

1.1 A bill for an act
 1.2 relating to state government; appropriating money for jobs and economic
 1.3 development; modifying mortgage licensing requirements; modifying programs;
 1.4 regulating activities and practices; recodifying and modifying construction
 1.5 codes and licensing provisions; modifying the State Building Code; providing
 1.6 penalties; instructing the revisor to renumber statutory provisions; amending
 1.7 Minnesota Statutes 2006, sections 16B.04, subdivision 2; 16B.60, subdivisions
 1.8 4, 7, 8, 11; 16B.61; 16B.615, subdivision 4; 16B.617; 16B.6175; 16B.63;
 1.9 16B.65; 16B.70; 16B.72; 16B.73; 16B.735; 16B.74, subdivisions 1, 2, by
 1.10 adding subdivisions; 16B.741; 16B.744; 16B.745, subdivisions 1, 4; 16B.747;
 1.11 16B.748; 16B.76; 31.175; 58.04, subdivisions 1, 2; 58.05; 58.06, subdivision
 1.12 2, by adding a subdivision; 58.08, subdivision 3; 58.10, subdivision 1; 80A.28,
 1.13 subdivision 1; 103I.621, subdivision 3; 116J.551, subdivision 1; 116J.575,
 1.14 subdivisions 1, 1a; 144.122; 144.99, subdivision 1; 175.16, subdivision 1;
 1.15 179A.04, subdivision 3; 183.38; 183.39, subdivision 1; 183.411, subdivision 2;
 1.16 183.42; 183.45; 183.46; 183.465; 183.466; 183.48; 183.501; 183.505; 183.51;
 1.17 183.54, subdivisions 1, 3; 183.545, subdivisions 2, 4, 8, by adding a subdivision;
 1.18 183.56; 183.57, subdivisions 1, 2, 5, 6; 183.59; 183.60; 183.61, subdivisions
 1.19 2, 4; 214.01, subdivision 3; 214.04, subdivisions 1, 3; 270.97; 299F.011,
 1.20 subdivision 1; 325E.58; 326.01, subdivisions 2, 3, 4, 5, 6, 6a, 6b, 6c, 6e, 6f,
 1.21 6g, 6j, 6k, 6l, 7, 8, 9; 326.241; 326.242; 326.243; 326.244, subdivisions 1,
 1.22 1a, 2, 3, 4, 5, by adding a subdivision; 326.2441; 326.245; 326.247; 326.248;
 1.23 326.37; 326.38; 326.39; 326.40; 326.401; 326.405; 326.42; 326.46; 326.461, by
 1.24 adding subdivisions; 326.47; 326.48; 326.50; 326.57, subdivision 1; 326.58;
 1.25 326.59; 326.60; 326.601; 326.61, subdivisions 1, 2, 3, 4; 326.62; 326.65; 326.83,
 1.26 subdivisions 6, 7, 11, 18, 19, 20; 326.84; 326.841; 326.842; 326.86; 326.87;
 1.27 326.88; 326.89; 326.90, subdivision 1; 326.91, subdivision 1; 326.92; 326.921;
 1.28 326.93; 326.94; 326.95, subdivision 2; 326.96; 326.97; 326.975, subdivision
 1.29 1; 326.992; 327.20, subdivision 1; 327.205; 327.31, subdivisions 2, 3, 4, 7,
 1.30 15, by adding a subdivision; 327.32, subdivision 8; 327.33, subdivisions 2, 6,
 1.31 7; 327.34, subdivision 3; 327.35, subdivisions 1, 2; 327A.01, subdivision 2;
 1.32 327B.01, subdivisions 4, 5, 7, 17, by adding subdivisions; 327B.04, subdivisions
 1.33 1, 4, 6, 7, 8, by adding a subdivision; 327B.05, subdivision 1; 327B.10; 332.54,
 1.34 subdivision 7; 363A.40, subdivision 1; 462.357, subdivision 6a; 462A.07,
 1.35 subdivision 8; 462A.21, subdivision 8b; 462A.33, subdivision 3; 471.465;
 1.36 471.466; 471.467; 471.471; proposing coding for new law in Minnesota Statutes,
 1.37 chapters 58; 327B; 609; proposing coding for new law as Minnesota Statutes,
 1.38 chapter 326B; repealing Minnesota Statutes 2006, sections 16B.665; 16B.747,
 1.39 subdivision 4; 58.08, subdivision 1; 183.001; 183.02; 183.375, subdivisions 1, 2,

2.1 3, 4, 5, 6; 183.41, subdivisions 1, 2, 3, 4; 183.44, subdivisions 1, 2, 3; 183.52;
2.2 183.54, subdivision 2; 183.545, subdivision 9; 183.61, subdivisions 1, 3, 5, 6;
2.3 326.01, subdivisions 6h, 10, 11, 12, 13; 326.242, subdivisions 9, 9a, 9b, 9c, 9d,
2.4 9e, 9f, 9g, 9h, 9i, 9j, 9k, 10; 326.244, subdivision 6; 326.246; 326.2461; 326.40,
2.5 subdivision 4; 326.41; 326.44; 326.45; 326.47, subdivision 5; 326.51; 326.52;
2.6 326.521; 326.64; 326.83, subdivisions 3, 4, 12, 13; 326.85; 326.875; 326.91,
2.7 subdivisions 2, 3, 4; 326.945; 326.975; 326.98; 327B.05, subdivisions 2, 3, 4,
2.8 5, 6; Minnesota Rules, parts 2809.0230; 2891.0010; 2891.0030; 3800.2650;
2.9 3800.3580; 3800.3590; 3800.3630; 3800.3750; 3800.3835; 4715.5600;
2.10 4715.5900; 4717.7000, subpart 1, item I; 5225.0880; 5225.8600, subparts 1, 2,
2.11 3, 4, 5, 6, 7, 8, 9; 5230.0010; 5230.0020; 5230.0040; 5230.0060, subpart 2;
2.12 5230.0100, subparts 1, 3, 4.

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

2.14 **ARTICLE 1**
2.15 **JOBS AND ECONOMIC DEVELOPMENT APPROPRIATIONS**

2.16 Section 1. **JOBS AND ECONOMIC DEVELOPMENT APPROPRIATIONS.**

2.17 The amounts shown in this section summarize direct appropriations, by fund, made
2.18 in this article.

2.19		<u>2008</u>		<u>2009</u>		<u>Total</u>
2.20	<u>General</u>	<u>\$ 212,782,000</u>	<u>\$</u>	<u>164,355,000</u>	<u>\$</u>	<u>377,137,000</u>
2.21	<u>Workforce Development</u>	<u>10,235,000</u>		<u>10,251,000</u>		<u>20,486,000</u>
2.22	<u>Remediation</u>	<u>700,000</u>		<u>700,000</u>		<u>1,400,000</u>
2.23	<u>Petroleum Tank Cleanup</u>	<u>1,084,000</u>		<u>1,084,000</u>		<u>2,168,000</u>
2.24	<u>Workers' Compensation</u>	<u>23,064,000</u>		<u>23,448,000</u>		<u>46,512,000</u>
2.25	<u>Total</u>	<u>\$ 247,865,000</u>	<u>\$</u>	<u>199,838,000</u>	<u>\$</u>	<u>447,703,000</u>

2.26 Sec. 2. **JOBS AND ECONOMIC DEVELOPMENT.**

2.27 The sums shown in the columns marked "Appropriations" are appropriated to the
2.28 agencies and for the purposes specified in this article. The appropriations are from the
2.29 general fund, or another named fund, and are available for the fiscal years indicated
2.30 for each purpose. The figures "2008" and "2009" used in this article mean that the
2.31 appropriations listed under them are available for the fiscal year ending June 30, 2008, or
2.32 June 30, 2009, respectively. "The first year" is fiscal year 2008. "The second year" is fiscal
2.33 year 2009. "The biennium" is fiscal years 2008 and 2009. Appropriations for the fiscal
2.34 year ending June 30, 2007, are effective the day following final enactment.

