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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

**EIGHTY-FIFTH  
SESSION**

**HOUSE FILE No. 3966**

March 11, 2008

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

1.1 A bill for an act  
1.2 relating to economic development; modifying loan repayment provision;  
1.3 amending Laws 1999, chapter 223, article 2, section 72.

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

1.5 Section 1. Laws 1999, chapter 223, article 2, section 72, is amended to read:

1.6 **Sec. 72. UPPER RED LAKE BUSINESS LOAN PROGRAM.**

1.7 The commissioner of trade and economic development must make loans to  
1.8 businesses in the Upper Red Lake area that have been severely affected by the significant  
1.9 decline of the walleye fishing resource in Upper Red Lake. The loans may only be  
1.10 made to businesses that operated in 1998. A business must submit an application to the  
1.11 commissioner on forms provided by the commissioner. The application must include a  
1.12 business plan for continued operation, with the assistance of the loan, until the walleye  
1.13 fishing resource recovers. The commissioner shall allocate available loan funds to a  
1.14 business based on the commissioner's evaluation of the probable success of its business  
1.15 plan. A loan shall be for a maximum amount of \$75,000 and a duration of ten years from  
1.16 the date of the loan and shall be interest free. Repayment of a loan in monthly payments  
1.17 of 1/120 of the original principal amount must begin no later than one year after walleye  
1.18 fishing on Upper Red Lake is ~~allowed by the department of natural resources~~ recovered to  
1.19 a bag limit of six fish. Any principal balance remaining at the end of the ten-year period  
1.20 shall be forgiven if the business continues in operation for the ten-year period. Loan  
1.21 repayments shall be deposited in the general fund.

1.22 **Sec. 2. EFFECTIVE DATE.**

1.23 This act is effective the day following final enactment.