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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 2534

03/27/2017 Authored by Lien; Thissen; Sandstede; Johnson, C., and Youakim The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance

1.1 A bill for an act
1.2 relating to economic development; appropriating money for small business
1.3 development center services.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. SMALL BUSINESS DEVELOPMENT CENTER SERVICES;
1.6 APPROPRIATION.

1.7 (a) \$1,500,000 in fiscal year 2018 and \$1,500,000 in fiscal year 2019 are appropriated
1.8 from the general fund to the commissioner of employment and economic development for
1.9 small business development center services to support business transition planning. For
1.10 purposes of this section, business transition planning includes, but is not limited to:

1.11 (1) succession planning for next generation proprietors. For purposes of this clause, next
1.12 generation proprietors do not include immediate family members of the current business
1.13 owner;

1.14 (2) providing business owners seeking to sell existing businesses and aspiring business
1.15 owners with a venue and opportunity to exchange information. Services under this clause
1.16 may be targeted to small businesses located in economically disadvantaged communities
1.17 or areas of declining population. For purposes of this clause, "economically disadvantaged
1.18 communities" means communities in which the average household income is less than 80
1.19 percent of statewide median household income as measured by the United States Census
1.20 Bureau, or communities that contain two or more contiguous census tracts in which the
1.21 average household income is less than 80 percent of the statewide median household income
1.22 as measured by the United States Census Bureau; and

2.1 (3) providing information and counseling services to business owners, prospective
2.2 owners, and others regarding the importance of business transition and succession planning,
2.3 the transition and succession process, and financing options and requirements related to the
2.4 business transition and succession process.

2.5 (b) Funds available under this section may be used to:

2.6 (1) provide the necessary information and services under paragraph (a);

2.7 (2) build small business development center staff capacity to provide business transition
2.8 and succession planning services; and

2.9 (3) match funds under the federal Small Business Development Center Program under
2.10 United States Code, title 15, section 648, and other federal, state, or local funds available
2.11 for the purposes of this section.