2.35	<u>APPROPRIATIONS</u>
2.36	<u>Available for the Year</u>
2.37	<u>Ending June 30</u>
2.38	<u>2008</u> <u>2009</u>

3.1	Sec. 3. <u>DEPARTMENT OF EMPLOYMENT</u>			
3.2	<u>AND ECONOMIC DEVELOPMENT</u>			
3.3	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>63,824,000</u>	<u>\$</u> <u>52,375,000</u>
3.4	<u>Appropriations by Fund</u>			
3.5		<u>2008</u>	<u>2009</u>	
3.6	<u>General</u>	<u>53,654,000</u>	<u>42,205,000</u>	
3.7	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>	
3.8	<u>Workforce</u>			
3.9	<u>Development</u>	<u>9,470,000</u>	<u>9,470,000</u>	
3.10	<u>The amounts that may be spent for each</u>			
3.11	<u>purpose are specified in the following</u>			
3.12	<u>subdivisions.</u>			
3.13	<u>Subd. 2. Business and Community</u>			
3.14	<u>Development</u>		<u>19,348,000</u>	<u>8,183,000</u>
3.15	<u>Appropriations by Fund</u>			
3.16	<u>General</u>	<u>18,648,000</u>	<u>7,483,000</u>	
3.17	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>	
3.18	<u>(a)(1) \$150,000 the first year and \$150,000</u>			
3.19	<u>the second year are from the general fund</u>			
3.20	<u>for a grant under Minnesota Statutes,</u>			
3.21	<u>section 116J.421, to the Rural Policy and</u>			
3.22	<u>Development Center at St. Peter, Minnesota.</u>			
3.23	<u>The grant shall be used for research and</u>			
3.24	<u>policy analysis on emerging economic and</u>			
3.25	<u>social issues in rural Minnesota, to serve as</u>			
3.26	<u>a policy resource center for rural Minnesota</u>			
3.27	<u>communities, to encourage collaboration</u>			
3.28	<u>across higher education institutions, to</u>			
3.29	<u>provide interdisciplinary team approaches</u>			
3.30	<u>to research and problem-solving in rural</u>			
3.31	<u>communities, and to administer overall</u>			
3.32	<u>operations of the center.</u>			
3.33	<u>(2) The grant shall be provided upon the</u>			
3.34	<u>condition that each state-appropriated</u>			
3.35	<u>dollar be matched with a nonstate dollar.</u>			
3.36	<u>Acceptable matching funds are nonstate</u>			

4.1 contributions that the center has received and
4.2 have not been used to match previous state
4.3 grants. Any funds not spent the first year are
4.4 available the second year.

4.5 (b) \$155,000 the first year and \$155,000 the
4.6 second year for a grant to the Metropolitan
4.7 Economic Development Association for
4.8 continuing minority business development
4.9 programs in the metropolitan area.

4.10 (c) \$150,000 the first year and \$150,000 the
4.11 second year for a grant to WomenVenture for
4.12 women's business development programs.

4.13 (d) \$1,000,000 the first year is for a
4.14 grant to the BioBusiness Alliance for the
4.15 development of a 20-year strategy for
4.16 growing Minnesota's bioscience industry.
4.17 The grant must be matched dollar-for-dollar
4.18 with private funds. This is a onetime
4.19 appropriation.

4.20 (e) \$250,000 the first year is for a grant to
4.21 University Enterprise Laboratories (UEL) to
4.22 support its efforts to encourage the growth
4.23 of early-stage and emerging bioscience
4.24 companies. UEL must provide a report to
4.25 the commissioner that details expenditures
4.26 and the impact the funding had on lease
4.27 rates for UEL tenants. This is a onetime
4.28 appropriation.

4.29 (f) \$7,000,000 the first year is for grants
4.30 under Minnesota Statutes, section 116J.8731,
4.31 for the Minnesota Investment Fund Program.
4.32 Of this amount, up to \$3,000,000 may
4.33 be used for a legal reference office and
4.34 data center facility, provided that the total

5.1 capital investment in the facility is at least
5.2 \$60,000,000. This is a onetime appropriation.

5.3 (g) \$2,000,000 the first year is for grants
5.4 under Minnesota Statutes, section 116J.571,
5.5 for the Redevelopment Grant Program. This
5.6 is a onetime appropriation.

5.7 (h) \$100,000 the first year and \$100,000 the
5.8 second year to the Public Facilities Authority
5.9 for the Small Community Wastewater
5.10 Treatment Program under Minnesota
5.11 Statutes, chapter 446A.

5.12 (i) \$1,000,000 the first year is for the
5.13 Urban Initiative Program under Minnesota
5.14 Statutes, chapter 116M. This is a onetime
5.15 appropriation.

5.16 (j) \$100,000 the first year and \$100,000
5.17 the second year is for the SBIR-Access to
5.18 Federal Contracts activities.

5.19 (k) \$60,000 the first year and \$60,000 the
5.20 second year is for a grant to the Minnesota
5.21 Inventors Congress.

5.22 Subd. 3. **Workforce Development** 40,936,000 41,022,000

5.23	<u>Appropriations by Fund</u>		
5.24	<u>General</u>	<u>31,466,000</u>	<u>31,552,000</u>
5.25	<u>Workforce</u>		
5.26	<u>Development</u>	<u>9,470,000</u>	<u>9,470,000</u>

5.27 (a) \$6,785,000 the first year and \$6,785,000
5.28 the second year are for the Minnesota job
5.29 skills partnership program under Minnesota
5.30 Statutes, sections 116L.01 to 116L.17. If the
5.31 appropriation for either year is insufficient,
5.32 the appropriation for the other year is
5.33 available. This appropriation is available
5.34 until spent.

6.1 (b) \$305,000 the first year and \$305,000 the
6.2 second year are for a grant under Minnesota
6.3 Statutes, section 116J.8747, to Twin Cities
6.4 RISE! to provide training to hard-to-train
6.5 individuals.

6.6 (c) \$875,000 the first year and \$875,000
6.7 the second year are from the workforce
6.8 development fund for Opportunities
6.9 Industrialization Center programs.

6.10 (d) \$5,364,000 the first year and \$5,364,000
6.11 the second year are from the general fund
6.12 and \$6,920,000 the first year and \$6,920,000
6.13 the second year are from the workforce
6.14 development fund for extended employment
6.15 services for persons with severe disabilities
6.16 or related conditions under Minnesota
6.17 Statutes, section 268A.15.

6.18 (e) \$1,690,000 the first year and \$1,690,000
6.19 the second year are for grants under
6.20 Minnesota Statutes, section 268A.11, for the
6.21 eight centers for independent living. Money
6.22 not expended the first year is available the
6.23 second year.

6.24 (f) \$5,940,000 the first year and \$5,940,000
6.25 the second year are for State Services for the
6.26 Blind activities.

6.27 (g) \$150,000 the first year and \$150,000
6.28 the second year are from the general fund
6.29 and \$175,000 the first year and \$175,000
6.30 the second year are from the workforce
6.31 development fund for grants under Minnesota
6.32 Statutes, section 268A.03, to Rise, Inc.
6.33 for the Minnesota Employment Center for
6.34 People Who are Deaf or Hard-of-Hearing.

7.1 Money not expended the first year is
7.2 available the second year.

7.3 (h) \$1,400,000 the first year and \$1,400,000
7.4 the second year are for grants for programs
7.5 that provide employment support services to
7.6 persons with mental illness under Minnesota
7.7 Statutes, sections 268A.13 and 268A.14.
7.8 Up to \$77,000 each year may be used for
7.9 administrative and salary expenses.

7.10 (i) \$9,021,000 the first year and \$9,021,000
7.11 the second year are for the vocational
7.12 rehabilitation program.

7.13 (j) \$150,000 the first year and \$150,000 the
7.14 second year are for a grant to Advocating
7.15 Change Together for training, technical
7.16 assistance, and resource materials to persons
7.17 with developmental and mental illness
7.18 disabilities.

7.19 (k) \$500,000 the first year and \$500,000 the
7.20 second year are for the implementation of the
7.21 career guides initiative.

7.22 (l) \$75,000 the first year and \$75,000 the
7.23 second year are for the youthbuild program
7.24 under Minnesota Statutes, sections 116L.361
7.25 to 116L.366.

7.26 (m) \$1,250,000 the first year and \$1,250,000
7.27 the second year are from the workforce
7.28 development fund for grants to fund summer
7.29 youth employment in Minneapolis. The
7.30 grants shall be used to fund up to 500 jobs for
7.31 youth each summer. Of this appropriation,
7.32 \$250,000 the first year and \$250,000 the
7.33 second year are for a grant to the learn-to-earn
7.34 summer youth employment program. The
7.35 commissioner shall establish criteria for

8.1	<u>awarding the grants. This appropriation is</u>		
8.2	<u>available in either year of the biennium and</u>		
8.3	<u>is available until spent.</u>		
8.4	<u>Subd. 4. Unemployment Insurance</u>	<u>192,000</u>	
8.5	<u>Appropriations by Fund</u>		
8.6	<u>General</u>	<u>192,000</u>	
8.7	<u>(a) \$192,000 the first year is from the</u>		
8.8	<u>general fund to reimburse the unemployment</u>		
8.9	<u>insurance trust fund for certain entities which</u>		
8.10	<u>are unable to pay delinquent amounts. This</u>		
8.11	<u>is a onetime appropriation.</u>		
8.12	<u>Subd. 5. State-Funded Administration</u>	<u>3,348,000</u>	<u>3,170,000</u>
8.13	<u>(a) \$150,000 the first year and \$150,000</u>		
8.14	<u>the second year are to fund the analysis,</u>		
8.15	<u>production, and dissemination of labor</u>		
8.16	<u>market information.</u>		
8.17	<u>(b) \$200,000 the first year is for expenses</u>		
8.18	<u>related to Positively Minnesota Marketing.</u>		
8.19	<u>These funds are to be matched by public</u>		
8.20	<u>and private partners. This is a onetime</u>		
8.21	<u>appropriation.</u>		
8.22	<u>(c) The first \$1,450,000 deposited in each</u>		
8.23	<u>year of the biennium and in each year of</u>		
8.24	<u>subsequent bienniums into the contingent</u>		
8.25	<u>account created under Minnesota Statutes,</u>		
8.26	<u>section 268.196, subdivision 3, shall be</u>		
8.27	<u>transferred by June 30 of each fiscal year</u>		
8.28	<u>to the workforce development fund created</u>		
8.29	<u>under Minnesota Statutes, section 116L.20.</u>		
8.30	<u>Deposits in excess of the \$1,450,000 shall be</u>		
8.31	<u>transferred by June 30 of each fiscal year to</u>		
8.32	<u>the general fund.</u>		
8.33	<u>Sec. 4. DEPARTMENT OF COMMERCE</u>		
8.34	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 34,645,000</u>	<u>\$ 22,994,000</u>

