within 60 miles of the city, that
33.7 employ a minimum of 20 full-time equivalent employees in aggregate have provided
33.8 a written statement to the city indicating that the lack of available rental housing has
33.9 impeded their ability to recruit and hire employees;

33.10 (3) the city has a population exceeding 1,000;

33.11 (4) the city is located outside the metropolitan area; and

33.12 (5) the city certifies that the grants will be used for qualified expenditures for the
33.13 development of rental housing to serve employees of businesses located in the city
33.14 or surrounding area.

33.15 Subd. 5. **Allocation.** The amount of a grant may not exceed 25 percent of the
33.16 rental housing development project cost. The commissioner shall not award a grant to
33.17 a city without certification by the city that the amount of the grant shall be matched by
33.18 a local unit of government, business, or nonprofit organization with \$1 for every \$2
33.19 provided in grant funds.

33.20 Subd. 6. **Report.** Beginning January 15, 2016, the commissioner must annually
33.21 submit a report to the chairs and ranking minority members of the senate and house of
33.22 representatives committees having jurisdiction over taxes and workforce development
33.23 specifying the projects that received grants under this section and the specific purposes for
33.24 which the grant funds were used.

33.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

33.26 Sec. 2. Minnesota Statutes 2014, section 116J.8738, subdivision 3, is amended to read:

33.27 Subd. 3. **Certification of qualified business.** (a) A business may apply to
33.28 the commissioner for certification as a qualified business under this section. The
33.29 commissioner shall specify the form of the application, the manner and times for applying,
33.30 and the information required to be included in the application. The commissioner may
33.31 impose an application fee in an amount sufficient to defray the commissioner's cost of
33.32 processing certifications. Application fees are deposited in the greater Minnesota business
33.33 expansion administration account in the special revenue fund. A business must file a copy
33.34 of its application with the chief clerical officer of the city at the same time it applies to the

34.1 commissioner. For an agricultural processing facility located outside the boundaries of a
34.2 city, the business must file a copy of the application with the county auditor.

34.3 (b) The commissioner shall certify each business as a qualified business that:

34.4 (1) satisfies the requirements of subdivision 2;

34.5 (2) the commissioner determines would not expand its operations in greater
34.6 Minnesota without the tax incentives available under subdivision 4; and

34.7 (3) enters a business subsidy agreement with the commissioner that pledges to
34.8 satisfy the minimum expansion requirements of paragraph (c) within three years or less
34.9 following execution of the agreement.

34.10 The commissioner must act on an application within 90 days after its filing. Failure
34.11 by the commissioner to take action within the 90-day period is deemed approval of the
34.12 application.

34.13 (c) The business must increase the number of full-time equivalent employees
34.14 in greater Minnesota from the time the business subsidy agreement is executed by two
34.15 employees or ten percent, whichever is greater.

34.16 (d) The city, or a county for an agricultural processing facility located outside the
34.17 boundaries of a city, in which the business proposes to expand its operations may file
34.18 comments supporting or opposing the application with the commissioner. The comments
34.19 must be filed within 30 days after receipt by the city of the application and may include a
34.20 notice of any contribution the city or county intends to make to encourage or support the
34.21 business expansion, such as the use of tax increment financing, property tax abatement,
34.22 additional city or county services, or other financial assistance.

34.23 (e) Certification of a qualified business is effective for the seven-year period
34.24 beginning on the first day of the calendar month immediately following the date that the
34.25 commissioner informs the business of the award of the benefit.

34.26 **EFFECTIVE DATE.** This section is effective retroactively from August 1, 2014.

34.27 Sec. 3. Minnesota Statutes 2014, section 116J.8738, is amended by adding a
34.28 subdivision to read:

34.29 Subd. 6. **Funds.** Amounts in the greater Minnesota business expansion
34.30 administration account in the special revenue fund are appropriated to the commissioner of
34.31 employment and economic development for costs associated with processing applications
34.32 under subdivisions 3, 4, and 5, and for personnel and administrative expenses related to
34.33 administering the greater Minnesota business expansion program.

34.34 **EFFECTIVE DATE.** This section is effective retroactively from August 1, 2014.

35.1 Sec. 4. Minnesota Statutes 2014, section 116L.05, subdivision 5, is amended to read:

35.2 Subd. 5. **Use of workforce development funds.** After March 1 of any fiscal year,
35.3 the board ~~may use~~ shall make recommendations to the legislature for additional uses of
35.4 workforce development funds for the purposes outlined in sections 116L.02 and 116L.04,
35.5 ~~or to provide incumbent worker training services under section 116L.18~~ if the following
35.6 conditions have been met:

35.7 (1) the board examines relevant economic indicators, including the projected
35.8 number of layoffs for the remainder of the fiscal year and the next fiscal year, evidence of
35.9 declining and expanding industries, the number of initial applications for and the number
35.10 of exhaustions of unemployment benefits, job vacancy data, and any additional relevant
35.11 information brought to the board's attention;

35.12 (2) the board accounts for all allocations made in section 116L.17, subdivision 2;

35.13 (3) based on the past expenditures and projected revenue, the board estimates future
35.14 funding needs for services under section 116L.17 for the remainder of the current fiscal
35.15 year and the next fiscal year;

35.16 (4) the board determines there will be unspent funds after meeting the needs of
35.17 dislocated workers in the current fiscal year and there will be sufficient revenue to meet
35.18 the needs of dislocated workers in the next fiscal year; and

35.19 (5) the board reports its findings in clauses (1) to (4) to the chairs of legislative
35.20 committees with jurisdiction over the workforce development fund, to the commissioners
35.21 of revenue and management and budget, and to the public.

35.22 Sec. 5. Minnesota Statutes 2014, section 116L.17, subdivision 4, is amended to read:

35.23 Subd. 4. **Use of funds.** Funds granted by the board under this section may be used
35.24 for any combination of the following, except as otherwise provided in this section:

35.25 (1) employment transition services such as developing readjustment plans for
35.26 individuals; outreach and intake; early readjustment; job or career counseling; testing;
35.27 orientation; assessment of skills and aptitudes; provision of occupational and labor market
35.28 information; job placement assistance; job search; job development; prelayoff assistance;
35.29 relocation assistance; programs provided in cooperation with employers or labor
35.30 organizations to provide early intervention in the event of plant closings or substantial
35.31 layoffs; and entrepreneurial training and business consulting;

35.32 (2) support services, including assistance to help the participant relocate to employ
35.33 existing skills; out-of-area job search assistance; family care assistance, including child
35.34 care; commuting assistance; emergency housing and rental assistance; counseling
35.35 assistance, including personal and financial; health care; emergency health assistance;

36.1 emergency financial assistance; work-related tools and clothing; and other appropriate
36.2 support services that enable a person to participate in an employment and training program
36.3 with the goal of reemployment;

36.4 (3) specific, short-term training to help the participant enhance current skills
36.5 in a similar occupation or industry; entrepreneurial training, customized training, or
36.6 on-the-job training; basic and remedial education to enhance current skills; and literacy
36.7 and work-related English training for non-English speakers; ~~and~~

36.8 (4) long-term training in a new occupation or industry, including occupational skills
36.9 training or customized training in an accredited program recognized by one or more
36.10 relevant industries. Long-term training shall only be provided to dislocated workers whose
36.11 skills are obsolete and who have no other transferable skills likely to result in employment
36.12 at a comparable wage rate. Training shall only be provided for occupations or industries
36.13 with reasonable expectations of job availability based on the service provider's thorough
36.14 assessment of local labor market information where the individual currently resides or
36.15 is willing to relocate. This clause shall not restrict training in personal services or other
36.16 such industries; and

36.17 (5) direct training services to provide a measurable increase in the job-related
36.18 skills of participating incumbent workers, including basic assessment, counseling, and
36.19 preemployment training services requested by the qualifying employer.

36.20 **Sec. 6. [116L.667] RURAL CAREER COUNSELING COORDINATORS.**

36.21 Subdivision 1. **Requirement.** Each workforce service area located outside of the
36.22 metropolitan area, as defined in section 473.121, subdivision 2, except for a service area
36.23 that serves a single city outside of the metropolitan area, must have a career counseling
36.24 coordinator who is responsible for improving coordination and communication of
36.25 workforce development programs and services within the workforce service area, with
36.26 other workforce service areas and career counseling coordinators, and with administering
36.27 agencies. A career counseling coordinator may serve as the coordinator for up to two
36.28 service areas.

36.29 Subd. 2. **Responsibilities.** A career counseling coordinator is responsible for:

36.30 (1) understanding the needs of existing, new, and prospective service area businesses
36.31 in regard to workforce development programs, resources, and other services;

36.32 (2) connecting job seekers, secondary and higher education institutions, employers,
36.33 and other stakeholders and partners;

36.34 (3) providing services to job seekers including career counseling, training, and
36.35 work experience opportunities;

37.1 (4) assessing and compiling information about all workforce development programs
 37.2 and services offered in the assigned workforce service area, including adult basic
 37.3 education programs and programs and services at higher education institutions and
 37.4 kindergarten through grade 12 schools;

37.5 (5) making recommendations to the commissioner regarding ways to improve
 37.6 career counseling coordination, possible program changes, and new workforce programs
 37.7 or initiatives;

37.8 (6) sharing best practices and collaborating with other career counseling coordinators
 37.9 to promote and enable state-level coordination among workforce development programs
 37.10 and administering agencies including, but not limited to, the Departments of Employment
 37.11 and Economic Development, Education, and Labor and Industry, and the Office of Higher
 37.12 Education; and

37.13 (7) promoting available workforce development and career counseling programs and
 37.14 resources in the workforce service area.

37.15 Subd. 3. **Reporting; consolidation.** The workforce council in each of the workforce
 37.16 service areas having a career counseling coordinator shall submit an annual report to
 37.17 the commissioner that includes, but is not limited to, a narrative of and the number of
 37.18 businesses, job seekers, and other stakeholders served by the career counseling coordinator
 37.19 function, an accounting of workforce development and career counseling programs
 37.20 and services offered in the assigned workforce service area, and any recommendations
 37.21 for changes to workforce development efforts in the workforce service area. Beginning
 37.22 January 15, 2016, and each year thereafter, the commissioner shall consolidate the reports
 37.23 and submit the consolidated report to the legislative committees with jurisdiction over
 37.24 economic development and workforce policy and finance.

37.25 Sec. 7. Minnesota Statutes 2014, section 268.035, subdivision 6, is amended to read:

37.26 Subd. 6. **Benefit year.** "Benefit year" means the period of 52 calendar weeks
 37.27 beginning the date a benefit account is effective. For a benefit account established
 37.28 effective any January 1, April 1, July 1, or October 1, ~~or January 2, 2000, or October 2,~~
 37.29 ~~2011~~, the benefit year will be a period of 53 calendar weeks.

37.30 **EFFECTIVE DATE.** This section is effective August 2, 2015.

37.31 Sec. 8. Minnesota Statutes 2014, section 268.035, subdivision 21b, is amended to read:

37.32 Subd. 21b. **Preponderance of the evidence.** "Preponderance of the evidence"
 37.33 means evidence in substantiation support of a fact that, ~~when weighed against the evidence~~

38.1 ~~opposing the fact~~, is more convincing and has a greater probability of truth than the
38.2 evidence opposing the fact.

38.3 **EFFECTIVE DATE.** This section is effective August 2, 2015.

38.4 Sec. 9. Minnesota Statutes 2014, section 268.035, subdivision 26, is amended to read:

38.5 Subd. 26. **Unemployed.** An applicant is considered "unemployed" ~~(1)~~ in any week
38.6 that:

38.7 (1) the applicant performs less than 32 hours of service in employment, covered
38.8 employment, noncovered employment, self-employment, or volunteer work; and

38.9 (2) any earnings with respect to that week are less than the applicant's weekly
38.10 unemployment benefit amount.

38.11 **EFFECTIVE DATE.** This section is effective August 2, 2015.

38.12 Sec. 10. Minnesota Statutes 2014, section 268.035, subdivision 30, is amended to read:

38.13 Subd. 30. **Wages paid.** (a) "Wages paid" means the amount of wages:

38.14 (1) that have been actually paid; or

38.15 (2) that have been credited to or set apart so that payment and disposition is under
38.16 the control of the employee.

38.17 (b) Wage payments delayed beyond the regularly scheduled pay date are considered
38.18 "wages paid" on the missed pay date. Back pay is considered "wages paid" on the date
38.19 of actual payment. Any wages earned but not paid with no scheduled date of payment is
38.20 considered "wages paid" on the last day of employment.

38.21 ~~(b)~~ (c) Wages paid does not include wages earned but not paid except as provided
38.22 for in this subdivision.

38.23 **EFFECTIVE DATE.** This section is effective August 2, 2015.

38.24 Sec. 11. Minnesota Statutes 2014, section 268.051, subdivision 7, is amended to read:

38.25 Subd. 7. **Tax rate buydown.** (a) Any taxpaying employer that has been assigned
38.26 a tax rate based upon an experience rating, and has no amounts past due under this
38.27 chapter, may, upon the payment of an amount equivalent to any portion or all of the
38.28 unemployment benefits used in computing the experience rating plus a surcharge of 25
38.29 percent, obtain a cancellation of unemployment benefits used equal to the payment made,
38.30 less the surcharge. The payment is applied to the most recent unemployment benefits paid
38.31 that are used in computing the experience rating. Upon the payment, the commissioner
38.32 must compute a new experience rating for the employer, and compute a new tax rate.

39.1 (b) Payments for a tax rate buydown may be made only by electronic payment
39.2 and must be received within 120 calendar days from the beginning of the calendar year
39.3 for which the tax rate is effective.

39.4 ~~(e) For calendar years 2011, 2012, and 2013, the surcharge of 25 percent provided~~
39.5 ~~for in paragraph (a) does not apply.~~

39.6 **EFFECTIVE DATE.** This section is effective August 2, 2015.

39.7 Sec. 12. Minnesota Statutes 2014, section 268.07, subdivision 2, is amended to read:

39.8 Subd. 2. **Benefit account requirements.** (a) Unless paragraph (b) applies, to
39.9 establish a benefit account an applicant must have total wage credits in the applicant's four
39.10 quarter base period of at least: ~~(1) \$2,400; or (2) 5.3 percent of the state's average annual~~
39.11 ~~wage rounded down to the next lower \$100, whichever is higher.~~

39.12 (b) To establish a new benefit account ~~within 52 calendar weeks~~ following the
39.13 expiration of the benefit year on a prior benefit account, an applicant must have performed
39.14 ~~services~~ actual work in subsequent covered employment and have been paid wages in one
39.15 or more completed calendar quarters that started after the effective date of the prior benefit
39.16 account. The wages paid for ~~those services~~ that employment must be at least enough to
39.17 meet the requirements of paragraph (a). A benefit account under this paragraph may not
39.18 be established effective earlier than the Sunday following the end of the most recent
39.19 completed calendar quarter in which the requirements of paragraph (a) were met. ~~One~~
39.20 ~~of the reasons for this paragraph is to prevent~~ An applicant from ~~establishing~~ may not
39.21 establish a second benefit account as a result of one loss of employment.

39.22 **EFFECTIVE DATE.** This section is effective August 2, 2015, except the amendment
39.23 striking "within 52 calendar weeks" is effective the day following final enactment.

39.24 Sec. 13. Minnesota Statutes 2014, section 268.07, subdivision 3b, is amended to read:

39.25 Subd. 3b. **Limitations on applications and benefit accounts.** (a) An application for
39.26 unemployment benefits is effective the Sunday of the calendar week that the application
39.27 was filed. An application for unemployment benefits may be backdated one calendar week
39.28 before the Sunday of the week the application was actually filed if the applicant requests
39.29 the backdating at the time the application is filed. An application may be backdated only
39.30 if the applicant was unemployed during the period of the backdating. If an individual
39.31 attempted to file an application for unemployment benefits, but was prevented from filing
39.32 an application by the department, the application is effective the Sunday of the calendar
39.33 week the individual first attempted to file an application.

40.1 (b) A benefit account established under subdivision 2 is effective the date the
40.2 application for unemployment benefits was effective.

40.3 (c) A benefit account, once established, may later be withdrawn only if:

40.4 (1) the applicant has not been paid any unemployment benefits on that benefit
40.5 account; and

40.6 (2) a new application for unemployment benefits is filed and a new benefit account is
40.7 established at the time of the withdrawal.

40.8 A determination or amended determination of eligibility or ineligibility issued under
40.9 section 268.101, that was sent before the withdrawal of the benefit account, remains in
40.10 effect and is not voided by the withdrawal of the benefit account.

40.11 (d) An application for unemployment benefits is not allowed before the Sunday
40.12 following the expiration of the benefit year on a prior benefit account. Except as allowed
40.13 under paragraph (c), an applicant may establish only one benefit account each 52 calendar
40.14 weeks. This paragraph applies to benefit accounts established under any federal law or
40.15 the law of any other state.

40.16 **EFFECTIVE DATE.** This section is effective August 2, 2015.

