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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. **715**

February 12, 2009

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The bill was read for the first time and referred to the Committee on Agriculture, Rural Economies and Veterans Affairs

1.1 A bill for an act
1.2 relating to state procurement; designating businesses owned by disabled
1.3 veterans as targeted group businesses for purposes of awarding certain state
1.4 and metropolitan agency contracts; amending Minnesota Statutes 2008, section
1.5 16C.16, subdivision 5.

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

1.7 Section 1. Minnesota Statutes 2008, section 16C.16, subdivision 5, is amended to read:

1.8 Subd. 5. **Designation of targeted groups.** (a) The commissioner of administration
1.9 shall periodically designate businesses that are majority owned and operated by women,
1.10 persons with a substantial physical disability, or specific minorities as targeted group
1.11 businesses within purchasing categories as determined by the commissioner. A group
1.12 may be targeted within a purchasing category if the commissioner determines there is a
1.13 statistical disparity between the percentage of purchasing from businesses owned by
1.14 group members and the representation of businesses owned by group members among all
1.15 businesses in the state in the purchasing category.

1.16 (b) In addition to designations under paragraph (a), an individual business may be
1.17 included as a targeted group business if the commissioner determines that inclusion is
1.18 necessary to remedy discrimination against the owner based on race, gender, or disability
1.19 in attempting to operate a business that would provide goods or services to public agencies.

1.20 (c) In addition to the designations under paragraphs (a) and (b), the commissioner of
1.21 administration shall designate a business that is majority owned and operated by a disabled
1.22 veteran as a targeted group business within purchasing categories as determined by the
1.23 commissioner. For the purposes of this paragraph, "disabled veteran" means a person who:

2.1 (1) is included within the meaning of section 197.447, including both currently
2.2 serving and honorably discharged members of the National Guard and other military
2.3 reserves; and

2.4 (2) at the time of election to use a preference, is entitled to disability compensation
2.5 under laws administered by the Veterans Administration for a permanent service-connected
2.6 disability, provided that the contractor must consider the percentage of disability rating
2.7 when choosing among several disabled veterans using the preference under this paragraph.

2.8 (d) The designations of purchasing categories and businesses under paragraphs (a)
2.9 ~~and~~, (b), and (c) are not rules for purposes of chapter 14, and are not subject to rulemaking
2.10 procedures of that chapter.

2.11 **EFFECTIVE DATE.** This section is effective July 1, 2009, and applies to
2.12 procurement contract bid solicitations issued on or after that date.