9.1	<u>Appropriations by Fund</u>		
9.2		<u>2008</u>	<u>2009</u>
9.3	<u>General</u>	<u>32,726,000</u>	<u>21,075,000</u>
9.4	<u>Petroleum Cleanup</u>	<u>1,084,000</u>	<u>1,084,000</u>
9.5	<u>Workers'</u>		
9.6	<u>Compensation</u>	<u>835,000</u>	<u>835,000</u>
9.7	<u>The amounts that may be spent for each</u>		
9.8	<u>purpose are specified in the following</u>		
9.9	<u>subdivisions.</u>		
9.10	<u>Subd. 2. Financial Examinations</u>	<u>6,309,000</u>	<u>6,426,000</u>
9.11	<u>Subd. 3. Petroleum Tank Release Cleanup</u>		
9.12	<u>Board</u>	<u>1,084,000</u>	<u>1,084,000</u>
9.13	<u>This appropriation is from the petroleum</u>		
9.14	<u>tank release cleanup fund.</u>		
9.15	<u>Subd. 4. Administrative Services</u>	<u>4,477,000</u>	<u>4,540,000</u>
9.16	<u>Subd. 5. Market Assurance</u>	<u>6,894,000</u>	<u>6,991,000</u>
9.17	<u>Appropriations by Fund</u>		
9.18	<u>General</u>	<u>6,059,000</u>	<u>6,156,000</u>
9.19	<u>Workers'</u>		
9.20	<u>Compensation</u>	<u>835,000</u>	<u>835,000</u>
9.21	<u>Subd. 6. Energy and Telecommunications</u>	<u>15,881,000</u>	<u>3,953,000</u>
9.22	<u>\$12,000,000 the first year must be spent for</u>		
9.23	<u>E85 cost share grants. This is a onetime</u>		
9.24	<u>appropriation. Notwithstanding Minnesota</u>		
9.25	<u>Statutes, section 16A.28, this appropriation</u>		
9.26	<u>is available until June 30, 2011.</u>		
9.27	<u>Sec. 5. TRANSFER; RENEWABLE</u>		
9.28	<u>DEVELOPMENT GRANTS</u>		
9.29	<u>The utility subject to Minnesota Statutes,</u>		
9.30	<u>section 116C.779, shall transfer \$2,500,000</u>		
9.31	<u>in fiscal year 2008 and \$2,500,000 in fiscal</u>		
9.32	<u>year 2009 to the Department of Commerce</u>		
9.33	<u>on a schedule to be determined by the</u>		
9.34	<u>commissioner of commerce. The funds shall</u>		
9.35	<u>be disbursed as grants to promote renewable</u>		

10.1 energy projects and community energy
 10.2 outreach and assistance. Of the amounts
 10.3 identified:
 10.4 (1) \$500,000 each year for capital grants for
 10.5 on-farm biogas recovery facilities; eligible
 10.6 projects will be selected in coordination
 10.7 with the Department of Agriculture and the
 10.8 Pollution Control Agency;
 10.9 (2) \$500,000 each year to provide financial
 10.10 rebates to new solar electricity projects;
 10.11 (3) \$500,000 each year for continued funding
 10.12 of community energy technical assistance
 10.13 and outreach on renewable energy and
 10.14 energy efficiency; and
 10.15 (4) \$1,000,000 each year for technical
 10.16 analysis and demonstration funding for
 10.17 automotive technology projects, with a
 10.18 special focus on plug-in hybrid electric
 10.19 vehicles.
 10.20 **Sec. 6. TRANSFER; RENEWABLE ENERGY**
 10.21 **RESEARCH**
 10.22 The utility subject to Minnesota Statutes,
 10.23 section 116C.779, shall transfer \$5,000,000
 10.24 in fiscal year 2008 and \$5,000,000 in fiscal
 10.25 year 2009 to the Department of Commerce
 10.26 on a schedule to be determined by the
 10.27 commissioner of commerce. The funds shall
 10.28 be disbursed as grants to provide competitive,
 10.29 cost-share grants to fund renewable energy
 10.30 research in Minnesota.
 10.31 These grants will be awarded by a
 10.32 three-member panel made up of the
 10.33 commissioners of commerce, pollution
 10.34 control, and agriculture, or their designees.

11.1 Grant applications would be ranked and
11.2 grants issued according to how well the
11.3 applications meet state energy policy research
11.4 goals established by the commissioners,
11.5 the quality and experience of the research
11.6 teams, the cross-interdisciplinary and
11.7 cross-institutional nature of the research
11.8 teams, and the ability of the research team to
11.9 leverage nonstate funds.

11.10 **Sec. 7. HOUSING FINANCE AGENCY**

11.11	Subdivision 1. Total Appropriation	\$	69,438,000	\$	44,938,000
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11.12 This appropriation is for transfer to the
11.13 housing development fund. The amounts
11.14 that may be spent from this appropriation
11.15 for certain programs are specified in the
11.16 following subdivisions. Except as otherwise
11.17 indicated, this transfer is part of the agency's
11.18 permanent budget base.

11.19 Subd. 2. **Economic Development and Housing**
11.20 **Challenge**

11.21 (a) \$25,907,000 the first year and
11.22 \$10,907,000 the second year are for
11.23 the economic development and housing
11.24 challenge program under Minnesota Statutes,
11.25 section 462A.33, for housing that:
11.26 (i) conserves energy and utilizes sustainable,
11.27 healthy building materials;
11.28 (ii) preserves sensitive natural areas and
11.29 open spaces and minimizes the need for new
11.30 infrastructure;
11.31 (iii) is accessible to jobs and services through
11.32 integration with transportation or transit
11.33 systems; and

12.1 (iv) expands the mix of housing choices in
 12.2 a community by diversifying the levels of
 12.3 housing affordability.

12.4 The agency may fund demonstration projects
 12.5 that have unique approaches to achieving the
 12.6 housing described above.

12.7 (b) \$1,285,000 the first year and \$1,285,000
 12.8 the second year shall be made available
 12.9 during the first eight months of the fiscal
 12.10 year exclusively for housing projects for
 12.11 American Indians. Any funds not committed
 12.12 to housing projects for American Indians in
 12.13 the first eight months of the fiscal year shall
 12.14 be available for any eligible activity under
 12.15 Minnesota Statutes, section 462A.33.

12.16 (c) Of this amount, \$15,000,000 the first year
 12.17 is a onetime appropriation.

12.18 **Subd. 3. Housing Trust Fund**

12.19 \$13,555,000 the first year and \$8,555,000
 12.20 the second year are for the housing trust fund
 12.21 account created under Minnesota Statutes,
 12.22 section 462A.201, for the purposes of that
 12.23 section. Of this amount, \$5,000,000 the first
 12.24 year is a onetime appropriation.

12.25 **Subd. 4. Rental Assistance for Mentally Ill**

12.26 \$2,638,000 the first year and \$2,638,000
 12.27 the second year are for a rental housing
 12.28 assistance program for persons with a mental
 12.29 illness or families with an adult member with
 12.30 a mental illness under Minnesota Statutes,
 12.31 section 462A.2097.

12.32 **Subd. 5. Family Homeless Prevention**

12.33 \$7,465,000 the first year and \$7,465,000
 12.34 the second year are for family homeless

13.1 prevention and assistance programs under
 13.2 Minnesota Statutes, section 462A.204.

13.3 **Subd. 6. Home Ownership Assistance Fund**

13.4 \$885,000 the first year and \$885,000 the
 13.5 second year are for the home ownership
 13.6 assistance program under Minnesota
 13.7 Statutes, section 462A.21, subdivision 8.

13.8 **Subd. 7. Affordable Rental Investment Fund**

13.9 \$11,496,000 the first year and \$8,996,000
 13.10 the second year are for the affordable rental
 13.11 investment fund program under Minnesota
 13.12 Statutes, section 462A.21, subdivision 8b.
 13.13 Of this amount, \$2,500,000 in the first year
 13.14 is a onetime appropriation.