40.17 Sec. 14. Minnesota Statutes 2014, section 268.085, subdivision 1, is amended to read:

40.18 Subdivision 1. **Eligibility conditions.** An applicant may be eligible to receive
40.19 unemployment benefits for any week if:

40.20 (1) the applicant has filed a continued request for unemployment benefits for that
40.21 week under section 268.0865;

40.22 (2) the week for which unemployment benefits are requested is in the applicant's
40.23 benefit year;

40.24 (3) the applicant was unemployed as defined in section 268.035, subdivision 26;

40.25 (4) the applicant was available for suitable employment as defined in subdivision
40.26 15. The applicant's weekly unemployment benefit amount is reduced one-fifth for each
40.27 day the applicant is unavailable for suitable employment. This clause does not apply to
40.28 an applicant who is in reemployment assistance training, or each day the applicant is on
40.29 jury duty or serving as an election judge;

40.30 (5) the applicant was actively seeking suitable employment as defined in subdivision
40.31 16. This clause does not apply to an applicant who is in reemployment assistance training
40.32 or who was on jury duty throughout the week;

40.33 (6) the applicant has served a nonpayable period of one week that the applicant is
40.34 otherwise entitled to some amount of unemployment benefits. This clause does not apply
40.35 if the applicant would have been entitled to federal disaster unemployment assistance

41.1 because of a disaster in Minnesota, but for the applicant's establishment of a benefit
41.2 account under section 268.07; and

41.3 (7) the applicant has been participating in reemployment assistance services, such as
41.4 ~~job development of, and adherence to, a work search and resume writing classes plan,~~ if
41.5 the applicant has been ~~determined in need of reemployment assistance services~~ directed
41.6 to participate by the commissioner, ~~unless~~. This clause does not apply if the applicant
41.7 has good cause for failing to participate.

41.8 **EFFECTIVE DATE.** This section is effective August 2, 2015.

41.9 Sec. 15. Minnesota Statutes 2014, section 268.085, subdivision 2, is amended to read:

41.10 Subd. 2. **Not eligible.** An applicant is ineligible for unemployment benefits for
41.11 any week:

41.12 (1) that occurs before the effective date of a benefit account;

41.13 (2) that the applicant, at the beginning of the week, has an outstanding fraud
41.14 overpayment balance under section 268.18, subdivision 2, including any penalties and
41.15 interest;

41.16 (3) that occurs in a period when the applicant is a student in attendance at, or on
41.17 vacation from a secondary school including the period between academic years or terms;

41.18 (4) that the applicant is incarcerated or performing court-ordered community service.

41.19 The applicant's weekly unemployment benefit amount is reduced by one-fifth for each day
41.20 the applicant is incarcerated or performing court-ordered community service;

41.21 (5) that the applicant fails or refuses to provide information on an issue of
41.22 ineligibility required under section 268.101;

41.23 (6) that the applicant is performing services 32 hours or more, in employment,
41.24 covered employment, noncovered employment, volunteer work, or self-employment
41.25 regardless of the amount of any earnings; or

41.26 (7) with respect to which the applicant ~~is receiving, has received, or has filed an~~
41.27 ~~application for unemployment benefits under any federal law or the law of any other~~
41.28 ~~state. If the appropriate agency finally determines that the applicant is not entitled to the~~
41.29 ~~unemployment benefits~~ establish a benefit account under federal law of the law of any
41.30 other state, this clause does not apply.

41.31 **EFFECTIVE DATE.** This section is effective August 2, 2015.

41.32 Sec. 16. Minnesota Statutes 2014, section 268.095, subdivision 1, is amended to read:

42.1 Subdivision 1. **Quit.** An applicant who quit employment is ineligible for all
42.2 unemployment benefits according to subdivision 10 except when:

42.3 (1) the applicant quit the employment because of a good reason caused by the
42.4 employer as defined in subdivision 3;

42.5 (2) the applicant quit the employment to accept other covered employment that
42.6 provided substantially equal to or better terms and conditions of employment, but
42.7 the applicant did not work long enough at the second employment to have sufficient
42.8 subsequent earnings to satisfy the period of ineligibility that would otherwise be imposed
42.9 under subdivision 10 for quitting the first employment;

42.10 (3) the applicant quit the employment within 30 calendar days of beginning the
42.11 employment because the employment was unsuitable for the applicant;

42.12 (4) the employment was unsuitable for the applicant and the applicant quit to enter
42.13 reemployment assistance training;

42.14 (5) the employment was part time and the applicant also had full-time employment
42.15 in the base period, from which full-time employment the applicant separated because of
42.16 reasons for which the applicant ~~was held~~ is not to be ineligible, and the wage credits from
42.17 the full-time employment are sufficient to meet the minimum requirements to establish a
42.18 benefit account under section 268.07;

42.19 (6) the applicant quit because the employer notified the applicant that the applicant
42.20 was going to be laid off because of lack of work within 30 calendar days. An applicant
42.21 who quit employment within 30 calendar days of a notified date of layoff because of lack
42.22 of work is ineligible for unemployment benefits through the end of the week that includes
42.23 the scheduled date of layoff;

42.24 (7) the applicant quit the employment (i) because the applicant's serious illness or
42.25 injury made it medically necessary that the applicant quit; or (ii) in order to provide
42.26 necessary care because of the illness, injury, or disability of an immediate family member
42.27 of the applicant. This exception only applies if the applicant informs the employer of
42.28 the medical problem and requests accommodation and no reasonable accommodation
42.29 is made available.

42.30 If the applicant's serious illness is chemical dependency, this exception does not
42.31 apply if the applicant was previously diagnosed as chemically dependent or had treatment
42.32 for chemical dependency, and since that diagnosis or treatment has failed to make
42.33 consistent efforts to control the chemical dependency.

42.34 This exception raises an issue of the applicant's being available for suitable
42.35 employment under section 268.085, subdivision 1, that the commissioner must determine;

43.1 (8) the applicant's loss of child care for the applicant's minor child caused the
43.2 applicant to quit the employment, provided the applicant made reasonable effort to obtain
43.3 other child care and requested time off or other accommodation from the employer and no
43.4 reasonable accommodation is available.

43.5 This exception raises an issue of the applicant's being available for suitable
43.6 employment under section 268.085, subdivision 1, that the commissioner must determine;

43.7 (9) the applicant quit because domestic abuse, sexual assault, or stalking of the
43.8 applicant or an immediate family member of the applicant, necessitated the applicant's
43.9 quitting the employment.

43.10 For purposes of this subdivision:

43.11 (i) "domestic abuse" has the meaning given in section 518B.01;

43.12 (ii) "sexual assault" means an act that would constitute a violation of sections
43.13 609.342 to 609.3453 or 609.352; and

43.14 (iii) "stalking" means an act that would constitute a violation of section 609.749; or

43.15 (10) the applicant quit in order to relocate to accompany a spouse whose job location
43.16 changed making it impractical for the applicant to commute. This exception only applies
43.17 if the spouse's job is in the military or provides total wages and other compensation that is
43.18 equal to or better than the applicant's employment.

43.19 **EFFECTIVE DATE.** This section is effective August 2, 2015.

43.20 Sec. 17. Minnesota Statutes 2014, section 268.095, subdivision 10, is amended to read:

43.21 Subd. 10. **Ineligibility duration.** (a) Ineligibility from the payment of all
43.22 unemployment benefits under subdivisions 1 and 4 is for the duration of the applicant's
43.23 unemployment and until the end of the calendar week that the applicant had total wages
43.24 paid for actual work performed in subsequent covered employment sufficient to meet
43.25 one-half of the requirements of section 268.07, subdivision 2, paragraph (a).

43.26 (b) Ineligibility imposed under subdivisions 1 and 4 begins on the Sunday of the
43.27 week that the applicant became separated from employment.

43.28 (c) In addition to paragraph (a), if the applicant was discharged from employment
43.29 because of aggravated employment misconduct, wage credits from that employment are
43.30 canceled and cannot be used for purposes of a benefit account under section 268.07,
43.31 subdivision 2.

43.32 **EFFECTIVE DATE.** This section is effective August 2, 2015.

43.33 Sec. 18. Minnesota Statutes 2014, section 268.105, subdivision 3, is amended to read:

44.1 Subd. 3. **Withdrawal of an appeal.** (a) ~~Any~~ An appeal that is pending before
44.2 an unemployment law judge may be withdrawn by the appealing ~~person~~ party, or an
44.3 authorized representative of that ~~person~~ party, ~~upon~~ by filing of a notice of withdrawal. A
44.4 notice of withdrawal may be filed by mail or by electronic transmission.

44.5 (b) The appeal must, by order, be dismissed if a notice of withdrawal is filed, unless
44.6 an unemployment law judge directs that further ~~adjudication is~~ proceedings are required
44.7 for a proper result. An order of dismissal issued as a result of a notice of withdrawal is
44.8 not subject to reconsideration or appeal.

44.9 (c) ~~A notice of withdrawal may be filed by mail or by electronic transmission.~~ A
44.10 party may file a new appeal after the order of dismissal, but the original 20-calendar-day
44.11 period for appeal begins from the date of issuance of the determination and that time
44.12 period is not suspended or restarted by the notice of withdrawal and order of dismissal.
44.13 The new appeal may only be filed by mail or facsimile transmission.

44.14 (d) For purposes of this subdivision, "appeals" includes a request for reconsideration
44.15 filed under subdivision 2.

44.16 **EFFECTIVE DATE.** This section is effective August 2, 2015.

44.17 Sec. 19. Minnesota Statutes 2014, section 268.105, subdivision 7, is amended to read:

44.18 Subd. 7. **Judicial review.** (a) The Minnesota Court of Appeals must, by writ
44.19 of certiorari to the department, review the unemployment law judge's decision on
44.20 reconsideration, provided a petition for the writ is filed with the court and a copy is served
44.21 upon the unemployment law judge or the commissioner and any other party within 30
44.22 calendar days of the sending of the unemployment law judge's decision on reconsideration
44.23 under subdivision 2. Three days are added to the 30-calendar-day period if the decision on
44.24 reconsideration was mailed to the parties.

44.25 (b) Any employer petitioning for a writ of certiorari must pay to the court the
44.26 required filing fee in accordance with the Rules of Civil Appellate Procedure. If the
44.27 employer requests a written transcript of the testimony received at the hearing conducted
44.28 under subdivision 1, the employer must pay to the department the cost of preparing the
44.29 transcript. That money is credited to the administration account.

44.30 (c) Upon issuance by the Minnesota Court of Appeals of a writ of certiorari as a
44.31 result of an applicant's petition, the department must furnish to the applicant at no cost a
44.32 written transcript of any testimony received at the hearing conducted under subdivision 1,
44.33 and, if requested, a copy of all exhibits entered into evidence. No filing fee or cost bond is
44.34 required of an applicant petitioning the Minnesota Court of Appeals for a writ of certiorari.

45.1 (d) The Minnesota Court of Appeals may affirm the decision of the unemployment
45.2 law judge or remand the case for further proceedings; or it may reverse or modify the
45.3 decision if the substantial rights of the petitioner may have been prejudiced because the
45.4 findings, inferences, conclusion, or decision are:

45.5 (1) in violation of constitutional provisions;

45.6 (2) in excess of the statutory authority or jurisdiction of the department;

45.7 (3) made upon unlawful procedure;

45.8 (4) affected by other error of law;

45.9 (5) unsupported by substantial evidence in view of the entire record as submitted; or

45.10 (6) arbitrary or capricious.

45.11 (e) The department is considered the primary responding party to any judicial action
45.12 involving an unemployment law judge's decision. The department may be represented by
45.13 an attorney licensed to practice law in Minnesota who is an employee of the department.

45.14 **EFFECTIVE DATE.** This section is effective August 2, 2015.

45.15 Sec. 20. Minnesota Statutes 2014, section 268.136, subdivision 1, is amended to read:

45.16 Subdivision 1. **Shared work plan requirements.** An employer may submit a
45.17 proposed shared work plan for an employee group to the commissioner for approval in a
45.18 manner and format set by the commissioner. The proposed shared work plan must include:

45.19 (1) a certified statement that the normal weekly hours of work of all of the proposed
45.20 participating employees were full time or regular part time but are now reduced, or will be
45.21 reduced, with a corresponding reduction in pay, in order to prevent layoffs;

45.22 (2) the name and Social Security number of each participating employee;

45.23 (3) the number of layoffs that would have occurred absent the employer's ability to
45.24 participate in a shared work plan;

45.25 (4) a certified statement that each participating employee was first hired by the
45.26 employer at least one year before the proposed shared work plan is submitted and is not a
45.27 seasonal, temporary, or intermittent worker;

45.28 (5) the hours of work each participating employee will work each week for the
45.29 duration of the shared work plan, which must be at least 50 percent of the normal weekly
45.30 hours but no more than ~~90~~ 80 percent of the normal weekly hours, except that the plan
45.31 may provide for a uniform vacation shutdown of up to two weeks;

45.32 (6) a certified statement that any health benefits and pension benefits provided by
45.33 the employer to participating employees will continue to be provided under the same
45.34 terms and conditions as though the participating employees' hours of work each week had
45.35 not been reduced;

46.1 (7) a certified statement that the terms and implementation of the shared work plan is
46.2 consistent with the employer's obligations under state and federal law;

46.3 (8) an acknowledgement that the employer understands that unemployment benefits
46.4 paid under a shared work plan will be used in computing the future tax rate of a taxpaying
46.5 employer or charged to the reimbursable account of a nonprofit or government employer;

46.6 (9) the proposed duration of the shared work plan, which must be at least two months
46.7 and not more than one year, although a plan may be extended for up to an additional
46.8 year upon approval of the commissioner;

46.9 (10) a starting date beginning on a Sunday at least 15 calendar days after the date the
46.10 proposed shared work plan is submitted; and

46.11 (11) a signature of an owner or officer of the employer who is listed as an owner or
46.12 officer on the employer's account under section 268.045.

46.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

46.14 Sec. 21. Minnesota Statutes 2014, section 268.194, subdivision 1, is amended to read:

46.15 Subdivision 1. **Establishment.** There is established as a special state trust fund,
46.16 separate and apart from all other public money or funds of this state, an unemployment
46.17 insurance trust fund, that is administered by the commissioner exclusively for the payment
46.18 of unemployment benefits. This trust fund consists of:

46.19 (1) all taxes collected;

46.20 (2) interest earned upon any money in the trust fund;

46.21 (3) reimbursements paid by nonprofit organizations and the state and political
46.22 subdivisions;

46.23 (4) tax rate buydown payments under section 268.051, subdivision 7;

46.24 (5) any money received as a loan from the federal unemployment trust fund in
46.25 accordance with United States Code, title 42, section 1321, of the Social Security Act;

46.26 (6) any other money received under a reciprocal unemployment benefit arrangement
46.27 with the federal government or any other state;

46.28 (7) money recovered on overpaid unemployment benefits ~~except, if allowed by~~
46.29 ~~federal law, five percent of any recovered amount is credited to the administration account;~~

46.30 (8) all money credited to the account under this chapter;

46.31 (9) all money credited to the account of Minnesota in the federal unemployment
46.32 trust fund under United States Code, title 42, section 1103, of the Social Security Act,
46.33 also known as the Reed Act; and

46.34 (10) all money received for the trust fund from any other source.

47.1 **EFFECTIVE DATE.** This section is effective August 2, 2015.

47.2 Sec. 22. **[268A.031] COMMISSIONER AND EMPLOYEES NOT SUBJECT**
47.3 **TO SUBPOENA.**

47.4 The commissioner and employees of the department shall not be subject to subpoena
47.5 for purposes of providing testimony regarding any client served under this chapter.

47.6 Sec. 23. Laws 2014, chapter 308, article 6, section 14, subdivision 5, is amended to read:

47.7 Subd. 5. **Allocation.** The amount of a grant may not exceed the lesser of \$400,000
47.8 \$1,000,000 or ~~ten~~ 25 percent of the rental housing development project cost. The
47.9 commissioner shall not award a grant to a city without certification by the city that the
47.10 amount of the grant shall be matched by a local unit of government, business, or nonprofit
47.11 organization with \$1 for every \$2 provided in grant funds.

47.12 Sec. 24. Laws 2014, chapter 312, article 2, section 14, is amended to read:

47.13 Sec. 14. **ASSIGNED RISK TRANSFER.**

47.14 (a) By June 30, 2015, if the commissioner of commerce determines on the basis of
47.15 an audit that there is an excess surplus in the assigned risk plan created under Minnesota
47.16 Statutes, section 79.252, the commissioner of management and budget shall transfer
47.17 the amount of the excess surplus, not to exceed \$10,500,000, to the general fund. This
47.18 transfer occurs prior to any transfer under Minnesota Statutes, section 79.251, subdivision
47.19 1, paragraph (a), clause (1). This is a onetime transfer.

