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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. **88**

January 12, 2009

Authored by Atkins

The bill was read for the first time and referred to the Committee on Commerce and Labor

1.1 A bill for an act
1.2 relating to certain state contracts; requiring full enforcement of certain
1.3 agreements between the state and an airline company.

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

1.5 Section 1. **AGREEMENTS WITH AIRLINE COMPANY; FULL**
1.6 **ENFORCEMENT REQUIRED.**

1.7 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms defined in
1.8 this subdivision have the meanings given.

1.9 (b) "Agreement with the state" means a written agreement, contract, or lease
1.10 between Northwest and the state.

1.11 (c) "MAC" means the Metropolitan Airports Commission.

1.12 (d) "Northwest" means Northwest Airlines, Inc.; Northwest Airlines Corporation;
1.13 and any affiliates of either of them.

1.14 (e) "Merger agreement" means any contract, memorandum of understanding, plan or
1.15 articles of merger or exchange as described in sections 302A.601 to 302A.615, or other
1.16 agreement by which two or more corporations or other business entities come under
1.17 common ownership or control.

1.18 (f) "The state" means the state of Minnesota, a commissioner or department of the
1.19 state of Minnesota, or the MAC.

1.20 Subd. 2. **Full enforcement.** (a) The state shall fully enforce any agreement with
1.21 the state that is breached or is likely to be breached, including breach of any covenant
1.22 regarding maintenance of Northwest's hub, corporate headquarters, or employment level,
1.23 as a result of a proposed, agreed to, implemented, or completed merger agreement,
1.24 or related transaction, entered into by Northwest with any other airline or affiliate of

2.1 an airline. The state shall make full use of any legal or equitable remedies, including
2.2 injunctive relief, available under an agreement with the state or otherwise.

2.3 (b) In a situation described in paragraph (a), the state shall seek repayment of any
2.4 outstanding loans and payment for any concessions granted by the state to Northwest,
2.5 including favorable gate lease rates, preferential rights to lease desired gates, and other
2.6 concessions granted in connection with an agreement with the state.

2.7 (c) In a situation described in paragraph (a), the state shall seek all incidental,
2.8 consequential, liquidated, and other damages available under the agreement with the
2.9 state or otherwise.

2.10 **EFFECTIVE DATE.** This section is effective the day following final enactment
2.11 and applies to merger agreements entered into before, on, or after that date.