13.15 This appropriation is to finance the
 13.16 acquisition, rehabilitation, and debt
 13.17 restructuring of federally assisted rental
 13.18 property and for making equity take-out loans
 13.19 under Minnesota Statutes, section 462A.05,
 13.20 subdivision 39. The owner of the federally
 13.21 assisted rental property must agree to
 13.22 participate in the applicable federally assisted
 13.23 housing program and to extend any existing
 13.24 low-income affordability restrictions on the
 13.25 housing for the maximum term permitted.
 13.26 The owner must also enter into an agreement
 13.27 that gives local units of government,
 13.28 housing and redevelopment authorities,
 13.29 and nonprofit housing organizations the
 13.30 right of first refusal if the rental property
 13.31 is offered for sale. Priority must be given
 13.32 among comparable federally assisted rental
 13.33 properties to properties with the longest
 13.34 remaining term under an agreement for
 13.35 federal rental assistance. Priority must also

14.1 be given among comparable rental housing
14.2 developments to developments that are or
14.3 will be owned by local government units, a
14.4 housing and redevelopment authority, or a
14.5 nonprofit housing organization.

14.6 This appropriation also may be used to
14.7 finance the acquisition, rehabilitation, and
14.8 debt restructuring of existing supportive
14.9 housing properties. For purposes of this
14.10 subdivision, "supportive housing" means
14.11 affordable rental housing with links to
14.12 services necessary for individuals, youth, and
14.13 families with children to maintain housing
14.14 stability.

14.15 Of this amount, \$2,500,000 is appropriated
14.16 for the purposes of financing the
14.17 rehabilitation and operating costs to preserve
14.18 public housing. For purposes of this
14.19 subdivision "public housing" is housing for
14.20 low-income persons and households financed
14.21 by the federal government and owned and
14.22 operated by public housing authorities and
14.23 agencies. Eligible public housing authorities
14.24 must have a Public Housing Assessment
14.25 System rating of standard or above. Priority
14.26 among comparable proposals must be given
14.27 to proposals that maximize federal or local
14.28 resources to finance the capital and operating
14.29 costs.

14.30 **Subd. 8. Housing Rehabilitation and**
14.31 **Accessibility**

14.32 \$5,815,000 the first year and \$4,130,000 the
14.33 second year are for the housing rehabilitation
14.34 and accessibility program under Minnesota
14.35 Statutes, section 462A.05, subdivisions 14a

15.1 and 15a. Of this amount, \$1,685,000 in the
15.2 first year is a onetime appropriation.

15.3 **Subd. 9. Home Ownership Education,**
15.4 **Counseling, and Training**

15.5 \$1,495,000 the first year and \$865,000
15.6 the second year are appropriated for the
15.7 home ownership education, counseling, and
15.8 training program under Minnesota Statutes,
15.9 section 462A.209. Of this amount, \$630,000
15.10 in the first year is a onetime appropriation to
15.11 be used for:

15.12 (1) foreclosure prevention and assistance
15.13 activities in communities that have mortgage
15.14 foreclosure rates that exceed the statewide
15.15 average foreclosure rate for the most recent
15.16 quarter for which data is available; and

15.17 (2) home buyer education and counseling
15.18 activities by organizations that have
15.19 experience working with emerging markets
15.20 or partner with organizations with experience
15.21 working with emerging markets and that have
15.22 demonstrated a commitment to increasing the
15.23 homeownership rate of emerging markets.

15.24 **Subd. 10. Capacity Building Grants**

15.25 \$340,000 the first year and \$340,000 the
15.26 second year are for nonprofit capacity
15.27 building grants under Minnesota Statutes,
15.28 section 462A.21, subdivision 3b.

15.29 **Sec. 8. EXPLORE MINNESOTA TOURISM** **\$** **11,269,000** **\$** **12,337,000**

15.30 To develop maximum private sector
15.31 involvement in tourism, \$1,000,000 in the
15.32 first year and \$2,000,000 in the second year
15.33 must be matched by Explore Minnesota
15.34 Tourism from nonstate sources. Each dollar

16.1 of state incentive must be matched with
16.2 three dollars of private sector funding. Cash
16.3 match is defined as revenue to the state
16.4 or documented cash expenditures directly
16.5 expended to support Explore Minnesota
16.6 Tourism programs. Up to one-half of the
16.7 private sector contribution may be in-kind
16.8 or soft match. The incentive in the first year
16.9 shall be based on fiscal year 2007 private
16.10 sector contributions as prescribed in Laws
16.11 2005, First Special Session chapter 1, article
16.12 3, section 6. The incentive increase in the
16.13 second year will be based on fiscal year 2008
16.14 private sector contributions. This incentive
16.15 is ongoing.

16.16 Funding for the marketing grants is available
16.17 either year of the biennium. Unexpended
16.18 grant funds from the first year are available
16.19 in the second year.

16.20 Any unexpended money from the general
16.21 fund appropriations made under this section
16.22 does not cancel but must be placed in a
16.23 special marketing account for use by Explore
16.24 Minnesota Tourism for additional marketing
16.25 activities.

16.26 \$250,000 the first year and \$250,000 the
16.27 second year are for operating costs of
16.28 the Minnesota Film and TV Board. The
16.29 appropriation in each year is available
16.30 only upon receipt by the board of \$1 in
16.31 matching contributions of money or in-kind
16.32 contributions from nonstate sources for every
16.33 \$3 provided by this appropriation.

16.34 \$500,000 is appropriated each year for a
16.35 grant to the Minnesota Film and TV Board

17.1 for the snowbate program. Of this amount, up
17.2 to \$25,000 may be used for administration.

17.3 **Sec. 9. DEPARTMENT OF LABOR AND**
17.4 **INDUSTRY**

17.5	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>22,235,000</u>	<u>\$</u>	<u>22,598,000</u>
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17.6 Appropriations by Fund

17.7	<u>2008</u>	<u>2009</u>
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17.8	<u>General</u>	<u>904,000</u>	<u>914,000</u>
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17.9 Workers'

17.10	<u>Compensation</u>	<u>20,566,000</u>	<u>20,903,000</u>
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17.11 Workforce

17.12	<u>Development</u>	<u>765,000</u>	<u>781,000</u>
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17.13 The amounts that may be spent for each

17.14 purpose are specified in the following

17.15 subdivisions.

17.16	Subd. 2. <u>Workers' Compensation</u>	<u>10,331,000</u>	<u>10,609,000</u>
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17.17 This appropriation is from the workers'

17.18 compensation fund.

17.19 \$150,000 the first year and \$150,000 the

17.20 second year are for grants to the Vinland

17.21 Center for rehabilitation services.

17.22	Subd. 3. Safety Codes and Services	4,192,000	4,288,000
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17.23 This appropriation is from the workers'

17.24 compensation fund.

17.25	Subd. 4. Labor Standards/Apprenticeship	1,669,000	1,695,000
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17.26 Appropriations by Fund

17.27	General	904,000	914,000
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17.28 Workforce

17.29	<u>Development</u>	765,000	781,000
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17.30 The appropriation from the workforce

17.31 development fund is for the apprenticeship

17.32 program under Minnesota Statutes, chapter

17.33 178, and includes \$100,000 each year for

17.34 labor education and advancement program

17.35 grants.

18.1	<u>Subd. 5. General Support</u>		<u>6,043,000</u>	<u>6,006,000</u>
18.2	<u>This appropriation is from the workers'</u>			
18.3	<u>compensation fund.</u>			
18.4	<u>Sec. 10. BUREAU OF MEDIATION</u>			
18.5	<u>SERVICES</u>			
18.6	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>1,850,000</u>	<u>\$ 1,877,000</u>
18.7	<u>The amounts that may be spent for each</u>			
18.8	<u>purpose are specified in the following</u>			
18.9	<u>subdivisions.</u>			
18.10	<u>Subd. 2. Mediation Services</u>		<u>1,700,000</u>	<u>1,727,000</u>
18.11	<u>Subd. 3. Labor Management Cooperation</u>			
18.12	<u>Grants</u>		<u>150,000</u>	<u>150,000</u>
18.13	<u>\$150,000 each year is for grants to area labor</u>			
18.14	<u>management committees. Grants may be</u>			
18.15	<u>awarded for a 12-month period beginning</u>			
18.16	<u>July 1 each year. Any unencumbered balance</u>			
18.17	<u>remaining at the end of the first year does not</u>			
18.18	<u>cancel but is available for the second year.</u>			
18.19	<u>Sec. 11. WORKERS' COMPENSATION</u>			
18.20	<u>COURT OF APPEALS</u>	<u>\$</u>	<u>1,663,000</u>	<u>\$ 1,710,000</u>
18.21	<u>This appropriation is from the workers'</u>			
18.22	<u>compensation fund.</u>			
18.23	<u>Sec. 12. MINNESOTA HISTORICAL</u>			
18.24	<u>SOCIETY</u>			
18.25	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>26,421,000</u>	<u>\$ 24,380,000</u>
18.26	<u>The amounts that may be spent for each</u>			
18.27	<u>purpose are specified in the following</u>			
18.28	<u>subdivisions.</u>			
18.29	<u>\$500,000 the first year and \$500,000 the</u>			
18.30	<u>second year are for increased rent costs. This</u>			
18.31	<u>amount is added to the agency's base budget.</u>			
18.32	<u>Subd. 2. Education and Outreach</u>		<u>15,547,000</u>	<u>13,705,000</u>