47.20 (b) By June 30, 2015, and each year thereafter, if the commissioner of commerce
47.21 determines on the basis of an audit that there is an excess surplus in the assigned risk plan
47.22 created under Minnesota Statutes, section 79.252, the commissioner of management and
47.23 budget shall transfer the amount of the excess surplus, not to exceed \$4,820,000 each
47.24 year, to the Minnesota minerals 21st century fund under Minnesota Statutes, section
47.25 116J.423. This transfer occurs prior to any transfer under Minnesota Statutes, section
47.26 79.251, subdivision 1, paragraph (a), clause (1), but after the transfer authorized in
47.27 paragraph (a). The total amount authorized for all transfers under this paragraph must not
47.28 exceed \$24,100,000. This paragraph expires the day following the transfer in which the
47.29 total amount transferred under this paragraph to the Minnesota minerals 21st century
47.30 fund equals \$24,100,000.

47.31 (c) By June 30, 2015, if the commissioner of commerce determines on the basis of
47.32 an audit that there is an excess surplus in the assigned risk plan created under Minnesota
47.33 Statutes, section 79.252, the commissioner of management and budget shall transfer the

48.1 amount of the excess surplus, not to exceed \$4,820,000, to the general fund. This transfer
48.2 occurs prior to any transfer under Minnesota Statutes, section 79.251, subdivision 1,
48.3 paragraph (a), clause (1), but after any transfers authorized in paragraphs (a) and (b). If
48.4 a transfer occurs under this paragraph, the amount transferred is appropriated from the
48.5 general fund in fiscal year 2015 to the commissioner of labor and industry for the purposes
48.6 of section 15. Both the transfer and appropriation under this paragraph are onetime. The
48.7 appropriation in this paragraph is available until June 30, 2018.

48.8 (d) By June 30, 2016, if the commissioner of commerce determines on the basis of
48.9 an audit that there is an excess surplus in the assigned risk plan created under Minnesota
48.10 Statutes, section 79.252, the commissioner of management and budget shall transfer the
48.11 amount of the excess surplus, not to exceed \$4,820,000, to the general fund. This transfer
48.12 occurs prior to any transfer under Minnesota Statutes, section 79.251, subdivision 1,
48.13 paragraph (a), clause (1), but after the transfers authorized in paragraphs (a) and (b). If
48.14 a transfer occurs under this paragraph, the amount transferred is appropriated from the
48.15 general fund in fiscal year 2016 to the commissioner of labor and industry for the purposes
48.16 of section 15. Both the transfer and appropriation under this paragraph are onetime. The
48.17 appropriation in this paragraph is available until June 30, 2019.

48.18 (e) Notwithstanding Minnesota Statutes, section 16A.28, the commissioner of
48.19 management and budget shall transfer to the assigned risk plan under Minnesota Statutes,
48.20 section 79.252, any unencumbered or unexpended balance of the appropriations under
48.21 paragraphs (c) and (d) remaining on June 30, 2017, or the date the commissioner of
48.22 commerce determines that an excess surplus in the assigned risk plan does not exist,
48.23 whichever occurs earlier.

48.24 **Sec. 25. MECHANISMS AND COSTS: MINNESOTA PAID FAMILY AND**
48.25 **MEDICAL LEAVE PROGRAM.**

48.26 The Department of Employment and Economic Development, in collaboration with
48.27 the Departments of Labor and Industry and Health and Human Services, shall report
48.28 on the most efficient and effective mechanisms and associated costs for the design and
48.29 delivery of a statewide broad-based insurance program that would provide partial wage
48.30 replacement for workers taking parental, family, or medical leave.

48.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

48.32 **Sec. 26. FAMILY LEAVE INSURANCE PROGRAM; ANALYSIS.**

48.33 (a) The Department of Employment and Economic Development, in consultation
48.34 with the Departments of Labor and Industry, Health and Human Services, shall conduct

49.1 an analysis of various options for the delivery of the family and medical leave insurance
 49.2 program and their associated costs and benefits. This analysis shall include:

49.3 (1) an evaluation of mechanisms for:

49.4 (i) the determination of eligibility;

49.5 (ii) the collection of employer and employee contributions;

49.6 (iii) the processing and payment of claims; and

49.7 (iv) an effective enforcement of the program and the protection of employees who
 49.8 use or seek to use family or medical leaves pursuant to the program;

49.9 (2) an estimated timeline for implementation of the various mechanisms and
 49.10 approaches evaluated under clause (1);

49.11 (3) separate cost estimates for each of the following types of leave:

49.12 (i) parental leave;

49.13 (ii) leave to care for a family member with a serious health condition, family leave;

49.14 and

49.15 (iii) medical leave; and

49.16 (4) options and associated mechanisms for financing the program including, but not
 49.17 limited to, a premium assessed on employers and employees.

49.18 (b) In conducting this analysis, the department shall:

49.19 (1) utilize the expertise of relevant state agencies to take advantage of existing
 49.20 systems, to minimize start-up costs, and to maximize use of existing agency systems
 49.21 and programs and avoid redundancy; and

49.22 (2) build on the experiences of other states and agencies with existing or proposed
 49.23 paid family and medical leave programs at the state and federal level.

49.24 (c) By December 15, 2015, the commissioner of employment and economic
 49.25 development shall report to the legislative committees with jurisdiction over labor, jobs,
 49.26 and health and human services on the results of its analysis under this section.

49.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

49.28 Sec. 27. **SPECIAL UNEMPLOYMENT BENEFIT ASSISTANCE.**

49.29 Notwithstanding Minnesota Statutes, sections 268.085, subdivision 3, paragraph (a),
 49.30 and 268.035, subdivision 29, paragraph (a), clause (13), applicants laid off due to lack of
 49.31 work from a facility engaged directly in the extraction or processing of iron ore in Itasca
 49.32 County, St. Louis County, or Lake County, Minnesota, between March 1, 2015, and
 49.33 December 31, 2015, will not be ineligible for unemployment benefits because of:

49.34 (1) the receipt of vacation pay from the employer engaged in the extraction or
 49.35 processing of iron ore; or

50.1 (2) the receipt of supplemental unemployment benefits from the employer engaged
50.2 in the extraction or processing of iron ore.

50.3 **EFFECTIVE DATE.** This section is effective the day following final enactment
50.4 and is retroactive to March 1, 2015. This section expires December 31, 2016.

50.5 **Sec. 28. DAY TRAINING AND HABILITATION GRANT PROGRAM.**

50.6 Subdivision 1. **Establishment.** The commissioner of employment and economic
50.7 development shall establish a day training and habilitation grant program in fulfillment
50.8 of the Olmstead Plan purpose of ensuring that people with disabilities have choices for
50.9 competitive, meaningful, and sustained employment in the most integrated setting.

50.10 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms
50.11 have the meanings given them.

50.12 (b) "Day training and habilitation providers" means those organizations whose
50.13 names are listed as Department of Human Services providers in the Minnesota Department
50.14 of Administration, Materials Management Division, ALP Manual, Appendix J, without
50.15 regard to whether they are listed as approved vendors with the Minnesota Department
50.16 of Employment and Economic Development, Division of Rehabilitation Services as a
50.17 community rehabilitation provider, limited-use vendor, or center for independent living,
50.18 and irrespective as to whether they are accredited by CARF International.

50.19 (c) "Competitive employment" means full-time or part-time employment, with or
50.20 without support, in an integrated setting in the community that pays at least minimum
50.21 wage, as defined by the Fair Labor Standards Act, but not less than the customary wage
50.22 and level of benefits paid by the employer for the same or similar work performed by
50.23 workers without a disability.

50.24 (d) "Olmstead Plan" means Minnesota's 2013 Olmstead Plan, dated November 1,
50.25 2013, and all subsequent modifications approved by the United States District Court.

50.26 Subd. 3. **Competitive process.** The commissioner shall issue a request for proposals
50.27 to day training and habilitation providers seeking proposals to assist the Department
50.28 of Employment and Economic Development in achieving its goals as provided in the
50.29 Olmstead Plan. Grant funds shall be used to improve individual employment outcomes
50.30 by aligning programs, funding, and policies to support people with disabilities to choose,
50.31 secure, and maintain competitive employment and self-employment, including, but not
50.32 limited to, the following activities:

50.33 (1) implementing policies and initiating processes that improve the employment
50.34 outcomes of working adults with disabilities;

51.1 (2) offering incentives for innovation that increase competitive employment in
51.2 the general work force;

51.3 (3) expanding the flexibility in current funding and services to increase competitive
51.4 employment outcomes;

51.5 (4) providing evidence of partnerships with private sector businesses and public
51.6 sector employment; and

51.7 (5) submitting outcome data, required by the department, according to the
51.8 stipulations of the Olmstead Plan.

51.9 Subd. 4. **Eligibility.** Any person who has a disability as determined by the Social
51.10 Security Administration or state medical review team is eligible to receive services
51.11 provided with grant funds.

51.12 Subd. 5. **Consultation required.** The commissioner shall consult with the
51.13 governor's Workforce Development Council, the Commission of Deaf, DeafBlind, and
51.14 Hard-of-Hearing Minnesotans, the governor's Council on Developmental Disabilities, and
51.15 other governor-appointed disability councils in designing, implementing, and evaluating
51.16 the competitive grant program.

51.17 Subd. 6. **Report.** On or before February 1, 2016, and annually thereafter, the
51.18 commissioner shall report to the chairs and ranking minority members of the senate and
51.19 house of representatives committees having jurisdiction over employment and economic
51.20 development policy and finance on the amount of funds awarded and the outcomes
51.21 reported by grantees.

51.22 **ARTICLE 8**

51.23 **DEPARTMENT OF COMMERCE**

51.24 Section 1. Minnesota Statutes 2014, section 16C.144, is amended by adding a
51.25 subdivision to read:

51.26 Subd. 7. **Funding.** (a) The commissioner of commerce is authorized to set and fix a
51.27 fee to fund the program under this section. The fee shall be paid as a percentage of the
51.28 total investment cost for a project that has received a fully executed work order contract
51.29 under the conditions imposed by this section. The fee percentage shall be adjusted on the
51.30 basis of the total value of the contracts approved relative to the funding level needed
51.31 to operate the program.

51.32 (b) Fees collected under this subdivision must be deposited in the guaranteed energy
51.33 savings platform account under subdivision 8.

51.34 **EFFECTIVE DATE.** This section is effective the day following final enactment.

52.1 Sec. 2. Minnesota Statutes 2014, section 16C.144, is amended by adding a subdivision
52.2 to read:

52.3 Subd. 8. **Guaranteed energy savings platform account; appropriation.** (a) A
52.4 guaranteed energy savings platform account is created as a separate account in the special
52.5 revenue fund. The account consists of funds donated, allocated, transferred, or otherwise
52.6 provided to the account, including fees collected and deposited under subdivision 7.
52.7 Earnings, including interest, dividends, and any other earnings arising from account assets,
52.8 must be credited to the account.

52.9 (b) Funds in the account are annually appropriated to the commissioner of commerce
52.10 for activities under this section.

52.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

52.12 Sec. 3. Minnesota Statutes 2014, section 60D.215, subdivision 2, is amended to read:

52.13 Subd. 2. **Expenses.** Each registered insurer subject to this section is liable for and
52.14 shall pay the reasonable expenses of the commissioner's participation in a supervisory
52.15 college in accordance with subdivision 3, including reasonable travel expenses. For
52.16 purposes of this section, a supervisory college may be convened as either a temporary
52.17 or permanent forum for communication and cooperation between the regulators charged
52.18 with the supervision of the insurer or its affiliates, and the commissioner may establish a
52.19 regular assessment to the insurer for the payment of these expenses. A registered insurer's
52.20 liability for expenses under this subdivision is limited to the actual, incurred costs of the
52.21 commissioner's participation in their supervisory college.

52.22 Sec. 4. **[80A.461] MNVEST REGISTRATION EXEMPTION.**

52.23 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms defined in
52.24 paragraphs (b) through (e) have the meanings given them.

52.25 (b) "MNvest issuer" means an entity organized under the laws of Minnesota, other
52.26 than a general partnership, that satisfies the requirements of Code of Federal Regulations,
52.27 title 17, part 230.147, and the following requirements:

52.28 (1) the principal office of the entity is located in Minnesota;

52.29 (2) as of the last day of the most recent semiannual fiscal period of the entity, at least
52.30 80 percent, or other threshold permitted by Code of Federal Regulations, title 17, part
52.31 230.147, of the entity's assets were located in Minnesota;

52.32 (3) except in the case of an entity whose gross revenue during the most recent period
52.33 of 12 full months did not exceed \$5,000, the entity derived at least 80 percent, or other
52.34 threshold permitted by Code of Federal Regulations, title 17, part 230.147, of the entity's

53.1 gross revenues from the operation of a business in Minnesota during (i) the previous fiscal
53.2 year, if the MNvest offering begins during the first six months of the entity's fiscal year; or
53.3 (ii) during the 12 months ending on the last day of the sixth month of the entity's current
53.4 fiscal year, if the MNvest offering begins following the last day;

53.5 (4) the entity does not attempt to limit its liability, or the liability of any other
53.6 person, for fraud or intentional misrepresentation in connection with the offering of its
53.7 securities in a MNvest offering; and

53.8 (5) the entity is not:

53.9 (i) engaged in the business of investing, reinvesting, owning, holding, or trading in
53.10 securities, except that the entity may hold securities of one class in an entity that is not
53.11 itself engaged in the business of investing, reinvesting, owning, holding, or trading in
53.12 securities; or

53.13 (ii) subject to the reporting requirements of the Securities and Exchange Act of 1934,
53.14 section 13 or section 15(d), United States Code, title 15, section 78m and section 78o(d).

53.15 (c) "MNvest offering" means an offer, or an offer and sale, of securities by a MNvest
53.16 issuer that: (1) is conducted exclusively through a MNvest portal and (2) satisfies the
53.17 requirements of this section and other requirements the administrator imposes by rule.

53.18 (d) "MNvest portal" means an Internet Web site that is operated by a portal operator
53.19 for the offer or sale of MNvest offerings under this section or registered securities under
53.20 section 80A.50, paragraph (b), and satisfies the requirements of subdivision 6.

53.21 (e) "Portal operator" means an entity, including an issuer, that:

53.22 (1) is authorized to do business in Minnesota;

53.23 (2) is a broker-dealer registered under this chapter or otherwise registers with the
53.24 administrator as a portal operator in accordance with subdivision 7, paragraph (a), and is
53.25 therefore excluded from broker-dealer registration; and

53.26 (3) satisfies such other conditions as the administrator may determine.

53.27 Subd. 2. **Generally.** The offer, sale, and issuance of securities in a MNvest offering
53.28 is exempt from the requirements of sections 80A.49 to 80A.54, except 80A.50, paragraph
53.29 (a), clause (3), and 80A.71, if the issuer meets the qualifications under this section.

