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State of Minnesota

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**617**

# HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH  
SESSION

HOUSE FILE No. **2849**

February 11, 2010

Authored by Norton, Doty, Ward, Swails, Gunther and others  
The bill was read for the first time and referred to the Committee on Finance

April 12, 2010

Committee Recommendation and Adoption of Report:  
To Pass as Amended and re-referred to the Committee on Taxes

April 28, 2010

Committee Recommendation and Adoption of Report:  
To Pass as Amended  
Read Second Time

1.1 A bill for an act  
1.2 relating to business development; providing for a comparative study of state laws  
1.3 affecting small business start-ups in Minnesota and Wisconsin.

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

1.5 Section 1. **COMPARATIVE STUDY OF STATE REGULATION AFFECTING**  
1.6 **SMALL BUSINESS START-UPS.**

1.7 (a) The Legislative Coordinating Commission must apply to the University of  
1.8 Minnesota Carlson School of Business or another grant-making organization for a grant to  
1.9 fund or conduct a comparative study of the effects of state regulation on the cost and delay  
1.10 required to start a typical small business in Minnesota and Wisconsin.

1.11 (b) The study must examine the typical cost and delay required by state regulation in  
1.12 the two states to start a typical small services business, small retail business, and small  
1.13 manufacturing business. Within each of those three categories, the study must choose a  
1.14 specific type of business and follow the start-up process in the two states from beginning  
1.15 to end, including formation, financing, licensing, permits, reporting requirements,  
1.16 employment laws, and state and local taxes, including special tax provisions that affect the  
1.17 business' ability to start operations. The study must result in a written report submitted to  
1.18 the Legislative Coordinating Commission no later than December 1, 2011.

1.19 (c) The Legislative Coordinating Commission shall request proposals and choose  
1.20 the recipient of the grant from among higher education institutions that have a graduate  
1.21 program in business, business administration, or a similar field. The Legislative  
1.22 Coordinating Commission shall periodically monitor the recipient's progress on the study  
1.23 and written report. The Legislative Coordinating Commission shall submit the written

2.1 report as a report to the legislature in compliance with Minnesota Statutes, sections 3.195  
2.2 and 3.197.

2.3 (d) If a grant is not received for the comparative study, the Legislative Coordinating  
2.4 Commission is not responsible for any of the tasks under this section.