19.1	<u>Of this amount, \$2,000,000 the first year</u>		
19.2	<u>is for the Minnesota Sesquicentennial</u>		
19.3	<u>Commission. Of this appropriation,</u>		
19.4	<u>\$750,000 is for competitive matching grants</u>		
19.5	<u>for local events and projects; \$750,000</u>		
19.6	<u>is for planning and support of statewide</u>		
19.7	<u>activities, and up to \$500,000 may be used</u>		
19.8	<u>for administration.</u>		
19.9	<u>The Minnesota Historical Society, the State</u>		
19.10	<u>Arts Board, and Explore Minnesota Tourism</u>		
19.11	<u>may assist the commission in designing and</u>		
19.12	<u>implementing the grants program.</u>		
19.13	<u>The commission shall encourage private</u>		
19.14	<u>contributions to match the state funds to the</u>		
19.15	<u>greatest extent possible.</u>		
19.16	<u>Subd. 3. Preservation and Access</u>	<u>10,453,000</u>	<u>10,271,000</u>
19.17	<u>Of this amount, \$308,000 the first year is</u>		
19.18	<u>for the preservation of battle flags. This is a</u>		
19.19	<u>onetime appropriation.</u>		
19.20	<u>Subd. 4. Pass-Through Appropriations</u>	<u>421,000</u>	<u>404,000</u>
19.21	<u>(a) Minnesota International Center</u>	<u>43,000</u>	<u>42,000</u>
19.22	<u>(b) Minnesota Air National Guard Museum</u>	<u>16,000</u>	<u>-0-</u>
19.23	<u>(c) Minnesota Military Museum</u>	<u>234,000</u>	<u>234,000</u>
19.24	<u>(d) Farmamerica</u>	<u>128,000</u>	<u>128,000</u>
19.25	<u>(e) Balances Forward</u>		
19.26	<u>Any unencumbered balance remaining in</u>		
19.27	<u>this subdivision the first year does not cancel</u>		
19.28	<u>but is available for the second year of the</u>		
19.29	<u>biennium.</u>		
19.30	<u>Subd. 5. Fund Transfer</u>		

20.1	<u>The Historical Society may reallocate funds</u>			
20.2	<u>appropriated in and between subdivisions 2</u>			
20.3	<u>and 3 for any program purposes.</u>			
20.4	Sec. 13. <u>BOARD OF THE ARTS</u>			
20.5	Subdivision 1. <u>Total Appropriation</u>	\$	<u>9,100,000</u>	\$ <u>9,107,000</u>
20.6	<u>The amounts that may be spent for each</u>			
20.7	<u>purpose are specified in the following</u>			
20.8	<u>subdivisions.</u>			
20.9	Subd. 2. <u>Operations and Services</u>		<u>637,000</u>	<u>644,000</u>
20.10	Subd. 3. <u>Grants Programs</u>		<u>5,924,000</u>	<u>5,924,000</u>
20.11	Subd. 4. <u>Regional Arts Councils</u>		<u>2,539,000</u>	<u>2,539,000</u>
20.12	Sec. 14. <u>BOARD OF ACCOUNTANCY</u>	\$	<u>493,000</u>	\$ <u>499,000</u>
20.13	Sec. 15. <u>BOARD OF ARCHITECTURE,</u>			
20.14	<u>ENGINEERING, LAND SURVEYING,</u>			
20.15	<u>LANDSCAPE ARCHITECTURE,</u>			
20.16	<u>GEOSCIENCE, AND INTERIOR DESIGN</u>	\$	<u>795,000</u>	\$ <u>805,000</u>
20.17	Sec. 16. <u>BOARD OF BARBER EXAMINERS</u>	\$	<u>911,000</u>	\$ <u>924,000</u>
20.18	Sec. 17. <u>MINNESOTA BOXING</u>			
20.19	<u>COMMISSION</u>	\$	<u>50,000</u>	\$ <u>-0-</u>
20.20	<u>To transition the commission to being a</u>			
20.21	<u>self-funded entity. By July 1, 2008, the</u>			
20.22	<u>commission shall develop a fee structure that</u>			
20.23	<u>enables it to be self-supporting. This is a</u>			
20.24	<u>onetime appropriation.</u>			
20.25	<u>By September 1, 2007, the commission shall</u>			
20.26	<u>deliver to the governor and the chairs of the</u>			
20.27	<u>senate Finance and house Ways and Means</u>			
20.28	<u>Committees a report detailing its plan to</u>			
20.29	<u>become self-sustaining.</u>			
20.30	Sec. 18. <u>PUBLIC UTILITIES COMMISSION</u>	\$	<u>5,221,000</u>	\$ <u>5,294,000</u>

Sec. 19. Minnesota Statutes 2006, section 58.04, subdivision 1, is amended to read:

Subdivision 1. **Residential mortgage originator licensing requirements.** (a)

~~Beginning August 1, 1999,~~ No person shall act as a residential mortgage originator, or make residential mortgage loans without first obtaining a license from the commissioner according to the licensing procedures provided in this chapter.

(b) A licensee must be either a partnership, limited liability partnership, association, limited liability company, corporation, or other form of business organization, and must have and maintain at all times one of the following: approval as a mortgagee by either the federal Department of Housing and Urban Development or the Federal National Mortgage Association; a minimum net worth, net of intangibles, of at least \$250,000; or a surety bond or irrevocable letter of credit in the amount of \$100,000. Net worth, net of intangibles, must be calculated in accordance with generally accepted accounting principles.

(c) The following persons are exempt from the residential mortgage originator licensing requirements:

~~(1) an employee of one mortgage originator licensee or one person holding a certificate of exemption;~~

~~(2) a person licensed as a real estate broker under chapter 82 who is not licensed to another real estate broker;~~

~~(3) an individual real estate licensee who is licensed to a real estate broker as described in clause (2) if:~~

~~(i) the individual licensee acts only under the name, authority, and supervision of the broker to whom the licensee is licensed;~~

~~(ii) the broker to whom the licensee is licensed obtains a certificate of exemption according to section 58.05, subdivision 2;~~

~~(iii) the broker does not collect an advance fee for its residential mortgage-related activities; and~~

~~(iv) the residential mortgage origination activities are incidental to the real estate licensee's primary activities as a real estate broker or salesperson;~~

~~(4) an individual licensed as a property/casualty or life/health insurance agent under chapter 60K if:~~

~~(i) the insurance agent acts on behalf of only one residential mortgage originator, which is in compliance with chapter 58;~~

~~(ii) the insurance agent has entered into a written contract with the mortgage originator under the terms of which the mortgage originator agrees to accept responsibility for the insurance agent's residential mortgage-related activities;~~

22.1 ~~(iii) the insurance agent obtains a certificate of exemption under section 58.05,~~
22.2 ~~subdivision 2, and~~
22.3 ~~(iv) the insurance agent does not collect an advance fee for the insurance agent's~~
22.4 ~~residential mortgage-related activities;~~
22.5 ~~(5)~~ (1) a person who is not in the business of making residential mortgage loans and
22.6 who makes no more than three such loans, with its own funds, during any 12-month period;
22.7 ~~(6)~~ (2) a financial institution as defined in section 58.02, subdivision 10;
22.8 ~~(7)~~ (3) an agency of the federal government, or of a state or municipal government;
22.9 ~~(8)~~ (4) an employee or employer pension plan making loans only to its participants;
22.10 ~~(9)~~ (5) a person acting in a fiduciary capacity, such as a trustee or receiver, as a result
22.11 of a specific order issued by a court of competent jurisdiction; or
22.12 ~~(10)~~ (6) a person exempted by order of the commissioner.

22.13 Sec. 20. Minnesota Statutes 2006, section 58.04, subdivision 2, is amended to read:

22.14 Subd. 2. **Residential mortgage servicer licensing requirements.** (a) ~~Beginning~~
22.15 ~~August 1, 1999,~~ No person shall engage in activities or practices that fall within the
22.16 definition of "servicing a residential mortgage loan" under section 58.02, subdivision
22.17 22, without first obtaining a license from the commissioner according to the licensing
22.18 procedures provided in this chapter.