53.30 Subd. 3. **MNvest offering.** (a) A MNvest offering must satisfy the following
53.31 requirements:

53.32 (1) the issuer must be a MNvest issuer on the date that its securities are first offered
53.33 for sale in the offering and continuously through the closing of the offering;

53.34 (2) the offering must meet the requirements of the federal exemption for intrastate
53.35 offerings in section 3(a)(11) of the Securities Act of 1933, United States Code, title 15,

54.1 section 77c (a)(11), and Rule 147 adopted under the Securities Act of 1933, Code of
54.2 Federal Regulations, title 17, part 230.147;

54.3 (3) the sale of securities must be conducted exclusively through a MNvest portal;

54.4 (4) the MNvest issuer shall require the portal operator to provide or make available
54.5 to prospective purchasers through the MNvest portal a copy of the MNvest issuer's balance
54.6 sheet and income statement for the MNvest issuer's most recent fiscal year, if the issuer
54.7 was in existence. For offerings beginning more than 90 days after the issuer's most recent
54.8 fiscal year end, or if the MNvest issuer was not in existence the previous calendar year, the
54.9 MNvest issuer must provide or make available a balance sheet as of a date not more than
54.10 90 days before the commencement of the MNvest offering for the MNvest issuer's most
54.11 recently completed fiscal year, or such shorter portion the MNvest issuer was in existence
54.12 during that period, and the year-to-date period, or inception-to-date period, if shorter,
54.13 corresponding with the more recent balance sheet required by this clause;

54.14 (5) in any 12-month period, the MNvest issuer shall not raise more than the
54.15 aggregate amounts set forth in item (i) or (ii), either in cash or other consideration, in
54.16 connection with one or more MNvest offerings:

54.17 (i) \$2,000,000 if the financial statements described in clause (4) have been (1)
54.18 audited by a certified public accountant firm licensed under chapter 326A using auditing
54.19 standards issued by either the American Institute of Certified Public Accountants or
54.20 the Public Company Oversight Board, or (2) reviewed by a certified public accountant
54.21 firm licensed under chapter 326A using the Statements on Standards for Accounting
54.22 and Review Services issued by the Accounting and Review Services Committee of the
54.23 American Institute of Certified Public Accountants; or

54.24 (ii) \$1,000,000 if the financial statements described in clause (4) have not been
54.25 audited or reviewed as described in item (i);

54.26 (6) the MNvest issuer must use at least 80 percent of the net proceeds of the offering
54.27 in connection with the operation of its business within Minnesota;

54.28 (7) no single purchaser may purchase more than \$10,000 in securities of the MNvest
54.29 issuer under this exemption in connection with a single MNvest offering unless the
54.30 purchaser is an accredited investor;

54.31 (8) all payments for the purchase of securities must be held in escrow until the
54.32 aggregate capital deposited into escrow from all purchasers is equal to or greater than the
54.33 stated minimum offering amount. Purchasers will receive a return of all their subscription
54.34 funds if the minimum offering amount is not raised by the stipulated expiration date
54.35 required in subdivision 4, clause (2). The escrow agent must be a bank, regulated trust
54.36 company, savings bank, savings association, or credit union authorized to do business

55.1 in Minnesota. Prior to the execution of the escrow agreement between the issuer and
55.2 the escrow agent, the escrow agent must conduct searches of the issuer, its executive
55.3 officers, directors, governors, and managers, as provided to the escrow agent by the portal
55.4 operator, against the Specially Designated Nationals list maintained by the Office of
55.5 Foreign Assets Control. The escrow agent is only responsible to act at the direction of the
55.6 party establishing the escrow account and does not have a duty or liability, contractual
55.7 or otherwise, to an investor or other person except as set forth in the applicable escrow
55.8 agreement or other contract;

55.9 (9) the MNvest issuer shall require the portal operator to make available to the
55.10 prospective purchaser through the MNvest portal a disclosure document that meets the
55.11 requirements set forth in subdivision 4;

55.12 (10) before selling securities to a prospective purchaser on a MNvest portal, the
55.13 MNvest issuer shall require the portal operator to obtain from the prospective purchaser
55.14 the certification required under subdivision 5;

55.15 (11) not less than ten days before the beginning of an offering of securities in reliance
55.16 on the exemption under this section, the MNvest issuer shall provide the following to
55.17 the administrator:

55.18 (i) a notice of claim of exemption from registration, specifying that the MNvest
55.19 issuer will be conducting an offering in reliance on the exemption under this section;

55.20 (ii) a copy of the disclosure document to be provided to prospective purchasers in
55.21 connection with the offering, as described in subdivision 4; and

55.22 (iii) a filing fee of \$300; and

55.23 (12) the MNvest issuer and the portal operator may engage in solicitation and
55.24 advertising of the MNvest offering provided that:

55.25 (i) the advertisement contains disclaiming language which clearly states:

55.26 (A) the advertisement is not the offer and is for informational purposes only;

55.27 (B) the offering is being made in reliance on the exemption under this section;

55.28 (C) the offering is directed only to residents of the state;

55.29 (D) all offers and sales are made through a MNvest portal; and

55.30 (E) the Department of Commerce is the securities regulator in Minnesota;

55.31 (ii) along with the disclosures required under item (i), the advertisement may contain
55.32 no more than the following information:

55.33 (A) the name and contact information of the MNvest issuer;

55.34 (B) a brief description of the general type of business of the MNvest issuer;

55.35 (C) the minimum offering amount the MNvest issuer is attempting to raise through
55.36 its offering;

56.1 (D) a description of how the issuer will use the funds raised through the MNvest
56.2 offering;

56.3 (E) the duration that the MNvest offering will remain open;

56.4 (F) the MNvest issuer's logo; and

56.5 (G) a link to the MNvest issuer's Web site and the MNvest portal in which the
56.6 MNvest offering is being made;

56.7 (iii) the advertisement complies with all applicable state and federal laws.

56.8 **Subd. 4. Required disclosures to prospective MNvest offering purchasers.**

56.9 The MNvest issuer shall require the portal operator to make available to the prospective
56.10 purchaser through the MNvest portal a printable or downloadable disclosure document
56.11 containing the following:

56.12 (1) the MNvest issuer's type of entity, the address and telephone number of its
56.13 principal office, its formation history for the previous five years, a summary of the material
56.14 facts of its business plan and its capital structure, and its intended use of the offering
56.15 proceeds, including any amounts to be paid from the proceeds of the MNvest offering, as
56.16 compensation or otherwise, to an owner, executive officer, director, governor, manager,
56.17 member, or other person occupying a similar status or performing similar functions on
56.18 behalf of the MNvest issuer;

56.19 (2) the MNvest offering must stipulate the date on which the offering will expire,
56.20 which must not be longer than 12 months from the date the MNvest offering commenced;

56.21 (3) a copy of the escrow agreement between the escrow agent, the MNvest issuer,
56.22 and, if applicable, the portal operator, as described in subdivision 3, clause (8);

56.23 (4) the financial statements required under subdivision 3, clause (4);

56.24 (5) the identity of all persons owning more than ten percent of any class of equity
56.25 interests in the company;

56.26 (6) the identity of the executive officers, directors, governors, managers, members,
56.27 and other persons occupying a similar status or performing similar functions in the name of
56.28 and on the behalf of the MNvest issuer, including their titles and their relevant experience;

56.29 (7) the terms and conditions of the securities being offered, a description of investor
56.30 exit strategies, and of any outstanding securities of the MNvest issuer; the minimum and
56.31 maximum amount of securities being offered; either the percentage economic ownership
56.32 of the MNvest issuer represented by the offered securities, assuming the minimum and, if
56.33 applicable, maximum number of securities being offered is sold, or the valuation of the
56.34 MNvest issuer implied by the price of the offered securities; the price per share, unit, or
56.35 interest of the securities being offered; any restrictions on transfer of the securities being

57.1 offered; and a disclosure that any future issuance of securities might dilute the value of
57.2 securities being offered;

57.3 (8) the identity of and consideration payable to a person who has been or will be
57.4 retained by the MNvest issuer to assist the MNvest issuer in conducting the offering and
57.5 sale of the securities, including a portal operator, but excluding (i) persons acting primarily
57.6 as accountants or attorneys, and (ii) employees whose primary job responsibilities involve
57.7 operating the business of the MNvest issuer rather than assisting the MNvest issuer in
57.8 raising capital;

57.9 (9) a description of any pending material litigation, legal proceedings, or regulatory
57.10 action involving the MNvest issuer or any executive officers, directors, governors,
57.11 managers, members, and other persons occupying a similar status or performing similar
57.12 functions in the name of and on behalf of the MNvest issuer;

57.13 (10) a statement of the material risks unique to the MNvest issuer and its business
57.14 plans;

57.15 (11) a statement that the securities have not been registered under federal or state
57.16 securities law and that the securities are subject to limitations on resale; and

57.17 (12) the following legend must be displayed conspicuously in the disclosure
57.18 document:

57.19 "IN MAKING AN INVESTMENT DECISION, PURCHASERS MUST RELY
57.20 ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF
57.21 THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE
57.22 SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR
57.23 STATE SECURITIES COMMISSION OR DIVISION OR OTHER REGULATORY
57.24 AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE
57.25 NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY
57.26 OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY
57.27 IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO
57.28 RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE
57.29 TRANSFERRED OR RESOLD EXCEPT AS PERMITTED BY SUBSECTION
57.30 (e) OF SEC RULE 147 (CODE OF FEDERAL REGULATIONS, TITLE 17, PART
57.31 230.147 (e)) AS PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS
57.32 AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT
57.33 TO REGISTRATION OR EXEMPTION THEREFROM. PURCHASERS SHOULD
57.34 BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL
57.35 RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME."

58.1 Subd. 5. Required certification from MNvest offering purchasers. Before
58.2 selling securities to a prospective purchaser through a MNvest portal, the MNvest issuer
58.3 shall require the portal operator to obtain from the prospective purchaser through the
58.4 applicable MNvest portal a written or electronic certification that includes, at a minimum,
58.5 the following statements:

58.6 "I UNDERSTAND AND ACKNOWLEDGE THAT:

58.7 If I make an investment in an offering through this MNvest portal, it is very likely
58.8 that I am investing in a high-risk, speculative business venture that could result in the
58.9 complete loss of my investment, and I need to be able to afford such a loss.

58.10 This offering has not been reviewed or approved by any state or federal securities
58.11 commission or division or other regulatory authority and that no such person or authority
58.12 has confirmed the accuracy or determined the adequacy of any disclosure made to me
58.13 relating to this offering.

58.14 If I make an investment in an offering through this MNvest portal, it is very likely
58.15 that the investment will be difficult to transfer or sell and, accordingly, I may be required
58.16 to hold the investment indefinitely.

58.17 By entering into this transaction with the company, I am affirmatively representing
58.18 myself as being a Minnesota resident at the time that this contract is formed, and if this
58.19 representation is subsequently shown to be false, the contract is void."

58.20 Subd. 6. MNvest portal. A MNvest portal must satisfy the requirements of clauses
58.21 (1) through (4):

58.22 (1) the Web site does not contain the word "MNvest" in its URL address;

58.23 (2) the Web site implements steps to limit Web site access to the offer or sale of
58.24 securities to only Minnesota residents when conducting MNvest offerings; and

58.25 (3) MNvest offerings may not be viewed on the MNvest portal by a prospective
58.26 purchaser until:

58.27 (i) the portal operator verifies, through its exercise of reasonable steps, such as using
58.28 a third-party verification service or as otherwise approved by the administrator, that the
58.29 prospective purchaser is a Minnesota resident; and

58.30 (ii) the prospective purchaser makes an affirmative acknowledgment, electronically
58.31 through the MNvest portal, that:

58.32 (A) I am a Minnesota resident;

58.33 (B) the securities and investment opportunities listed on this Web site involve
58.34 high-risk, speculative business ventures. If I choose to invest in any securities or
58.35 investment opportunity listed on this Web site, I may lose all of my investment, and
58.36 I can afford such a loss;

59.1 (C) the securities and investment opportunities listed on this Web site have not
59.2 been reviewed or approved by any state or federal securities commission or division or
59.3 other regulatory authority, and no such person or authority, including this Web site, has
59.4 confirmed the accuracy or determined the adequacy of any disclosure made to prospective
59.5 investors relating to any offering; and

59.6 (D) if I choose to invest in any securities or investment opportunity listed on this
59.7 Web site, I understand that the securities I will acquire may be difficult to transfer or sell,
59.8 that there is no ready market for the sale of such securities, that it may be difficult or
59.9 impossible for me to sell or otherwise dispose of this investment at any price, and that,
59.10 accordingly, I may be required to hold this investment indefinitely; and

59.11 (4) the Web site complies with all other rules adopted by the administrator.

59.12 Subd. 7. **Portal operator.** (a) An entity, other than a registered broker-dealer,
59.13 wishing to become a portal operator shall file with the administrator:

59.14 (1) form [to be approved by the administrator], including all applicable
59.15 schedules and supplemental information;

59.16 (2) a copy of the articles of incorporation or other documents that indicate the
59.17 entity's form of organization; and

59.18 (3) a filing fee of \$200.

59.19 (b) A portal operator's registration expires 12 months from the date the administrator
59.20 has approved the entity as a portal operator, and subsequent registration for the succeeding
59.21 12-month period shall be issued upon written application and upon payment of a renewal
59.22 fee of \$200, without filing of further statements or furnishing any further information,
59.23 unless specifically requested by the administrator. This section is not applicable to a
59.24 registered broker-dealer functioning as a portal operator.

59.25 (c) A portal operator that is not a broker-dealer registered under this chapter shall not:

59.26 (1) offer investment advice or recommendations, provided that a portal operator
59.27 shall not be deemed to be offering investment advice or recommendations merely because
59.28 it (i) selects, or may perform due diligence with respect to, issuers or offerings to be listed,
59.29 or (ii) provides general investor educational materials;

59.30 (2) provide transaction-based compensation for securities sold under this chapter to
59.31 employees, agents, or other persons unless the employees, agents, or other persons are
59.32 registered with the administrator and permitted to receive such compensation;

59.33 (3) charge a fee to the issuer for an offering of securities on a MNvest portal unless
59.34 the fee is (i) a fixed amount for each offering, (ii) a variable amount based on the length of
59.35 time that the securities are offered on the MNvest portal, or (iii) a combination of such
59.36 fixed and variable amounts; or

60.1 (4) hold, manage, possess, or otherwise handle purchaser funds or securities. This
60.2 restriction does not apply if the issuer is the portal operator.

60.3 (d) A portal operator shall provide the administrator with read-only access to
60.4 administrative sections of the MNvest portal.

60.5 (e) A portal operator shall comply with the record-keeping requirements of this
60.6 paragraph, provided that the failure of a portal operator that is not an issuer to maintain
60.7 records in compliance with this paragraph shall not affect the MNvest issuer's exemption
60.8 from registration afforded by this section:

60.9 (1) a portal operator shall maintain and preserve, for a period of five years from either
60.10 the date of the closing or termination of the securities offering, the following records:

60.11 (i) the name of each issuer whose securities have been listed on its MNvest portal;

60.12 (ii) the full name, residential address, Social Security number, date of birth, and
60.13 copy of a state-issued identification for all owners with greater than ten percent voting
60.14 equity in an issuer;

60.15 (iii) copies of all offering materials that have been displayed on its MNvest portal;

60.16 (iv) the names and other personal information of each purchaser who has registered
60.17 at its MNvest portal;

60.18 (v) any agreements and contracts between the portal operator and the issuer; and

60.19 (vi) any information used to establish that a MNvest issuer, prospective MNvest
60.20 purchaser, or MNvest purchaser is a Minnesota resident;

60.21 (2) a portal operator shall, upon written request of the administrator, furnish to the
60.22 administrator any records required to be maintained and preserved under this subdivision;

60.23 (3) the records required to be kept and preserved under this subdivision must be
60.24 maintained in a manner, including by any electronic storage media, that will permit the
60.25 immediate location of any particular document so long as such records are available for
60.26 immediate and complete access by representatives of the administrator. Any electronic
60.27 storage system must preserve the records exclusively in a nonrewriteable, nonerasable
60.28 format; verify automatically the quality and accuracy of the storage media recording
60.29 process; serialize the original and, if applicable, duplicate units storage media, and
60.30 time-date for the required period of retention the information placed on such electronic
60.31 storage media; and be able to download indexes and records preserved on electronic
60.32 storage media to an acceptable medium. In the event that a records retention system
60.33 commingles records required to be kept under this subdivision with records not required to
60.34 be kept, representatives of the administrator may review all commingled records; and

60.35 (4) a portal operator shall maintain such other records as the administrator shall
60.36 determine by rule.

61.1 Subd. 8. Portal operator; privacy of purchaser information. (a) For purposes of
61.2 this subdivision, "personal information" means information provided to a portal operator
61.3 by a prospective purchaser or purchaser that identifies, or can be used to identify, the
61.4 prospective purchaser or purchaser.

61.5 (b) Except as provided in paragraph (c), a portal operator must not disclose personal
61.6 information without written or electronic consent from the prospective purchaser or
61.7 purchaser that authorizes the disclosure.

61.8 (c) Paragraph (b) does not apply to:

61.9 (1) records required to be provided to the administrator under subdivision 7,
61.10 paragraph (e);

61.11 (2) the disclosure of personal information to a MNvest issuer relating to its MNvest
61.12 offering; or

61.13 (3) the disclosure of personal information to the extent required or authorized under
61.14 other law.

61.15 Subd. 9. Bad actor disqualification. (a) An exemption under this section is not
61.16 available for a sale if securities in the MNvest issuer; any predecessor of the MNvest
61.17 issuer; any affiliated issuer; any director, executive officer, other officer participating in
61.18 the MNvest offering, general partner, or managing member of the MNvest issuer; any
61.19 beneficial owner of 20 percent or more of the MNvest issuer's outstanding voting equity
61.20 securities, calculated on the basis of voting power; any promoter connected with the
61.21 MNvest issuer in any capacity at the time of the sale; any investment manager of an
61.22 issuer that is a pooled investment fund; any general partner or managing member of any
61.23 investment manager; or any director, executive officer, or other officer participating in
61.24 the offering of any investment manager or general partner or managing member of the
61.25 investment manager:

61.26 (1) has been convicted, within ten years before the offering, or five years, in the case
61.27 of MNvest issuers, their predecessors, and affiliated issuers, of any felony or misdemeanor:

61.28 (i) in connection with the purchase or sale of any security;

61.29 (ii) involving the making of any false filing with the Securities and Exchange
61.30 Commission or a state administrator; or

61.31 (iii) arising out of the conduct of the business of an underwriter, broker, dealer,
61.32 municipal securities dealer, investment adviser, or paid solicitor of purchasers of securities;

61.33 (2) is subject to any order, judgment, or decree of any court of competent jurisdiction,
61.34 entered within five years before the sale, that, at the time of the sale, restrains or enjoins
61.35 the person from engaging or continuing to engage in any conduct or practice:

61.36 (i) in connection with the purchase or sale of any security;

62.1 (ii) involving the making of any false filing with the Securities and Exchange
62.2 Commission or a state administrator; or

62.3 (iii) arising out of the conduct of the business of an underwriter, broker, dealer,
62.4 municipal securities dealer, investment adviser, or paid solicitor of purchasers of securities;

62.5 (3) is subject to a final order of a state securities commission or an agency or officer
62.6 of a state performing like functions; a state authority that supervises or examines banks,
62.7 savings associations, or credit unions; a state insurance commission or an agency or
62.8 officer of a state performing like functions; an appropriate federal banking agency; the
62.9 United States Commodity Futures Trading Commission; or the National Credit Union
62.10 Administration that:

62.11 (i) at the time of the offering, bars the person from:

62.12 (A) association with an entity regulated by the commission, authority, agency, or
62.13 officer;

62.14 (B) engaging in the business of securities, insurance, or banking; or

62.15 (C) engaging in savings association or credit union activities; or

62.16 (ii) constitutes a final order based on a violation of any law or regulation that prohibits
62.17 fraudulent, manipulative, or deceptive conduct entered within ten years before the offering;

62.18 (4) is subject to an order of the Securities and Exchange Commission entered pursuant
62.19 to section 15(b) or 15B(c) of the Securities Exchange Act of 1934, United States Code, title
62.20 15, section 78 o(b) or 78o-4(c) or section 203(e) or (f) of the Investment Advisers Act of
62.21 1940, United States Code, title 15, section 80b-3(e) or (f) that, at the time of the offering:

62.22 (i) suspends or revokes the person's registration as a broker, dealer, municipal
62.23 securities dealer, or investment adviser;

62.24 (ii) places limitations on the activities, functions, or operations of the person; or

62.25 (iii) bars the person from being associated with any entity or from participating in
62.26 the offering of any penny stock;

62.27 (5) is subject to any order of the Securities and Exchange Commission or a state
62.28 administrator entered within five years before the sale that, at the time of the sale, orders
62.29 the person to cease and desist from committing or causing a violation or future violation of:

62.30 (i) any scienter-based antifraud provision of the federal securities laws, including
62.31 without limitation section 17(a)(1) of the Securities Act of 1933, United States Code, title
62.32 15, section 77q(a)(1), section 10(b) of the Securities Exchange Act of 1934, United States
62.33 Code, title 15, section 78j(b) and Code of Federal Regulations, title 17, section 240.10b-5,
62.34 section 15(c)(1) of the Securities Exchange Act of 1934, United States Code, title 15,
62.35 section 78o(c)(1) and section 206(1) of the Investment Advisers Act of 1940, United
62.36 States Code, title 15, section 80b-6(1), or any other rule or regulation thereunder; or

63.1 (ii) section 5 of the Securities Act of 1933, United States Code, title 15, section 77e;
63.2 (6) is suspended or expelled from membership in, or suspended or barred from
63.3 association with a member of, a registered national securities exchange or a registered
63.4 national or affiliated securities association for any act or omission to act constituting
63.5 conduct inconsistent with just and equitable principles of trade;

63.6 (7) has filed as a registrant or issuer, or was or was named as an underwriter in, any
63.7 registrations statement or Regulation A offering statement filed with the Securities and
63.8 Exchange Commission or a state administrator that, within five years before the sale, was
63.9 the subject of a refusal order, stop order, or order suspending the Regulation A exemption,
63.10 or is, at the time of the sale, the subject of an investigation or proceeding to determine
63.11 whether a stop order or suspension order should be issued; or

63.12 (8) is subject to a United States Postal Service false representation order entered
63.13 within five years before the offering, or is, at the time of the offering, subject to a
63.14 temporary restraining order or preliminary injunction with respect to conduct alleged by
63.15 the United States Postal Service to constitute a scheme or device for obtaining money or
63.16 property through the mail by means of false representations.

63.17 (b) Paragraph (a) does not apply:

63.18 (1) with respect to any conviction, order, judgment, decree, suspension, expulsion,
63.19 or bar that occurred or was issued before September 23, 2013;

63.20 (2) upon a showing of good cause and without prejudice to any other action by
63.21 the Securities and Exchange Commission or a state administrator, if the Securities and
63.22 Exchange Commission or a state administrator determines that it is not necessary under
63.23 the circumstances that an exemption be denied;

63.24 (3) if, before the relevant offering, the court of regulatory authority that entered the
63.25 relevant order, judgment, or decree advises in writing, whether contained in the relevant
63.26 judgment, order, or decree or separately to the Securities and Exchange Commission or a
63.27 state administrator or their staff, that disqualification under paragraph (a) should not arise
63.28 as a consequence of the order, judgment, or decree; or

63.29 (4) if the MNvest issuer establishes that it did not know and, in the exercise of
63.30 reasonable care, could not have known that a disqualification existed under paragraph (a).

63.31 (c) For purposes of paragraph (a), events relating to any affiliated issuer that occurred
63.32 before the affiliation arose will not be considered disqualifying if the affiliated entity is not:

63.33 (1) in control of the issuer; or

63.34 (2) under common control with the issuer by a third party that was in control of the
63.35 affiliated entity at the time of the events.

63.36 **EFFECTIVE DATE.** This section is effective the day following final enactment.

64.1 Sec. 5. Minnesota Statutes 2014, section 80A.84, is amended to read:

64.2 **80A.84 SECTION 607; PUBLIC RECORDS; CONFIDENTIALITY.**

64.3 (a) **Presumption of public records.** Except as otherwise provided in subsection
64.4 (b), records obtained by the administrator or filed under this chapter, including a record
64.5 contained in or filed with a registration statement, application, notice filing, or report, are
64.6 public records and are available for public examination.

64.7 (b) **Nonpublic records.** The following records are not public records and are not
64.8 available for public examination under subsection (a):

64.9 (1) a record obtained by the administrator in connection with an audit or inspection
64.10 under section 80A.66(d) or an investigation under section 80A.79;

64.11 (2) a part of a record filed in connection with a registration statement under sections
64.12 80A.49 and 80A.51 through 80A.53 or a record under section 80A.66(d) that contains
64.13 trade secrets or confidential information if the person filing the registration statement or
64.14 report has asserted a claim of confidentiality or privilege that is authorized by law;

64.15 (3) a record that is not required to be provided to the administrator or filed under this
64.16 chapter and is provided to the administrator only on the condition that the record will not
64.17 be subject to public examination or disclosure;

64.18 (4) a nonpublic record received from a person specified in section 80A.85(a);

64.19 (5) any social security number, residential address unless used as a business address,
64.20 and residential telephone number contained in a record that is filed; ~~and~~

64.21 (6) a record obtained by the administrator through a designee of the administrator
64.22 that a rule or order under this chapter determines has been:

64.23 (A) expunged from the administrator's records by the designee; or

64.24 (B) determined to be nonpublic or nondisclosable by that designee if the administrator
64.25 finds the determination to be in the public interest and for the protection of investors; and

64.26 (7) a record furnished to the administrator by a portal operator under section
64.27 80A.461, subdivision 7, paragraph (e).

64.28 (c) **Administrator discretion to disclose.** If disclosure is for the purpose of a civil,
64.29 administrative, or criminal investigation, action, or proceeding or to a person specified
64.30 in section 80A.85(a), the administrator may disclose a record obtained in connection
64.31 with an audit or inspection under section 80A.66(d) or a record obtained in connection
64.32 with an investigation under section 80A.79.

64.33 **EFFECTIVE DATE.** This section is effective the day following final enactment.

64.34 Sec. 6. Minnesota Statutes 2014, section 115C.09, subdivision 1, is amended to read:

65.1 Subdivision 1. **Reimbursable costs.** (a) The board shall provide reimbursement to
65.2 eligible applicants for reimbursable costs.

65.3 (b) The following costs are reimbursable for purposes of this chapter:

65.4 (1) corrective action costs incurred by the applicant and documented in a form
65.5 prescribed by the board, ~~except~~ including the costs related to the physical removal of a
65.6 tank when the removal was requested or ordered by the commissioner as necessary for
65.7 corrective action under this chapter;

65.8 (2) costs that the responsible person is legally obligated to pay as damages to third
65.9 parties for bodily injury, property damage, or corrective action costs incurred by a third
65.10 party caused by a release where the responsible person's liability for the costs has been
65.11 established by a court order or court-approved settlement; and

65.12 (3) up to 180 days of interest costs associated with the financing of corrective action
65.13 and incurred by the applicant in a written extension of credit or loan that has been signed by
65.14 the applicant and executed after July 1, 2002, provided that the applicant documents that:

65.15 (i) the interest costs are incurred as a result of an extension of credit or loan from a
65.16 financial institution; and

65.17 (ii) the board has not considered the application within the applicable time frame
65.18 specified in subdivision 2a, paragraph (c).

65.19 Interest costs meeting the requirements of this clause are eligible only when they are
65.20 incurred between the date a complete initial application is received by the board, or the
65.21 date a complete supplemental application is received by the board, and the date that the
65.22 board first notifies the applicant of its reimbursement determination. An application is
65.23 complete when the information reasonably required or requested by the board's staff
65.24 from the applicant has been received by the board's staff. Interest costs are not eligible
65.25 for reimbursement to the extent they exceed two percentage points above the adjusted
65.26 prime rate charged by banks, as defined in section 270C.40, subdivision 5, at the time the
65.27 extension of credit or loan was executed.

65.28 (c) A cost for liability to a third party is incurred by the responsible person when an
65.29 order or court-approved settlement is entered that sets forth the specific costs attributed
65.30 to the liability. Except as provided in this paragraph, reimbursement may not be made
65.31 for costs of liability to third parties until all eligible corrective action costs have been
65.32 reimbursed. If a corrective action is expected to continue in operation for more than one
65.33 year after it has been fully constructed or installed, the board may estimate the future
65.34 expense of completing the corrective action and, after subtracting this estimate from the
65.35 total reimbursement available under subdivision 3, reimburse the costs for liability to third
65.36 parties. The total reimbursement may not exceed the limit set forth in subdivision 3.

66.1 **EFFECTIVE DATE.** This section is effective July 1, 2015, and applies to
66.2 applications for reimbursement pending or received on or after that date, including those
66.3 that include tank removal costs previously denied payment by the board.

66.4 Sec. 7. Minnesota Statutes 2014, section 326B.106, subdivision 1, is amended to read:

66.5 Subdivision 1. **Adoption of code.** (a) Subject to paragraphs (c) and (d) sections
66.6 326B.101 to 326B.194, the commissioner shall by rule and in consultation with the
66.7 Construction Codes Advisory Council establish a code of standards for the construction,
66.8 reconstruction, alteration, and repair of buildings, governing matters of structural
66.9 materials, design and construction, fire protection, health, sanitation, and safety, including
66.10 design and construction standards regarding heat loss control, illumination, and climate
66.11 control. The code must also include duties and responsibilities for code administration,
66.12 including procedures for administrative action, penalties, and suspension and revocation
66.13 of certification. The code must conform insofar as practicable to model building codes
66.14 generally accepted and in use throughout the United States, including a code for
66.15 building conservation. In the preparation of the code, consideration must be given to
66.16 the existing statewide specialty codes presently in use in the state. Model codes with
66.17 necessary modifications and statewide specialty codes may be adopted by reference.
66.18 The code must be based on the application of scientific principles, approved tests, and
66.19 professional judgment. To the extent possible, the code must be adopted in terms of
66.20 desired results instead of the means of achieving those results, avoiding wherever possible
66.21 the incorporation of specifications of particular methods or materials. To that end the code
66.22 must encourage the use of new methods and new materials. Except as otherwise provided
66.23 in sections 326B.101 to 326B.194, the commissioner shall administer and enforce the
66.24 provisions of those sections.

66.25 (b) The commissioner shall develop rules addressing the plan review fee assessed
66.26 to similar buildings without significant modifications including provisions for use of
66.27 building systems as specified in the industrial/modular program specified in section
66.28 326B.194. Additional plan review fees associated with similar plans must be based on
66.29 costs commensurate with the direct and indirect costs of the service.

66.30 (c) Beginning with the 2018 edition of the model building codes and every six
66.31 years thereafter, the commissioner shall review the new model building codes and adopt
66.32 the model codes as amended for use in Minnesota, within two years of the published
66.33 edition date. The commissioner may adopt amendments to the building codes prior to the
66.34 adoption of the new building codes to advance construction methods, technology, or

67.1 materials, or, where necessary to protect the health, safety, and welfare of the public or to
67.2 improve the efficiency or the use of a building.

67.3 (d) Notwithstanding paragraph (c), the commissioner shall act on each new model
67.4 residential energy code and the new model commercial energy code in accordance with
67.5 federal law for which the United States Department of Energy has issued an affirmative
67.6 determination in compliance with United States Code, title 42, section 6833. The
67.7 commissioner may adopt amendments prior to adoption of the new energy codes, as
67.8 amended for use in Minnesota, to advance construction methods, technology, or materials,
67.9 or, where necessary to protect the health, safety, and welfare of the public, or to improve
67.10 the efficiency or use of the building.

67.11 **EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to all
67.12 model code adoptions beginning with the 2018 model building code.

67.13 Sec. 8. Minnesota Statutes 2014, section 326B.106, is amended by adding a
67.14 subdivision to read:

67.15 Subd. 1a. **Copies of the code.** The commissioner shall provide copies of the code
67.16 to the public without charge, including the amended model codes adopted by reference.
67.17 The commissioner shall calculate the cost to the department for providing copies of the
67.18 code to the public without charge.

67.19 Sec. 9. Minnesota Statutes 2014, section 326B.13, subdivision 8, is amended to read:

67.20 Subd. 8. **Effective date of rules.** A rule to adopt or amend the State Building Code is
67.21 effective ~~180~~ 270 days after publication of the rule's notice of adoption in the State Register.
67.22 The rule may provide for a later effective date. The rule may provide for an earlier effective
67.23 date if the commissioner or board proposing the rule finds that an earlier effective date is
67.24 necessary to protect public health and safety after considering, among other things, the need
67.25 for time for training of individuals to comply with and enforce the rule. The commissioner
67.26 must publish an electronic version of the entire adopted rule chapter on the department's
67.27 Web site within ten days of receipt from the revisor of statutes. The commissioner shall
67.28 clearly indicate the effective date of the rule on the department's Web site.

67.29 Sec. 10. Minnesota Statutes 2014, section 332.31, subdivision 3, is amended to read:

67.30 Subd. 3. **Collection agency.** "Collection agency" means and includes any person
67.31 engaged in the business of collection for others any account, bill or other indebtedness
67.32 except as hereinafter provided. It includes persons who furnish collection systems carrying
67.33 a name which simulates the name of a collection agency and who supply forms or form

68.1 letters to be used by the creditor, even though such forms direct the debtor to make payments
68.2 directly to the creditor rather than to such fictitious agency. The term also includes any
68.3 person engaged in a business the principal purpose of which is the collection of any debts.

68.4 Sec. 11. Minnesota Statutes 2014, section 332.31, subdivision 6, is amended to read:

68.5 Subd. 6. **Collector.** "Collector" is a person acting under the authority of a collection
68.6 agency under subdivision 3, and on its behalf in the business of collection for others an
68.7 account, bill, or other indebtedness except as otherwise provided in this chapter. The term
68.8 includes a person acting under the authority of a collection agency under subdivision 3
68.9 that is engaged in a business the principal purpose of which is the collection of any debts.

68.10 Sec. 12. **PUBLIC UTILITY SOLAR PROJECT.**

68.11 The public utility for a solar project by or in cooperation with the public utility and
68.12 the Minnesota Army National Guard at a military and civilian training facility in Morrison
68.13 County must install when completing the solar project only solar photovoltaic modules that:

68.14 (1) meet the "Made in Minnesota" qualification requirements under Minnesota
68.15 Statutes, section 216C.413;

68.16 (2) comply with the "Made in USA" standard established by the United States
68.17 Federal Trade Commission because all or virtually all of the product's significant parts
68.18 and processing are of United States origin;

68.19 (3) provide local economic benefits derived from the purchase and use of modules
68.20 manufactured in-state;

68.21 (4) demonstrate the manufacturer's and suppliers' total combined experience as
68.22 supported by evidence of years of solar manufacturing experience, manufacturing
68.23 certifications, component sourcing criteria, testing, and number of years of actual field
68.24 experience;

68.25 (5) have the projected performance of the solar modules over an expected life of 30
68.26 years or more as supported by product design, third-party lab testing, and manufacturers
68.27 and component suppliers' field experience;

68.28 (6) have the projected durability, safety, and reliability of the solar modules over an
68.29 expected life of 30 years or more, as supported by product design, third-party lab testing,
68.30 and manufacturers' and component suppliers' field experience;

68.31 (7) offer a minimum ten-year solar module workmanship warranty and 30-year solar
68.32 module power warranty, with a minimum warranted power performance of 80 percent
68.33 in year 30; and

69.1 (8) provide a third-party certification supporting the environmental sustainability of
 69.2 module component sources and manufacturing processes.

69.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

69.4 Sec. 13. **PREPURCHASING PROPANE; REPORT.**

69.5 (a) The commissioner of commerce shall conduct a study of the operation of the
 69.6 propane prepurchase program under Minnesota Statutes, section 216B.0951. The study
 69.7 must address:

69.8 (1) the amount and price of propane prepurchased;

69.9 (2) the locations where prepurchased propane was stored and any costs of storage;

69.10 (3) a description of how the propane was distributed to customers, focusing on the
 69.11 activities of the local agencies that deliver energy assistance and propane distributors;

69.12 (4) a description of any obstacles that interfered with the efficient operation of the
 69.13 program, and suggestions for overcoming those obstacles; and

69.14 (5) an estimate of the savings that accrued to propane customers as a result of the
 69.15 prepurchase program.