22.19 (b) The following persons are exempt from the residential mortgage servicer
22.20 licensing requirements:

22.21 (1) a person licensed as a residential mortgage originator;
22.22 ~~(2) an employee of one licensee or one person holding a certificate of exemption~~
22.23 ~~based on an exemption under this subdivision;~~
22.24 ~~(3)~~ (2) a person servicing loans made with its own funds, if no more than three such
22.25 loans are made in any 12-month period;
22.26 ~~(4)~~ (3) a financial institution as defined in section 58.02, subdivision 10;
22.27 ~~(5)~~ (4) an agency of the federal government, or of a state or municipal government;
22.28 ~~(6)~~ (5) an employee or employer pension plan making loans only to its participants;
22.29 ~~(7)~~ (6) a person acting in a fiduciary capacity, such as a trustee or receiver, as a result
22.30 of a specific order issued by a court of competent jurisdiction; or
22.31 ~~(8)~~ (7) a person exempted by order of the commissioner.

22.32 Sec. 21. Minnesota Statutes 2006, section 58.05, is amended to read:

22.33 **58.05 EXEMPTIONS FROM LICENSE.**

Subdivision 1. **Exempt person.** An exempt person as defined by section 58.04, subdivision 1, paragraph ~~(b)~~ (c), and subdivision 2, paragraph (b), is exempt from the licensing requirements of this chapter, but is subject to all other provisions of this chapter.

Subd. 3. **Certificate of exemption.** A person must obtain a certificate of exemption from the commissioner to qualify as an exempt person under section 58.04, subdivision 1, paragraph ~~(b)~~ (c), ~~as a real estate broker under clause (2), an insurance agent under clause (4),~~ a financial institution under clause ~~(6)~~ (2), or by order of the commissioner under clause ~~(10)~~ (6); or under section 58.04, subdivision 2, paragraph (b), as a financial institution under clause ~~(4)~~ (3), or by order of the commissioner under clause ~~(8)~~ (7).

Sec. 22. Minnesota Statutes 2006, section 58.06, subdivision 2, is amended to read:

Subd. 2. **Application contents.** The application must contain the name and complete business address or addresses of the license applicant. ~~If~~ The license applicant ~~is~~ must be a partnership, limited liability partnership, association, limited liability company, corporation, or other form of business organization, and the application must contain the names and complete business addresses of each partner, member, director, and principal officer. The application must also include a description of the activities of the license applicant, in the detail and for the periods the commissioner may require.

(b) An applicant must submit one of the following:

(1) evidence which shows, to the commissioner's satisfaction, that either the federal Department of Housing and Urban Development or the Federal National Mortgage Association has approved the applicant as a mortgagee;

(2) a surety bond or irrevocable letter of credit in the amount of not less than \$100,000 in a form approved by the commissioner, issued by an insurance company or bank authorized to do so in this state. The bond or irrevocable letter of credit must be available for the recovery of expenses, fines, and fees levied by the commissioner under this chapter and for losses incurred by borrowers. The bond or letter of credit must be submitted with the license application, and evidence of continued coverage must be submitted with each renewal. Any change in the bond or letter of credit must be submitted for approval by the commissioner within ten days of its execution; or

(3) a copy of the applicant's most recent audited financial statement, including balance sheet, statement of income or loss, statements of changes in shareholder equity, and statement of changes in financial position. Financial statements must be as of a date within 12 months of the date of application.

(c) The application must also include all of the following:

~~(a)~~ (1) an affirmation under oath that the applicant:

24.1 ~~(1) will maintain competent staff and adequate staffing levels, through direct~~
24.2 ~~employees or otherwise, to meet the requirements of this chapter;~~ (i) is in compliance
24.3 with the requirements of section 58.125;

24.4 (ii) will maintain a perpetual roster of individuals employed as residential mortgage
24.5 originators, including employees and independent contractors, which includes the date that
24.6 mandatory initial education was completed. In addition, the roster must be made available
24.7 to the commissioner on demand, within three business days of the commissioner's request;

24.8 ~~(2)~~ (iii) will advise the commissioner of any material changes to the information
24.9 submitted in the most recent application within ten days of the change;

24.10 ~~(3)~~ (iv) will advise the commissioner in writing immediately of any bankruptcy
24.11 petitions filed against or by the applicant or licensee;

24.12 ~~(4) is financially solvent;~~ (v) will maintain at all times either a net worth, net of
24.13 intangibles, of at least \$250,000 or a surety bond or irrevocable letter of credit in the
24.14 amount of at least \$100,000;

24.15 ~~(5)~~ (vi) complies with federal and state tax laws; and

24.16 ~~(6)~~ (vii) complies with sections 345.31 to 345.60, the Minnesota unclaimed property
24.17 law; and

24.18 ~~(7) is, or that a person in control of the license applicant is, at least 18 years of age;~~

24.19 ~~(b)~~ (2) information as to the mortgage lending, servicing, or brokering experience
24.20 of the applicant and persons in control of the applicant;

24.21 ~~(c)~~ (3) information as to criminal convictions, excluding traffic violations, of persons
24.22 in control of the license applicant;

24.23 ~~(d)~~ (4) whether a court of competent jurisdiction has found that the applicant or
24.24 persons in control of the applicant have engaged in conduct evidencing gross negligence,
24.25 fraud, misrepresentation, or deceit in performing an act for which a license is required
24.26 under this chapter;

24.27 ~~(e)~~ (5) whether the applicant or persons in control of the applicant have been the
24.28 subject of: an order of suspension or revocation, cease and desist order, or injunctive
24.29 order, or order barring involvement in an industry or profession issued by this or another
24.30 state or federal regulatory agency or by the Secretary of Housing and Urban Development
24.31 within the ten-year period immediately preceding submission of the application; and

24.32 ~~(f)~~ (6) other information required by the commissioner.

24.33 Sec. 23. Minnesota Statutes 2006, section 58.06, is amended by adding a subdivision
24.34 to read:

25.1 Subd. 3. **Waiver.** The commissioner may, for good cause shown, waive any
25.2 requirement of this section with respect to any license application or to permit a license
25.3 applicant to submit substituted information in its license application in lieu of the
25.4 information required by this section.

25.5 Sec. 24. Minnesota Statutes 2006, section 58.08, subdivision 3, is amended to read:

25.6 Subd. 3. **Exemption.** ~~Subdivisions 1 and Subdivision 2 do~~ does not apply to
25.7 mortgage originators or mortgage servicers who are approved as seller/servicers by the
25.8 Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.

25.9 Sec. 25. Minnesota Statutes 2006, section 58.10, subdivision 1, is amended to read:

25.10 Subdivision 1. **Amounts.** The following fees must be paid to the commissioner:

25.11 (1) for an initial residential mortgage originator license, ~~\$850~~ \$5,000, \$50 of which
25.12 is credited to the consumer education account in the special revenue fund;

25.13 (2) for a renewal license, ~~\$450~~ \$2,500, \$50 of which is credited to the consumer
25.14 education account in the special revenue fund;

25.15 (3) for an initial residential mortgage servicer's license, \$1,000;

25.16 (4) for a renewal license, \$500; and

25.17 (5) for a certificate of exemption, \$100.

25.18 Sec. 26. **[58.115] EXAMINATIONS.**

25.19 The commissioner has under this chapter the same powers with respect to
25.20 examinations that the commissioner has under section 46.04, including the authority to
25.21 charge for the direct costs of the examination, including travel and per diem expenses.

25.22 Sec. 27. **[58.126] EDUCATION REQUIREMENT.**

25.23 No person shall serve as a residential mortgage originator before the completion
25.24 of 16 hours of educational training which has been approved by the commissioner, and
25.25 covering state and federal laws concerning residential mortgage lending.

25.26 Sec. 28. Minnesota Statutes 2006, section 80A.28, subdivision 1, is amended to read:

25.27 Subdivision 1. **Registration or notice filing fee.** (a) There shall be a filing fee of
25.28 \$100 for every application for registration or notice filing. There shall be an additional fee
25.29 of one-tenth of one percent of the maximum aggregate offering price at which the securities
25.30 are to be offered in this state, and the maximum combined fees shall not exceed \$300.

(b) When an application for registration is withdrawn before the effective date or a preeffective stop order is entered under section 80A.13, subdivision 1, all but the \$100 filing fee shall be returned. If an application to register securities is denied, the total of all fees received shall be retained.