69.16 (b) By January 1 of 2016 and 2017, the commissioner of commerce shall submit a
 69.17 report containing the information required under this section for the previous calendar year
 69.18 to the chairs and ranking minority members of the senate and house of representatives
 69.19 committees with primary responsibility for energy policy.

69.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

69.21 **ARTICLE 9**

69.22 **IRON RANGE RESOURCES**

69.23 Section 1. Minnesota Statutes 2014, section 123B.53, subdivision 1, is amended to read:

69.24 Subdivision 1. **Definitions.** (a) For purposes of this section, the eligible debt service
 69.25 revenue of a district is defined as follows:

69.26 (1) the amount needed to produce between five and six percent in excess of the
 69.27 amount needed to meet when due the principal and interest payments on the obligations
 69.28 of the district for eligible projects according to subdivision 2, including the amounts
 69.29 necessary for repayment of energy loans according to section 216C.37 or sections 298.292
 69.30 to 298.298, debt service loans and capital loans, lease purchase payments under section
 69.31 126C.40, subdivision 2, alternative facilities levies under section 123B.59, subdivision
 69.32 5, paragraph (a), minus

70.1 (2) the amount of debt service excess levy reduction for that school year calculated
70.2 according to the procedure established by the commissioner.

70.3 (b) The obligations in this paragraph are excluded from eligible debt service revenue:

70.4 (1) obligations under section 123B.61;

70.5 (2) the part of debt service principal and interest paid from the taconite ~~environmental~~
70.6 ~~protection~~ economic development fund or Douglas J. Johnson economic protection trust,
70.7 excluding the portion of taconite payments from the Iron Range school consolidation and
70.8 cooperatively operated school account under section 298.28, subdivision 7a;

70.9 (3) obligations issued under Laws 1991, chapter 265, article 5, section 18, as
70.10 amended by Laws 1992, chapter 499, article 5, section 24;

70.11 (4) obligations under section 123B.62; and

70.12 (5) obligations equalized under section 123B.535.

70.13 (c) For purposes of this section, if a preexisting school district reorganized under
70.14 sections 123A.35 to 123A.43, 123A.46, and 123A.48 is solely responsible for retirement
70.15 of the preexisting district's bonded indebtedness, capital loans or debt service loans, debt
70.16 service equalization aid must be computed separately for each of the preexisting districts.

70.17 (d) For purposes of this section, the adjusted net tax capacity determined according
70.18 to sections 127A.48 and 273.1325 shall be adjusted to include the tax capacity of property
70.19 generally exempted from ad valorem taxes under section 272.02, subdivision 64.

70.20 Sec. 2. Minnesota Statutes 2014, section 298.018, subdivision 1, is amended to read:

70.21 Subdivision 1. **Within taconite assistance area.** The proceeds of the tax paid under
70.22 sections 298.015 and 298.016 on ores, metals, or minerals mined or extracted within the
70.23 taconite assistance area defined in section 273.1341, shall be allocated as follows:

70.24 (1) five percent to the city or town within which the minerals or energy resources
70.25 are mined or extracted, or within which the concentrate was produced. If the mining
70.26 and concentration, or different steps in either process, are carried on in more than one
70.27 taxing district, the commissioner shall apportion equitably the proceeds among the
70.28 cities and towns by attributing 50 percent of the proceeds of the tax to the operation of
70.29 mining or extraction, and the remainder to the concentrating plant and to the processes of
70.30 concentration, and with respect to each thereof giving due consideration to the relative
70.31 extent of the respective operations performed in each taxing district;

70.32 (2) ten percent to the taconite municipal aid account to be distributed as provided
70.33 in section 298.282;

70.34 (3) ten percent to the school district within which the minerals or energy resources
70.35 are mined or extracted, or within which the concentrate was produced. If the mining

71.1 and concentration, or different steps in either process, are carried on in more than one
 71.2 school district, distribution among the school districts must be based on the apportionment
 71.3 formula prescribed in clause (1);

71.4 (4) 20 percent to a group of school districts comprised of those school districts
 71.5 wherein the mineral or energy resource was mined or extracted or in which there is a
 71.6 qualifying municipality as defined by section 273.134, paragraph (b), in direct proportion
 71.7 to school district indexes as follows: for each school district, its pupil units determined
 71.8 under section 126C.05 for the prior school year shall be multiplied by the ratio of the
 71.9 average adjusted net tax capacity per pupil unit for school districts receiving aid under
 71.10 this clause as calculated pursuant to chapters 122A, 126C, and 127A for the school year
 71.11 ending prior to distribution to the adjusted net tax capacity per pupil unit of the district.
 71.12 Each district shall receive that portion of the distribution which its index bears to the sum
 71.13 of the indices for all school districts that receive the distributions;

71.14 (5) 20 percent to the county within which the minerals or energy resources are
 71.15 mined or extracted, or within which the concentrate was produced. If the mining and
 71.16 concentration, or different steps in either process, are carried on in more than one county,
 71.17 distribution among the counties must be based on the apportionment formula prescribed in
 71.18 clause (1), provided that any county receiving distributions under this clause shall pay one
 71.19 percent of its proceeds to the Range Association of Municipalities and Schools;

71.20 (6) 20 percent to St. Louis County acting as the counties' fiscal agent to be
 71.21 distributed as provided in sections 273.134 to 273.136;

71.22 (7) five percent to the Iron Range Resources and Rehabilitation Board for the
 71.23 purposes of section 298.22;

71.24 (8) three percent to the Douglas J. Johnson economic protection trust fund; and

71.25 (9) seven percent to the taconite ~~environmental protection~~ economic development
 71.26 fund.

71.27 The proceeds of the tax shall be distributed on July 15 each year.

71.28 Sec. 3. Minnesota Statutes 2014, section 298.22, subdivision 1, is amended to read:

71.29 Subdivision 1. **The Office of the Commissioner of Iron Range resources**
 71.30 **and rehabilitation.** (a) The Office of the Commissioner of Iron Range resources and
 71.31 rehabilitation is created as an agency in the executive branch of state government. The
 71.32 governor shall appoint the commissioner of Iron Range resources and rehabilitation under
 71.33 section 15.06.

71.34 (b) The commissioner may hold other positions or appointments that are not
 71.35 incompatible with duties as commissioner of ~~Iron Range resources and rehabilitation~~. The

72.1 commissioner may appoint a deputy commissioner. All expenses of the commissioner,
72.2 including the payment of staff and other assistance as may be necessary, must be paid
72.3 out of the amounts appropriated by section 298.28 or otherwise made available by law
72.4 to the commissioner. Notwithstanding chapters 16A, 16B, and 16C, the commissioner
72.5 may utilize contracting options available under section 471.345 when the commissioner
72.6 determines it is in the best interest of the agency. The agency is not subject to sections
72.7 16E.016 and 16C.05.

72.8 (c) When the commissioner determines that distress and unemployment exists or
72.9 may exist in the future in any county by reason of the removal of natural resources or
72.10 a possibly limited use of natural resources in the future and any resulting decrease in
72.11 employment, the commissioner may use whatever amounts of the appropriation made to
72.12 the commissioner of revenue in section 298.28 that are determined to be necessary and
72.13 proper in the development of the remaining resources of the county and in the vocational
72.14 training and rehabilitation of its residents, ~~except that the amount needed to cover cost~~
72.15 ~~overruns awarded to a contractor by an arbitrator in relation to a contract awarded by~~
72.16 ~~the commissioner or in effect after July 1, 1985, is appropriated from the general fund.~~
72.17 For the purposes of this section, "development of remaining resources" includes, but is
72.18 not limited to, the promotion of tourism.

72.19 (d) Notwithstanding any law to the contrary, any money in any account that is under
72.20 control of the commissioner on January 1, 2014, shall remain with the agency and be used
72.21 for economic development purposes or public infrastructure.

72.22 Sec. 4. Minnesota Statutes 2014, section 298.22, subdivision 3, is amended to read:

72.23 Subd. 3. **Commissioner may acquire property.** Whenever the commissioner of
72.24 Iron Range resources and rehabilitation has made determinations required by subdivision
72.25 1 and has determined that ~~distress and unemployment exists or may exist in the future~~
72.26 ~~in any county by reason of the removal of the natural resources or a possible limited use~~
72.27 ~~thereof in the future and the decrease in employment resulting therefrom and deems that~~
72.28 economic conditions might be improved through the acquirement of real estate or personal
72.29 property ~~is necessary and proper in the development of the remaining resources,~~ the
72.30 commissioner may acquire such property or interests therein by gift, purchase, or lease.
72.31 The commissioner may purchase insurance to protect any property acquired from loss or
72.32 damage by fire, or to protect the commissioner from any liability the commissioner may
72.33 incur by reason of ownership of the property, or both. If after such property is acquired it
72.34 is necessary in the judgment of the commissioner to acquire a right-of-way for access to
72.35 projects operated on property acquired by gift, purchase, or lease, said right-of-way may

73.1 be acquired by condemnation in the manner provided by law. If the owner or operator of
73.2 an iron mine or related production or beneficiation facilities discontinues the operation
73.3 of the mine or facilities for any reason, the commissioner may acquire any or all of the
73.4 mine lands and related facilities by gift, purchase, lease, or condemnation in the manner
73.5 provided in chapter 117.

73.6 Sec. 5. Minnesota Statutes 2014, section 298.22, subdivision 4, is amended to read:

73.7 Subd. 4. **Commissioner may accept grants and conveyances.** Whenever property
73.8 has been granted and conveyed to the state of Minnesota in accordance with an agreement
73.9 made by the commissioner of Iron Range resources and rehabilitation and the commissioner
73.10 of administration for the necessary and proper development of the remaining resources of
73.11 any distressed county or economic development purposes, such grants, and conveyances
73.12 or leases are hereby accepted in accordance with the terms and conditions thereof.

73.13 Sec. 6. Minnesota Statutes 2014, section 298.22, subdivision 5, is amended to read:

73.14 Subd. 5. **Commissioner may lease property.** In order to carry out the terms and
73.15 provisions of this section, the commissioner of Iron Range resources and rehabilitation
73.16 and the commissioner of administration may lease any property acquired hereunder for
73.17 a term not to exceed 20 years upon such terms as they may determine, provided that
73.18 such property shall not be leased to any person in such a manner as to constitute a direct
73.19 contribution of working capital to a business enterprise. Such lease may provide that in the
73.20 event the property is ever sold by the state to such lessee, the lessee may obtain a credit
73.21 on the purchase price covering the rentals paid under the lease or any renewals thereof
73.22 and that said real estate can be conveyed by the commissioner of Iron Range resources
73.23 and rehabilitation and the commissioner of administration and the said commissioners
73.24 are hereby authorized to make such conveyances. The commissioner may lease, upon the
73.25 terms determined by the commissioner and approved by the board, surface and mineral
73.26 interests owned or acquired by the state of Minnesota acting by and through the Office
73.27 of the Commissioner of Iron Range Resources and Rehabilitation. The payments and
73.28 royalties from the leases shall be retained for the benefit of the agency.

73.29 Sec. 7. Minnesota Statutes 2014, section 298.22, subdivision 6, is amended to read:

73.30 Subd. 6. **Private entity participation.** The board may acquire an equity interest in
73.31 any project for which it provides funding. The commissioner may establish, participate in
73.32 the management of, and dispose of the assets of charitable foundations, nonprofit limited
73.33 liability companies, and nonprofit corporations associated with any project for which it

74.1 provides funding, including specifically, but without limitation, a corporation within the
 74.2 meaning of section 317A.011, subdivision 6. Notwithstanding any law to the contrary,
 74.3 agency funds that are transferred to any entity established by the commissioner under this
 74.4 subdivision shall, upon request by the entity, be invested by the State Board of Investment
 74.5 on behalf of the entity.

74.6 Sec. 8. Minnesota Statutes 2014, section 298.22, subdivision 10, is amended to read:

74.7 Subd. 10. **Sale or privatization of functions.** The commissioner of ~~Iron Range~~
 74.8 ~~resources and rehabilitation~~ may not sell or privatize the Ironworld Discovery Center or
 74.9 Giants Ridge Golf and Ski Resort without prior approval by the board.

74.10 Sec. 9. Minnesota Statutes 2014, section 298.22, subdivision 11, is amended to read:

74.11 Subd. 11. **Budgeting.** The commissioner of ~~Iron Range resources and rehabilitation~~
 74.12 shall annually prepare a budget for operational expenditures, programs, and projects,
 74.13 and submit it to the Iron Range Resources and Rehabilitation Board. After the budget
 74.14 is approved by the board and the governor, the commissioner may spend money in
 74.15 accordance with the approved budget.

74.16 Sec. 10. Minnesota Statutes 2014, section 298.221, is amended to read:

74.17 **298.221 RECEIPTS FROM CONTRACTS; APPROPRIATION.**

74.18 (a) Except as provided in paragraph (c), all money paid to the state of Minnesota
 74.19 pursuant to the terms of any contract entered into by the state under authority of section
 74.20 298.22 and any fees which may, in the discretion of the commissioner of Iron Range
 74.21 resources and rehabilitation, be charged in connection with any project pursuant to that
 74.22 section as amended, shall be deposited in the state treasury to the credit of the Iron Range
 74.23 Resources and Rehabilitation Board account in the special revenue fund and are hereby
 74.24 appropriated for the purposes of section 298.22.

74.25 (b) Notwithstanding section 16A.013, merchandise may be accepted by the
 74.26 commissioner of ~~the Iron Range Resources and Rehabilitation Board~~ for payment of
 74.27 advertising contracts if the commissioner determines that the merchandise can be used
 74.28 for special event prizes or mementos at facilities operated by the board. Nothing in this
 74.29 paragraph authorizes the commissioner or a member of the board to receive merchandise
 74.30 for personal use.

74.31 (c) All fees charged by the commissioner in connection with public use of the
 74.32 state-owned ski and golf facilities at the Giants Ridge Recreation Area and all other
 74.33 revenues derived by the commissioner from the operation or lease of those facilities

75.1 and from the lease, sale, or other disposition of undeveloped lands at the Giants Ridge
 75.2 Recreation Area must be deposited into an Iron Range Resources and Rehabilitation
 75.3 Board account that is created within the state enterprise fund. All funds deposited in the
 75.4 enterprise fund account are appropriated to the commissioner to be expended, subject to
 75.5 approval by the board, as follows:

75.6 (1) to pay costs associated with the construction, equipping, operation, repair, or
 75.7 improvement of the Giants Ridge Recreation Area facilities or lands;

75.8 (2) to pay principal, interest and associated bond issuance, reserve, and servicing
 75.9 costs associated with the financing of the facilities; and

75.10 (3) to pay the costs of any other project authorized under section 298.22.

75.11 Sec. 11. Minnesota Statutes 2014, section 298.2211, subdivision 3, is amended to read:

75.12 Subd. 3. **Project approval.** All projects authorized by this section shall be
 75.13 submitted by the commissioner to the Iron Range Resources and Rehabilitation Board for
 75.14 approval by the board. Prior to the commencement of a project involving the exercise by
 75.15 the commissioner of any authority of sections 469.174 to 469.179, the governing body
 75.16 of each municipality in which any part of the project is located and the county board of
 75.17 any county containing portions of the project not located in an incorporated area shall by
 75.18 majority vote approve or disapprove the project. ~~Any project approved by the board and~~
 75.19 ~~the applicable governing bodies, if any, together with detailed information concerning the~~
 75.20 ~~project, its costs, the sources of its funding, and the amount of any bonded indebtedness to~~
 75.21 ~~be incurred in connection with the project, shall be transmitted to the governor, who shall~~
 75.22 ~~approve, disapprove, or return the proposal for additional consideration within 30 days of~~
 75.23 ~~receipt.~~ No project authorized under this section shall be undertaken, and no obligations
 75.24 shall be issued and no tax increments shall be expended for a project authorized under this
 75.25 section until the project has been approved by the governor. The governor shall approve,
 75.26 disapprove, or return the project for additional consideration within 30 days of receipt.

75.27 Sec. 12. Minnesota Statutes 2014, section 298.222, is amended to read:

75.28 **298.222 CITATION.**

75.29 Sections 298.222 to 298.226 and Laws 1977, chapter 423, article 10, section 22 shall
 75.30 be known as the Taconite ~~Environmental Protection~~ Economic Development Fund Act
 75.31 of 1977.

76.1 Sec. 13. Minnesota Statutes 2014, section 298.223, is amended to read:

76.2 **298.223 TACONITE AREA ENVIRONMENTAL PROTECTION**
76.3 **ECONOMIC DEVELOPMENT FUND.**

76.4 Subdivision 1. **Creation; purposes.** A fund called the taconite ~~environmental~~
76.5 ~~protection~~ economic development fund is created for the purpose of reclaiming, restoring
76.6 and enhancing those areas of northeast Minnesota located within the taconite assistance
76.7 area defined in section 273.1341, that are adversely affected by the environmentally
76.8 damaging operations involved in mining taconite and iron ore and producing iron ore
76.9 concentrate and for the purpose of promoting the economic development of northeast
76.10 Minnesota. The taconite ~~environmental protection~~ economic development fund shall be
76.11 used for the following purposes:

76.12 (1) to initiate investigations into matters the Iron Range Resources and Rehabilitation
76.13 Board determines are in need of study and which will determine the environmental
76.14 problems requiring remedial action;

76.15 (2) reclamation, restoration, or reforestation of mine lands not otherwise provided
76.16 for by state law;

76.17 (3) local economic development projects but only if those projects are approved by
76.18 the board, and public works, including construction of sewer and water systems located
76.19 within the taconite assistance area defined in section 273.1341;

76.20 (4) monitoring of mineral industry related health problems among mining employees;

76.21 (5) local public works projects under section 298.227, paragraph (c); and

76.22 (6) local public works projects as provided under this clause. The following amounts
76.23 shall be distributed in 2009 based upon the taxable tonnage of production in 2008:

76.24 (i) .4651 cent per ton to the city of Aurora for street repair and renovation;

76.25 (ii) .4264 cent per ton to the city of Biwabik for street and utility infrastructure
76.26 improvements to the south side industrial site;

76.27 (iii) .6460 cent per ton to the city of Buhl for street repair;

76.28 (iv) 1.0336 cents per ton to the city of Hoyt Lakes for public utility improvements;

76.29 (v) 1.1628 cents per ton to the city of Eveleth for water and sewer infrastructure
76.30 upgrades;

76.31 (vi) 1.0336 cents per ton to the city of Gilbert for water and sewer infrastructure
76.32 upgrades;

76.33 (vii) .7752 cent per ton to the city of Mountain Iron for water and sewer infrastructure;

76.34 (viii) 1.2920 cents per ton to the city of Virginia for utility upgrades and accessibility
76.35 modifications for the miners' memorial;

76.36 (ix) .6460 cent per ton to the town of White for Highway 135 road upgrades;

- 77.1 (x) 1.9380 cents per ton to the city of Hibbing for public infrastructure projects;
- 77.2 (xi) 1.1628 cents per ton to the city of Chisholm for water and sewer repair;
- 77.3 (xii) .6460 cent per ton to the town of Balkan for community center repairs;
- 77.4 (xiii) .9044 cent per ton to the city of Babbitt for city garage construction;
- 77.5 (xiv) .5168 cent per ton to the city of Cook for public infrastructure projects;
- 77.6 (xv) .5168 cent per ton to the city of Ely for reconstruction of 2nd Avenue West;
- 77.7 (xvi) .6460 cent per ton to the city of Tower for water infrastructure upgrades;
- 77.8 (xvii) .1292 cent per ton to the city of Orr for water infrastructure upgrades;
- 77.9 (xviii) .1292 cent per ton to the city of Silver Bay for emergency cleanup;
- 77.10 (xix) .3230 cent per ton to Lake County for trail construction;
- 77.11 (xx) .1292 cent per ton to Cook County for construction of tennis courts in Grand
- 77.12 Marais;
- 77.13 (xxi) .3101 cent per ton to the city of Two Harbors for water infrastructure
- 77.14 improvements;
- 77.15 (xxii) .1938 cent per ton for land acquisition for phase one of Cook Airport project;
- 77.16 (xxiii) 1.0336 cents per ton to the city of Coleraine for water and sewer
- 77.17 improvements along Gayley Avenue;
- 77.18 (xxiv) .3876 cent per ton to the city of Marble for construction of a city
- 77.19 administration facility;
- 77.20 (xxv) .1292 cent per ton to the city of Calumet for repairs at city hall and the
- 77.21 community center;
- 77.22 (xxvi) .6460 cent per ton to the city of Nashwauk for electrical infrastructure
- 77.23 upgrades;
- 77.24 (xxvii) 1.0336 cents per ton to the city of Keewatin for water and sewer upgrades
- 77.25 along Depot Street;
- 77.26 (xxviii) .2584 cent per ton to the city of Aitkin for water, sewer, street, and gutter
- 77.27 improvements;
- 77.28 (xxix) 1.1628 cents per ton to the city of Grand Rapids for water and sewer
- 77.29 infrastructure upgrades at Pokegama Golf Course and Park Place;
- 77.30 (xxx) .1809 cent per ton to the city of Grand Rapids for water and sewer upgrades
- 77.31 for 1st Avenue from River Road to 3rd Street SE; and
- 77.32 (xxx) .9044 cent per ton to the city of Cohasset for upgrades to the railroad crossing
- 77.33 at Highway 2 and County Road 62.
- 77.34 Subd. 2. **Administration.** (a) The taconite area ~~environmental protection~~ economic
- 77.35 development fund shall be administered by the commissioner of the Iron Range Resources
- 77.36 and Rehabilitation Board. The commissioner shall by September 1 of each year submit to

78.1 the board a list of projects to be funded from the taconite area ~~environmental protection~~
78.2 economic development fund, with such supporting information including description of
78.3 the projects, plans, and cost estimates as may be necessary.

78.4 (b) Each year no less than one-half of the amounts deposited into the taconite
78.5 ~~environmental protection~~ economic development fund must be used for public works
78.6 projects, including construction of sewer and water systems, as specified under subdivision
78.7 1, clause (3). The Iron Range Resources and Rehabilitation Board may waive the
78.8 requirements of this paragraph.

78.9 (c) Upon approval by the board, the list of projects approved under this subdivision
78.10 shall be submitted to the governor by November 1 of each year. By December 1 of each
78.11 year, the governor shall approve or disapprove, or return for further consideration, each
78.12 project. Funds for a project may be expended only upon approval of the project by the
78.13 board and the governor. The commissioner may submit supplemental projects to the
78.14 board and governor for approval at any time.

78.15 Subd. 3. **Appropriation.** There is annually appropriated to the commissioner of
78.16 Iron Range resources and rehabilitation taconite area ~~environmental protection~~ economic
78.17 development funds necessary to carry out approved projects and programs and the funds
78.18 necessary for administration of this section. Annual administrative costs, not including
78.19 detailed engineering expenses for the projects, shall not exceed five percent of the amount
78.20 annually expended from the fund.

78.21 Funds for the purposes of this section are provided by section 298.28, subdivision
78.22 11, relating to the taconite area ~~environmental protection~~ economic development fund.

78.23 Sec. 14. Minnesota Statutes 2014, section 298.225, subdivision 2, is amended to read:

78.24 Subd. 2. **Funding guaranteed distribution level.** The money necessary for funding
78.25 the difference between the initial distribution made pursuant to section 298.28 and the
78.26 amount guaranteed in subdivision 1 is appropriated in equal proportions from the initial
78.27 current year distributions to the taconite ~~environmental protection~~ economic development
78.28 fund and to the Douglas J. Johnson economic protection trust pursuant to section 298.28.
78.29 If the initial distributions to the taconite ~~environmental protection~~ economic development
78.30 fund and the Douglas J. Johnson economic protection trust are insufficient to fund the
78.31 difference, the commissioner of Iron Range resources and rehabilitation shall make the
78.32 payments of any remaining difference from the corpus of the taconite ~~environmental~~
78.33 ~~protection~~ economic development fund and the corpus of the Douglas J. Johnson economic
78.34 protection trust fund in equal proportions as directed by the commissioner of revenue.

79.1 If a taconite producer ceases beneficiation operations permanently and is required
 79.2 by a special law to make bond payments for a school district, the Douglas J. Johnson
 79.3 economic protection trust fund shall assume the payments of the taconite producer if
 79.4 the producer ceases to make the needed payments. The commissioner of Iron Range
 79.5 resources and rehabilitation shall make these school bond payments from the corpus of
 79.6 the Douglas J. Johnson economic protection trust fund in the amounts certified by the
 79.7 commissioner of revenue.

79.8 Sec. 15. Minnesota Statutes 2014, section 298.227, is amended to read:

79.9 **298.227 TACONITE ECONOMIC DEVELOPMENT MINING**
 79.10 **REINVESTMENT FUND.**

79.11 (a) An amount equal to that distributed pursuant to each taconite producer's taxable
 79.12 production and qualifying sales under section 298.28, subdivision 9a, shall be held by
 79.13 the Iron Range Resources and Rehabilitation Board in a separate ~~taconite economic~~
 79.14 ~~development~~ mining reinvestment fund for each taconite and direct reduced ore producer.
 79.15 Money from the fund for each producer shall be released by the commissioner after review
 79.16 by a joint committee consisting of an equal number of representatives of the salaried
 79.17 employees and the nonsalaried production and maintenance employees of that producer.
 79.18 The District 11 director of the United States Steelworkers of America, on advice of each
 79.19 local employee president, shall select the employee members. In nonorganized operations,
 79.20 the employee committee shall be elected by the nonsalaried production and maintenance
 79.21 employees. The review must be completed no later than six months after the producer
 79.22 presents a proposal for expenditure of the funds to the committee. The funds held pursuant
 79.23 to this section may be released only for workforce development and associated public
 79.24 facility improvement, or for acquisition of plant and stationary mining equipment and
 79.25 facilities for the producer or for research and development in Minnesota on new mining, or
 79.26 taconite, iron, or steel production technology, but only if the producer provides a matching
 79.27 expenditure equal to the amount of the distribution to be used for the same purpose
 79.28 beginning with distributions in 2014. Effective for proposals for expenditures of money
 79.29 from the fund beginning May 26, 2007, the commissioner may not release the funds before
 79.30 the next scheduled meeting of the board. If a proposed expenditure is not approved by the
 79.31 board, the funds must be deposited in the ~~Taconite Environmental Protection Fund~~ taconite
 79.32 economic development fund under sections 298.222 to 298.225. If a producer uses money
 79.33 which has been released from the fund prior to May 26, 2007 to procure haulage trucks,
 79.34 mobile equipment, or mining shovels, and the producer removes the piece of equipment
 79.35 from the taconite tax relief area defined in section 273.134 within ten years from the date

80.1 of receipt of the money from the fund, a portion of the money granted from the fund must
80.2 be repaid to the ~~taconite economic development~~ mining reinvestment fund. The portion
80.3 of the money to be repaid is 100 percent of the grant if the equipment is removed from
80.4 the taconite tax relief area within 12 months after receipt of the money from the fund,
80.5 declining by ten percent for each of the subsequent nine years during which the equipment
80.6 remains within the taconite tax relief area. If a taconite production facility is sold after
80.7 operations at the facility had ceased, any money remaining in the fund for the former
80.8 producer may be released to the purchaser of the facility on the terms otherwise applicable
80.9 to the former producer under this section. If a producer fails to provide matching funds
80.10 for a proposed expenditure within six months after the commissioner approves release
80.11 of the funds, the funds are available for release to another producer in proportion to the
80.12 distribution provided and under the conditions of this section. Any portion of the fund
80.13 which is not released by the commissioner within one year of its deposit in the fund shall
80.14 be divided between the taconite ~~environmental protection~~ economic development fund
80.15 created in section 298.223 and the Douglas J. Johnson economic protection trust fund
80.16 created in section 298.292 for placement in their respective special accounts. Two-thirds of
80.17 the unreleased funds shall be distributed to the taconite ~~environmental protection~~ economic
80.18 development fund and one-third to the Douglas J. Johnson economic protection trust fund.

80.19 ~~(b)(i) Notwithstanding the requirements of paragraph (a), setting the amount of~~
80.20 ~~distributions and the review process, an amount equal to ten cents per taxable ton of~~
80.21 ~~production in 2007, for distribution in 2008 only, that would otherwise be distributed~~
80.22 ~~under paragraph (a), may be used for a loan or grant for the cost of providing for a~~
80.23 ~~value-added wood product facility located in the taconite tax relief area and in a county~~
80.24 ~~that contains a city of the first class. This amount must be deducted from the distribution~~
80.25 ~~under paragraph (a) for which a matching expenditure by the producer is not required. The~~
80.26 ~~granting of the loan or grant is subject to approval by the board. If the money is provided~~
80.27 ~~as a loan, interest must be payable on the loan at the rate prescribed in section 298.2213,~~
80.28 ~~subdivision 3. (ii) Repayments of the loan and interest, if any, must be deposited in the~~
80.29 ~~taconite environment protection fund under sections 298.222 to 298.225. If a loan or~~
80.30 ~~grant is not made under this paragraph by July 1, 2012, the amount that had been made~~
80.31 ~~available for the loan under this paragraph must be transferred to the taconite environment~~
80.32 ~~protection fund under sections 298.222 to 298.225. (iii) Money distributed in 2008 to the~~
80.33 ~~fund established under this section that exceeds ten cents per ton is available to qualifying~~
80.34 ~~producers under paragraph (a) on a pro rata basis.~~

80.35 ~~(c) Repayment or transfer of money to the taconite environmental protection fund~~
80.36 ~~under paragraph (b), item (ii), must be allocated by the Iron Range Resources and~~

81.1 ~~Rehabilitation Board for public works projects in house legislative districts in the same~~
81.2 ~~proportion as taxable tonnage of production in 2007 in each house legislative district, for~~
81.3 ~~distribution in 2008, bears to total taxable tonnage of production in 2007, for distribution~~
81.4 ~~in 2008. Notwithstanding any other law to the contrary, expenditures under this paragraph~~
81.5 ~~do not require approval by the governor. For purposes of this paragraph, "house legislative~~
81.6 ~~districts" means the legislative districts in existence on May 15, 2009.~~

81.7 Sec. 16. Minnesota Statutes 2014, section 298.28, subdivision 4, is amended to read:

81.8 Subd. 4. **School districts.** (a) 32.15 cents per taxable ton, plus the increase provided
81.9 in paragraph (d), less the amount that would have been computed under Minnesota
81.10 Statutes 2008, section 126C.21, subdivision 4, for the current year for that district, must be
81.11 allocated to qualifying school districts to be distributed, based upon the certification of the
81.12 commissioner of revenue, under paragraphs (b), (c), and (f).

81.13 (b)(i) 3.43 cents per taxable ton must be distributed to the school districts in which
81.14 the lands from which taconite was mined or quarried were located or within which the
81.15 concentrate was produced. The distribution must be based on the apportionment formula
81.16 prescribed in subdivision 2.

81.17 (ii) Four cents per taxable ton from each taconite facility must be distributed to
81.18 each affected school district for deposit in a fund dedicated to building maintenance
81.19 and repairs, as follows:

81.20 (1) proceeds from Keewatin Taconite or its successor are distributed to Independent
81.21 School Districts Nos. 316, Coleraine, and 319, Nashwauk-Keewatin, or their successor
81.22 districts;

81.23 (2) proceeds from the Hibbing Taconite Company or its successor are distributed to
81.24 Independent School Districts Nos. 695, Chisholm, and 701, Hibbing, or their successor
81.25 districts;

81.26 (3) proceeds from the Mittal Steel Company and Minntac or their successors are
81.27 distributed to Independent School Districts Nos. 712, Mountain Iron-Buhl, 706, Virginia,
81.28 2711, Mesabi East, and 2154, Eveleth-Gilbert, or their successor districts;

81.29 (4) proceeds from the Northshore Mining Company or its successor are distributed
81.30 to Independent School Districts Nos. 2142, St. Louis County, and 381, Lake Superior,
81.31 or their successor districts; and

81.32 (5) proceeds from United Taconite or its successor are distributed to Independent
81.33 School Districts Nos. 2142, St. Louis County, and 2154, Eveleth-Gilbert, or their
81.34 successor districts.

82.1 Revenues that are required to be distributed to more than one district shall be
82.2 apportioned according to the number of pupil units identified in section 126C.05,
82.3 subdivision 1, enrolled in the second previous year.

82.4 (c)(i) 24.72 cents per taxable ton, less any amount distributed under paragraph (e),
82.5 shall be distributed to a group of school districts comprised of those school districts which
82.6 qualify as a tax relief area under section 273.134, paragraph (b), or in which there is a
82.7 qualifying municipality as defined by section 273.134, paragraph (a), in direct proportion
82.8 to school district indexes as follows: for each school district, its pupil units determined
82.9 under section 126C.05 for the prior school year shall be multiplied by the ratio of the
82.10 average adjusted net tax capacity per pupil unit for school districts receiving aid under
82.11 this clause as calculated pursuant to chapters 122A, 126C, and 127A for the school year
82.12 ending prior to distribution to the adjusted net tax capacity per pupil unit of the district.
82.13 Each district shall receive that portion of the distribution which its index bears to the sum
82.14 of the indices for all school districts that receive the distributions.

82.15 (ii) Notwithstanding clause (i), each school district that receives a distribution
82.16 under sections 298.018; 298.23 to 298.28, exclusive of any amount received under this
82.17 clause; 298.34 to 298.39; 298.391 to 298.396; 298.405; or any law imposing a tax on
82.18 severed mineral values after reduction for any portion distributed to cities and towns
82.19 under section 126C.48, subdivision 8, paragraph (5), that is less than the amount of its
82.20 levy reduction under section 126C.48, subdivision 8, for the second year prior to the
82.21 year of the distribution shall receive a distribution equal to the difference; the amount
82.22 necessary to make this payment shall be derived from proportionate reductions in the
82.23 initial distribution to other school districts under clause (i). If there are insufficient tax
82.24 proceeds to make the distribution provided under this paragraph in any year, money must
82.25 be transferred from the taconite property tax relief account in subdivision 6, to the extent
82.26 of the shortfall in the distribution.