(c) Where a filing is made in connection with a federal covered security under section 18(b)(2) of the Securities Act of 1933, there is a fee of \$100 for every initial filing. If the filing is made in connection with redeemable securities issued by an open end management company or unit investment trust, as defined in the Investment Company Act of 1940, there is an additional annual fee of 1/20 of one percent of the maximum aggregate offering price at which the securities are to be offered in this state during the notice filing period. The fee must be paid at the time of the initial filing and thereafter in connection with each renewal no later than July 1 of each year and must be sufficient to cover the shares the issuer expects to sell in this state over the next 12 months. If during a current notice filing the issuer determines it is likely to sell shares in excess of the shares for which fees have been paid to the commissioner, the issuer shall submit an amended notice filing to the commissioner under section 80A.122, subdivision 1, clause (3), together with a fee of 1/20 of one percent of the maximum aggregate offering price of the additional shares. Shares for which a fee has been paid, but which have not been sold at the time of expiration of the notice filing, may not be sold unless an additional fee to cover the shares has been paid to the commissioner as provided in this section and section 80A.122, subdivision 4a. If the filing is made in connection with redeemable securities issued by such a company or trust, there is no maximum fee for securities filings made according to this paragraph. If the filing is made in connection with any other federal covered security under Section 18(b)(2) of the Securities Act of 1933, there is an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the combined fees shall not exceed \$300. Beginning with fiscal year 2001 and continuing each fiscal year thereafter, as of the last day of each fiscal year, the commissioner shall determine the total amount of all fees that were collected under this paragraph in connection with any filings made for that fiscal year for securities of an open-end investment company on behalf of a security that is a federal covered security pursuant to section 18(b)(2) of the Securities Act of 1933. To the extent the total fees collected by the commissioner in connection with these filings exceed ~~\$25,000,000~~ \$25,600,000 in a fiscal year, the commissioner shall refund, on a pro rata basis, to all persons who paid any fees for that fiscal year, the amount of fees collected by the commissioner in excess of ~~\$25,000,000~~ \$25,600,000. No individual refund is required of amounts of \$100 or less for a fiscal year.

27.1 Sec. 29. Minnesota Statutes 2006, section 116J.551, subdivision 1, is amended to read:

27.2 Subdivision 1. **Grant account.** A contaminated site cleanup and development grant
27.3 account is created in the ~~general~~ special revenue fund. Money in the account may be used;
27.4 ~~as appropriated by law~~, to make grants as provided in section 116J.554 and to pay for the
27.5 commissioner's costs in reviewing applications and making grants. Notwithstanding
27.6 section 16A.28, money appropriated to the account is available for four years.

27.7 Sec. 30. Minnesota Statutes 2006, section 116J.575, subdivision 1, is amended to read:

27.8 Subdivision 1. **Commissioner discretion.** The commissioner may make a grant for
27.9 up to 50 percent of the eligible costs of a project. The determination of whether to make a
27.10 grant for a site is within the discretion of the commissioner, subject to this section and
27.11 sections 116J.571 to 116J.574 and available unencumbered money in the redevelopment
27.12 account. ~~If the commissioner determines that the applications for grants for projects in~~
27.13 ~~greater Minnesota are less than the amount of grant funds available, the commissioner~~
27.14 ~~may make grants for projects anywhere in Minnesota.~~ The commissioner's decisions and
27.15 application of the priorities under this section are not subject to judicial review, except
27.16 for abuse of discretion.

27.17 Sec. 31. Minnesota Statutes 2006, section 116J.575, subdivision 1a, is amended to read:

27.18 Subd. 1a. **Priorities.** (a) If applications for grants exceed the available
27.19 appropriations, grants shall be made for sites that, in the commissioner's judgment, provide
27.20 the highest return in public benefits for the public costs incurred. "Public benefits" include
27.21 job creation, bioscience development, environmental benefits to the state and region,
27.22 efficient use of public transportation, efficient use of existing infrastructure, provision of
27.23 affordable housing, multiuse development that constitutes community rebuilding rather
27.24 than single-use development, crime reduction, blight reduction, community stabilization,
27.25 and property tax base maintenance or improvement. In making this judgment, the
27.26 commissioner shall give priority to redevelopment projects with one or more of the
27.27 following characteristics:

27.28 (1) the need for redevelopment in conjunction with contamination remediation needs;

27.29 (2) the redevelopment project meets current tax increment financing requirements
27.30 for a redevelopment district and tax increments will contribute to the project;

27.31 (3) the redevelopment potential within the municipality;

27.32 (4) proximity to public transit if located in the metropolitan area; and

27.33 (5) multijurisdictional projects that take into account the need for affordable housing,
27.34 transportation, and environmental impact.

28.1 (b) The factors in paragraph (a) are not listed in a rank order of priority; rather, the
28.2 commissioner may weigh each factor, depending upon the facts and circumstances, as
28.3 the commissioner considers appropriate. The commissioner may consider other factors
28.4 that affect the net return of public benefits for completion of the redevelopment plan. The
28.5 commissioner, notwithstanding the listing of priorities and the goal of maximizing the
28.6 return of public benefits, shall make grants that distribute available money to sites both
28.7 within and outside the metropolitan area, at least 25 percent of the money provided as
28.8 grants must be made for sites located outside of the metropolitan area.

28.9 Sec. 32. Minnesota Statutes 2006, section 179A.04, subdivision 3, is amended to read:

28.10 Subd. 3. **Other duties.** (a) The commissioner shall:

28.11 (1) provide mediation services as requested by the parties until the parties reach
28.12 agreement, and may continue to assist parties after they have submitted their final
28.13 positions for interest arbitration;

28.14 (2) issue notices, subpoenas, and orders required by law to carry out duties under
28.15 sections 179A.01 to 179A.25;

28.16 (3) assist the parties in formulating petitions, notices, and other papers required to
28.17 be filed with the commissioner;

28.18 (4) conduct elections;

28.19 (5) certify the final results of any election or other voting procedure conducted
28.20 under sections 179A.01 to 179A.25;

28.21 (6) adopt rules relating to the administration of this chapter and the conduct of
28.22 hearings and elections;

28.23 (7) receive, catalogue, file, and make available to the public all decisions of
28.24 arbitrators and panels authorized by sections 179A.01 to 179A.25, all grievance arbitration
28.25 decisions, and the commissioner's orders and decisions;

28.26 (8) adopt, subject to chapter 14, a grievance procedure that fulfills the purposes of
28.27 section 179A.20, subdivision 4, that is available to any employee in a unit not covered by
28.28 a contractual grievance procedure;

28.29 (9) maintain a schedule of state employee classifications or positions assigned to
28.30 each unit established in section 179A.10, subdivision 2;

28.31 (10) collect fees established by rule for empanelment of persons on the labor
28.32 arbitrator roster maintained by the commissioner or in conjunction with fair share fee
28.33 challenges. Arbitrator application fees will be \$100 per year for initial and renewals
28.34 effective July 1, 2007;

29.1 (11) provide technical support and assistance to voluntary joint labor-management
29.2 committees established for the purpose of improving relationships between exclusive
29.3 representatives and employers, at the discretion of the commissioner;

29.4 (12) provide to the parties a list of arbitrators as required by section 179A.16,
29.5 subdivision 4; and

29.6 (13) maintain a list of up to 60 arbitrators for referral to employers and exclusive
29.7 representatives for the resolution of grievance or interest disputes. Each person on the
29.8 list must be knowledgeable about collective bargaining and labor relations in the public
29.9 sector, well versed in state and federal labor law, and experienced in and knowledgeable
29.10 about labor arbitration. To the extent practicable, the commissioner shall appoint members
29.11 to the list so that the list is gender and racially diverse.

29.12 (b) From the names provided by representative organizations, the commissioner
29.13 shall maintain a list of arbitrators to conduct teacher discharge or termination hearings
29.14 according to section 122A.40 or 122A.41. The persons on the list must meet at least
29.15 one of the following requirements:

29.16 (1) be a former or retired judge;

29.17 (2) be a qualified arbitrator on the list maintained by the bureau;

29.18 (3) be a present, former, or retired administrative law judge; or

29.19 (4) be a neutral individual who is learned in the law and admitted to practice in
29.20 Minnesota, who is qualified by experience to conduct these hearings, and who is without
29.21 bias to either party.

29.22 Each year, education Minnesota shall provide a list of up to 14 names and the
29.23 Minnesota School Boards Association a list of up to 14 names of persons to be on the list.
29.24 The commissioner may adopt rules about maintaining and updating the list.

29.25 Sec. 33. Minnesota Statutes 2006, section 270.97, is amended to read:

29.26 **270.97 DEPOSIT OF REVENUES.**

29.27 The commissioner shall deposit all revenues derived from the tax, interest, and
29.28 penalties received from the county in the contaminated site cleanup and development
29.29 account in the ~~general~~ special revenue fund.

29.30 Sec. 34. Minnesota Statutes 2006, section 332.54, subdivision 7, is amended to read:

29.31 Subd. 7. **Fees.** The fee for a credit services organization's registration is ~~\$100~~
29.32 \$1,000 for issuance or renewal for each location of business.

29.33 Sec. 35. Minnesota Statutes 2006, section 462A.21, subdivision 8b, is amended to read:

Subd. 8b. **Family rental housing.** It may establish a family rental housing assistance program to provide loans or direct rental subsidies for housing for families with incomes of up to 80 percent of state median income, or to provide grants for the operating cost of public housing. Priority must be given to those developments with resident families with the lowest income. The development may be financed by the agency or other public or private lenders. Direct rental subsidies must be administered by the agency for the benefit of eligible families. Financial assistance provided under this subdivision to recipients of aid to families with dependent children must be in the form of vendor payments whenever possible. Loans, grants, and direct rental subsidies under this subdivision may be made only with specific appropriations by the legislature. The limitations on eligible mortgagors contained in section 462A.03, subdivision 13, do not apply to loans for the rehabilitation of existing housing under this subdivision.