82.27 (d)(1) Any school district described in paragraph (c) where a levy increase pursuant
82.28 to section 126C.17, subdivision 9, was authorized by referendum for taxes payable in
82.29 2001, shall receive a distribution of 21.3 cents per ton. Each district shall receive \$175
82.30 times the pupil units identified in section 126C.05, subdivision 1, enrolled in the second
82.31 previous year or the 1983-1984 school year, whichever is greater, less the product of 1.8
82.32 percent times the district's taxable net tax capacity in 2011.

82.33 (2) Districts qualifying under paragraph (c) must receive additional taconite aid each
82.34 year equal to 22.5 percent of the amount obtained by subtracting:

82.35 (i) 1.8 percent of the district's net tax capacity for 2011, from:

83.1 (ii) the district's weighted average daily membership for fiscal year 2012, multiplied
83.2 by the sum of:

83.3 (A) \$415, plus

83.4 (B) the district's referendum revenue allowance for fiscal year 2013.

83.5 If the total amount provided by paragraph (d) is insufficient to make the payments
83.6 herein required then the entitlement of \$175 per pupil unit shall be reduced uniformly
83.7 so as not to exceed the funds available. Any amounts received by a qualifying school
83.8 district in any fiscal year pursuant to paragraph (d) shall not be applied to reduce general
83.9 education aid which the district receives pursuant to section 126C.13 or the permissible
83.10 levies of the district. Any amount remaining after the payments provided in this paragraph
83.11 shall be paid to the commissioner of Iron Range resources and rehabilitation who shall
83.12 deposit the same in the taconite ~~environmental protection~~ economic development fund and
83.13 the Douglas J. Johnson economic protection trust fund as provided in subdivision 11.

83.14 Each district receiving money according to this paragraph shall reserve the lesser of
83.15 the amount received under this paragraph or \$25 times the number of pupil units served in
83.16 the district. It may use the money for early childhood programs.

83.17 (e) There shall be distributed to any school district the amount which the school
83.18 district was entitled to receive under section 298.32 in 1975.

83.19 (f) Four cents per taxable ton must be distributed to qualifying school districts
83.20 according to the distribution specified in paragraph (b), clause (ii), and 11 cents per taxable
83.21 ton must be distributed according to the distribution specified in paragraph (c). These
83.22 amounts are not subject to sections 126C.21, subdivision 4, and 126C.48, subdivision 8.

83.23 Sec. 17. Minnesota Statutes 2014, section 298.28, subdivision 9a, is amended to read:

83.24 Subd. 9a. ~~Taconite economic development~~ **Mining reinvestment fund.** (a)
83.25 25.1 cents per ton for distributions in 2002 and thereafter must be paid to the ~~taconite~~
83.26 ~~economic development~~ mining reinvestment fund. No distribution shall be made under
83.27 this paragraph in 2004 or any subsequent year in which total industry production falls
83.28 below 30 million tons. Distribution shall only be made to a taconite producer's fund under
83.29 section 298.227 if the producer timely pays its tax under section 298.24 by the dates
83.30 provided under section 298.27, or pursuant to the due dates provided by an administrative
83.31 agreement with the commissioner.

83.32 (b) An amount equal to 50 percent of the tax under section 298.24 for concentrate
83.33 sold in the form of pellet chips and fines not exceeding 5/16 inch in size and not including
83.34 crushed pellets shall be paid to the ~~taconite economic development~~ mining reinvestment
83.35 fund. The amount paid shall not exceed \$700,000 annually for all companies. If the initial

84.1 amount to be paid to the fund exceeds this amount, each company's payment shall be
84.2 prorated so the total does not exceed \$700,000.

84.3 Sec. 18. Minnesota Statutes 2014, section 298.28, subdivision 9d, is amended to read:

84.4 Subd. 9d. **Iron Range higher education account.** (a) Five cents per taxable ton
84.5 must be allocated to the Iron Range Resources and Rehabilitation Board to be deposited
84.6 in an Iron Range higher education account that is hereby created, to be used for higher
84.7 education programs conducted at educational institutions in the taconite assistance area
84.8 defined in section 273.1341. The Iron Range Higher Education committee under section
84.9 298.2214, and the Iron Range Resources and Rehabilitation Board must approve all
84.10 expenditures from the account.

84.11 (b) For distributions in 2015 and subsequent years, at least 2.5 cents per ton must be
84.12 used for the Iron Range engineering program at Mesabi Range College.

84.13 Sec. 19. Minnesota Statutes 2014, section 298.28, subdivision 11, is amended to read:

84.14 Subd. 11. **Remainder.** (a) The proceeds of the tax imposed by section 298.24 which
84.15 remain after the distributions and payments in subdivisions 2 to 10a, as certified by the
84.16 commissioner of revenue, and paragraphs (b), (c), and (d) have been made, together with
84.17 interest earned on all money distributed under this section prior to distribution, shall
84.18 be divided between the taconite ~~environmental protection~~ economic development fund
84.19 created in section 298.223 and the Douglas J. Johnson economic protection trust fund
84.20 created in section 298.292 as follows: Two-thirds to the taconite ~~environmental protection~~
84.21 economic development fund and one-third to the Douglas J. Johnson economic protection
84.22 trust fund. The proceeds shall be placed in the respective special accounts.

84.23 (b) There shall be distributed to each city, town, and county the amount that it
84.24 received under section 294.26 in calendar year 1977; provided, however, that the amount
84.25 distributed in 1981 to the unorganized territory number 2 of Lake County and the town
84.26 of Beaver Bay based on the between-terminal trackage of Erie Mining Company will be
84.27 distributed in 1982 and subsequent years to the unorganized territory number 2 of Lake
84.28 County and the towns of Beaver Bay and Stony River based on the miles of track of Erie
84.29 Mining Company in each taxing district.

84.30 (c) There shall be distributed to the Iron Range Resources and Rehabilitation Board
84.31 the amounts it received in 1977 under section 298.22. The amount distributed under
84.32 this paragraph shall be expended within or for the benefit of the taconite assistance area
84.33 defined in section 273.1341.

85.1 (d) There shall be distributed to each school district 62 percent of the amount that it
85.2 received under section 294.26 in calendar year 1977.

85.3 Sec. 20. Minnesota Statutes 2014, section 298.28, subdivision 15, is amended to read:

85.4 Subd. 15. **Distribution of delayed payments.** Notwithstanding any other provision
85.5 of this section or any other law, if payment of taxes collected under section 298.24 is
85.6 delayed past the due date because the taxpayer is a debtor in a pending bankruptcy
85.7 proceeding, the amount paid shall be distributed as follows when received:

85.8 (1) 50 percent to St. Louis County acting as the counties' fiscal agent, to be
85.9 distributed as provided in sections 273.134 to 273.136;

85.10 (2) 25 percent to the Douglas J. Johnson economic protection trust fund; and

85.11 (3) 25 percent to the taconite ~~environmental protection~~ economic development fund.

85.12 Sec. 21. Minnesota Statutes 2014, section 298.292, subdivision 2, is amended to read:

85.13 Subd. 2. **Use of money.** Money in the Douglas J. Johnson economic protection trust
85.14 fund may be used for the following purposes:

85.15 (1) to provide loans, loan guarantees, interest buy-downs and other forms of
85.16 participation with private sources of financing, but a loan to a private enterprise shall be
85.17 for a principal amount not to exceed one-half of the cost of the project for which financing
85.18 is sought, and the rate of interest on a loan to a private enterprise shall be no less than the
85.19 lesser of eight percent or an interest rate three percentage points less than a full faith
85.20 and credit obligation of the United States government of comparable maturity, at the
85.21 time that the loan is approved;

85.22 (2) to fund reserve accounts established to secure the payment when due of the
85.23 principal of and interest on bonds issued pursuant to section 298.2211;

85.24 ~~(3) to pay in periodic payments or in a lump-sum payment any or all of the interest~~
85.25 ~~on bonds issued pursuant to chapter 474 for the purpose of constructing, converting,~~
85.26 ~~or retrofitting heating facilities in connection with district heating systems or systems~~
85.27 ~~utilizing alternative energy sources;~~

85.28 ~~(4)~~ (3) to invest in a venture capital fund or enterprise that will provide capital
85.29 to other entities that are engaging in, or that will engage in, projects or programs that
85.30 have the purposes set forth in subdivision 1. ~~No investments may be made in a venture~~
85.31 ~~capital fund or enterprise unless at least two other unrelated investors make investments~~
85.32 ~~of at least \$500,000 in the venture capital fund or enterprise, and the investment by the~~
85.33 ~~Douglas J. Johnson economic protection trust fund may not exceed the amount of the~~
85.34 ~~largest investment by an unrelated investor in the venture capital fund or enterprise. For~~

86.1 purposes of this subdivision, an "unrelated investor" is a person or entity that is not related
 86.2 to the entity in which the investment is made or to any individual who owns more than 40
 86.3 percent of the value of the entity, in any of the following relationships: spouse, parent,
 86.4 child, sibling, employee, or owner of an interest in the entity that exceeds ten percent of
 86.5 the value of all interests in it. For purposes of determining the limitations under this
 86.6 clause, the amount of investments made by an investor other than the Douglas J. Johnson
 86.7 economic protection trust fund is the sum of all investments made in the venture capital
 86.8 fund or enterprise during the period beginning one year before the date of the investment
 86.9 by the Douglas J. Johnson economic protection trust fund; and

86.10 (5) (4) to purchase forest land in the taconite assistance area defined in section
 86.11 273.1341 to be held and managed as a public trust for the benefit of the area for the
 86.12 purposes authorized in section 298.22, subdivision 5a. Property purchased under this
 86.13 section may be sold by the commissioner upon approval by the board. The net proceeds
 86.14 must be deposited in the trust fund for the purposes and uses of this section.

86.15 Money from the trust fund shall be expended only in or for the benefit of the taconite
 86.16 assistance area defined in section 273.1341.

86.17 Sec. 22. Minnesota Statutes 2014, section 298.293, is amended to read:

86.18 **298.293 EXPENDING FUNDS.**

86.19 The funds provided by section 298.28, subdivision 11, relating to the Douglas J.
 86.20 Johnson economic protection trust fund, ~~except money expended pursuant to Laws~~
 86.21 ~~1982, Second Special Session, chapter 2, sections 8 to 14, shall be expended only in~~
 86.22 ~~an amount that does not exceed the sum of the net interest, dividends, and earnings~~
 86.23 ~~arising from the investment of the trust for the preceding 12 calendar months from the~~
 86.24 ~~date of the authorization plus, for fiscal year 1983, \$10,000,000 from the corpus of the~~
 86.25 ~~fund. The funds may be spent only in or for the benefit of the taconite assistance area as~~
 86.26 ~~defined in section 273.1341. If during any year the taconite property tax account under~~
 86.27 ~~sections 273.134 to 273.136 does not contain sufficient funds to pay the property tax relief~~
 86.28 ~~specified in Laws 1977, chapter 423, article X, section 4, there is appropriated from this~~
 86.29 ~~trust fund to the relief account sufficient funds to pay the relief specified in Laws 1977,~~
 86.30 ~~chapter 423, article X, section 4.~~

86.31 Sec. 23. Minnesota Statutes 2014, section 298.2961, subdivision 3, is amended to read:

86.32 Subd. 3. **Redistribution.** (a) If a taconite production facility is sold after operations
 86.33 at the facility had ceased, any money remaining in the taconite environmental fund for the

87.1 former producer may be released to the purchaser of the facility on the terms otherwise
87.2 applicable to the former producer under this section.

87.3 (b) Any portion of the taconite environmental fund that is not released by the
87.4 commissioner within three years of its deposit in the taconite environmental fund shall
87.5 be divided between the taconite ~~environmental protection~~ economic development fund
87.6 created in section 298.223 and the Douglas J. Johnson economic protection trust fund
87.7 created in section 298.292 for placement in their respective special accounts. Two-thirds of
87.8 the unreleased funds must be distributed to the taconite ~~environmental protection~~ economic
87.9 development fund and one-third to the Douglas J. Johnson economic protection trust fund.

87.10 Sec. 24. **REPEALER.**

87.11 Minnesota Statutes 2014, section 298.298, is repealed.

87.12 **ARTICLE 10**

87.13 **BUREAU OF MEDIATION SERVICES**

87.14 Section 1. Minnesota Statutes 2014, section 13.43, subdivision 6, is amended to read:

87.15 Subd. 6. **Access by labor organizations, the Bureau of Mediation Services,**
87.16 **and the Public Employment Relations Board.** Personnel data may be disseminated to
87.17 labor organizations and the Public Employment Relations Board to the extent that the
87.18 responsible authority determines that the dissemination is necessary to conduct elections,
87.19 notify employees of fair share fee assessments, and implement the provisions of chapters
87.20 179 and 179A. Personnel data shall be disseminated to labor organizations, the Public
87.21 Employment Relations Board, and to the Bureau of Mediation Services to the extent the
87.22 dissemination is ordered or authorized by the commissioner of the Bureau of Mediation
87.23 Services, or the Public Employment Relations Board or its designee.

87.24 **EFFECTIVE DATE.** This section is effective July 1, 2015.

87.25 Sec. 2. **[13.7909] PUBLIC EMPLOYMENT RELATIONS BOARD DATA.**

87.26 Subdivision 1. **Definition.** For purposes of this section, "board" means the Public
87.27 Employment Relations Board.

87.28 Subd. 2. **Not public data.** (a) Except as provided in this subdivision, all data
87.29 maintained by the board about a charge or complaint of unfair labor practices and
87.30 appeals of determinations of the commissioner under section 179A.12, subdivision 11,
87.31 are classified as protected nonpublic data or confidential data, and become public when

88.1 admitted into evidence at a hearing conducted pursuant to section 179A.13. The data may
 88.2 be subject to a protective order as determined by the board or a hearing officer.

88.3 (b) Notwithstanding sections 13.43 and 181.932, the following data are public:

88.4 (1) the filing date of unfair labor practice charges;

88.5 (2) the status of unfair labor practice charges as an original or amended charge;

88.6 (3) the names and job classifications of charging parties and charged parties;

88.7 (4) the provisions of law alleged to have been violated in unfair labor practice charges;

88.8 (5) the complaint issued by the board and all data in the complaint;

88.9 (6) the full and complete record of an evidentiary hearing before a hearing officer,

88.10 including the hearing transcript, exhibits admitted into evidence, and posthearing briefs,

88.11 unless subject to a protective order;

88.12 (7) recommended decisions and orders of hearing officers pursuant to section

88.13 179A.13, subdivision 1, paragraph (i);

88.14 (8) exceptions to the hearing officer's recommended decision and order filed with the

88.15 board pursuant to section 179A.13, subdivision 1, paragraph (k);

88.16 (9) briefs filed with the board; and

88.17 (10) decisions and orders issued by the board.

88.18 (c) Notwithstanding paragraph (a), individuals have access to their own statements

88.19 provided to the board under paragraph (a).

88.20 (d) The board may make any data classified as protected nonpublic or confidential

88.21 pursuant to this subdivision accessible to any person or party if the access will aid the

88.22 implementation of chapters 179 and 179A or ensure due process protection of the parties.

88.23 **EFFECTIVE DATE.** This section is effective July 1, 2015.

88.24 Sec. 3. Minnesota Statutes 2014, section 13D.01, subdivision 2, is amended to read:

88.25 Subd. 2. **Exceptions.** This chapter does not apply:

88.26 (1) to meetings of the commissioner of corrections;

88.27 (2) to a state agency, board, or commission when it is exercising quasi-judicial

88.28 functions involving disciplinary proceedings;

88.29 (3) to meetings of the Public Employment Relations Board when it is deliberating on

88.30 the merits of unfair labor practice charges under sections 179.11, 179.12, and 179A.13;

88.31 reviewing a recommended decision and order of a hearing officer under section 179A.13;

88.32 reviewing decisions of the commissioner of the Bureau of Mediation Services relating

88.33 to unfair labor practices under section 179A.12, subdivision 11; or exercising its hiring

88.34 authority under section 179A.041; or

88.35 ~~(3)~~ (4) as otherwise expressly provided by statute.

89.1 **EFFECTIVE DATE.** This section is effective July 1, 2015.

89.2 Sec. 4. **[179.851] LABOR-MANAGEMENT STAKEHOLDER COORDINATION.**

89.3 The commissioner of mediation services shall work with labor-management
89.4 stakeholders, including representatives from existing labor organizations and management
89.5 from existing companies or organizations, to foster mutual understanding and provide
89.6 input on the development of collaborative programs and services designed to improve
89.7 labor-management relations in both public and private sector organizations throughout
89.8 Minnesota. The commissioner may convene informal working groups to provide
89.9 information and assistance and to develop recommendations.