Sec. 36. Minnesota Statutes 2006, section 462A.33, subdivision 3, is amended to read:

Subd. 3. **Contribution requirement.** Fifty percent of the funds appropriated for this section must be used for challenge grants or loans ~~which meet the requirements of this subdivision~~ for housing proposals with financial or in-kind contributions from nonstate resources that reduce the need for deferred loan or grant funds from state resources. ~~These~~ Challenge grants or loans must be used for economically viable homeownership or rental housing proposals that:

~~(1) include a financial or in-kind contribution from an area employer and either a unit of local government or a private philanthropic, religious, or charitable organization; and~~
~~(2) address the housing needs of the local work force.~~

Among comparable proposals, preference shall be given to proposals that include contributions from nonstate resources for the greatest portion of the total development cost. Comparable proposals with contributions from local units of government or private philanthropic, religious, or charitable organizations shall be given preference in awarding grants or loans.

For the purpose of this subdivision, ~~an employer~~ a contribution may consist partially or wholly of the premium paid for federal housing tax credits.

~~Preference for grants and loans shall also be given to comparable proposals that include a financial or in-kind contribution from a unit of local government, an area employer, and a private philanthropic, religious, or charitable organization.~~

Sec. 37. **[609.614] RESIDENTIAL MORTGAGE FRAUD.**

Subdivision 1. **Residential mortgage fraud prohibited.** Whoever with the intent to defraud for the purpose of depriving another of property or for pecuniary gain, commits, or permits its employees or its agents to commit, any of the following acts, is guilty of residential mortgage fraud and may be sentenced as provided in subdivision 2:

(1) knowingly makes any deliberate misstatement, misrepresentation, or omission during the mortgage lending process with the intention that it be relied on by a mortgage lender, borrower, or any other party to the mortgage lending process;

(2) knowingly uses or facilitates the use of any deliberate misstatement, misrepresentation, or omission, knowing the same to contain a misstatement, misrepresentation, or omission, during the mortgage lending process with the intention that it be relied on by a mortgage lender, borrower, or any other party to the mortgage lending process;

(3) receives any proceeds or any other funds in connection with a residential mortgage closing that such person knew resulted from a violation of clause (1) or (2);

(4) conspires to violate any of the provisions of clause (1), (2), or (3); or

(5) files or causes to be filed with the official registrar of deeds of any county of this state any document such person knows to contain a deliberate misstatement, misrepresentation, or omission. An offense of residential mortgage fraud must not be predicated solely upon information lawfully disclosed under federal disclosure laws, regulations, and interpretations related to the mortgage lending process.

Subd. 2. **Sentence.** Whoever violates this provision may be sentenced as provided in section 609.52, subdivision 3, based on the greater of (1) the value of property, services, or other benefit wrongfully obtained or attempted to obtain, or (2) the aggregate economic loss suffered by any person as a result of the violation. A person convicted of a violation of this section must be ordered to pay restitution to persons aggrieved by the violation. Restitution must be ordered in addition to a fine or imprisonment but not in lieu of a fine or imprisonment.

Subd. 3. **Definitions.** (a) "Mortgage lending process" means the process through which a person seeks or obtains a residential mortgage loan including, but not limited to, solicitation, application, or origination, negotiation of terms, third-party provider services, underwriting, signing and closing, and funding of the loan. Documents involved in the mortgage lending process include, but are not limited to, uniform residential loan applications or other loan applications; appraisal reports; HUD-1 settlement statements; supporting personal documentation for loan applications such as W-2 forms, verifications of income and employment, bank statements, tax returns, and payroll stubs; and any required disclosures.

(b) "Pattern of residential mortgage fraud" means one or more misstatements, misrepresentations, or omissions made during the mortgage lending process that involve two or more residential properties, which have the same or similar intents, results, accomplices, victims, or methods of commission or otherwise are interrelated by distinguishing characteristics.

(c) "Person" means a natural person, corporation, company, limited liability company, partnership, trustee, association, or any other entity.

(d) "Residential mortgage loan" means a loan or agreement to extend credit made to a person, which loan is secured by a deed to secure debt, security deed, mortgage, security interest, deed of trust, or other document representing a security interest or lien upon any interest in one-to-four family residential property located in Minnesota including the renewal or refinancing of any such loan.

Sec. 38. **LICENSE RENEWAL EXTENSION.**

The July 31, 2007, renewal date for mortgage originators is extended to October 30, 2007, because of the changes to the licensing requirements made by this act.

Sec. 39. **REPEALER.**

Minnesota Statutes 2006, section 58.08, subdivision 1, is repealed.

ARTICLE 2
REVISOR'S INSTRUCTION

Section 1. **REVISOR'S INSTRUCTION.**

(a) In Minnesota Rules, parts 3800.3500 to 3800.3885, the revisor of statutes shall change the terms "board" and "Board of Electricity" to "commissioner."

(b) In Minnesota Rules, parts 4715.0150 to 4715.6000, the revisor of statutes shall change the terms "commissioner" and "commissioner of health" to the term "commissioner of labor and industry"; and shall change the terms "department" and "Department of Health" to "Department of Labor and Industry."

(c) In Minnesota Rules, chapters 1300, 1301, 1305, 1306, 1307, 1309, 1311, 1315, 1346, 1350, 1360, and 7672, the revisor of statutes shall:

(1) change the term "commissioner of administration" to "commissioner of labor and industry";

(2) change the term "Department of Administration" to "Department of Labor and Industry";

34.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

34.2 Sec. 3. **[326B.02] POWERS.**

34.3 Subdivision 1. **Transfer of responsibilities.** The responsibilities of the
34.4 commissioner of administration relating to the state building code, sections 16B.59 to
34.5 16B.76; construction of low-cost manufactured home park storm shelters, section 327.205;
34.6 manufactured homes, sections 327.31 to 327.36 and 327B.01 to 327B.12; and statutory
34.7 warranties in connection with the sale of dwellings and home improvement work, chapter
34.8 327A, are transferred under section 15.039 to the commissioner of labor and industry as
34.9 amended and recodified in this chapter. The responsibilities of the commissioner of health
34.10 relating to the state plumbing code and licensing, sections 16B.61, 144.99 to 144.993, and
34.11 326.37 to 326.45, and water conditioning contractors and installers, sections 326.57 to
34.12 326.65, are transferred under section 15.039 to the commissioner of labor and industry
34.13 as amended and recodified in this chapter. The responsibilities of the commissioner of
34.14 commerce relating to residential contractors, residential remodelers, residential roofers,
34.15 manufactured home installers, and the contractor's recovery fund under sections 45.027 to
34.16 45.23 and 326.83 to 326.992 are transferred under section 15.039 to the commissioner of
34.17 labor and industry as amended and recodified in this chapter. The responsibilities of the
34.18 Board of Electricity relating to the state electrical code and licensing, sections 16B.61 and
34.19 326.241 to 326.248, are transferred under section 15.039 to the commissioner of labor and
34.20 industry as amended and recodified in this chapter.

34.21 Subd. 2. **Definition of responsibilities.** For purposes of subdivision 1,
34.22 responsibilities include powers, duties, rights, obligations, and other authority imposed by
34.23 law on the commissioner and the department.

34.24 Subd. 3. **State fire marshal cooperation.** The state fire marshal shall work with the
34.25 commissioner to improve the delivery of services to the public through the coordination
34.26 of services and utilization of technology.

34.27 Subd. 4. **General rulemaking authority.** The commissioner may, under the
34.28 rulemaking provisions of chapter 14 and as otherwise provided by this chapter, adopt,
34.29 amend, suspend, and repeal rules relating to the commissioner's responsibilities under
34.30 this chapter.

34.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

34.32 Sec. 4. **[326B.04] DEPOSIT OF MONEY.**

34.33 Subdivision 1. **Construction code fund.** There is created in the state treasury
34.34 a construction code fund as a special revenue fund for the purpose of administering this

chapter, sections 327.31 to 327.36, and chapter 327B. All money collected under those sections, except penalties, are credited to the construction code fund unless otherwise specifically designated by law. Any interest or profit accruing from investment of these sums is credited to the construction code fund. All money collected in the construction code fund is appropriated to the commissioner to administer and enforce the provisions of these laws.

Unless otherwise provided by law, all penalties assessed under this chapter, section 327.35, and chapter 327B are credited to the assigned risk safety account established by section 79.253.

Subd. 2. Deposits. All remaining balances as of June 30, 2007, in the state government special revenue fund and special revenue fund accounts maintained for the Building Codes and Standards Division, Board of Electricity, and plumbing and engineering unit are transferred to the construction code fund. Unless otherwise specifically designated by law: (1) all money collected under chapter 183 and sections 16B.59 to 16B.76; 144.122, paragraph (f); 326.241 to 326.248; 326.37 to 326.521; 326.57 to 326.65; 326.83 to 326.992; 327.31 to 327.36; and 327B.01 to 327B.12, except penalties, is credited to the construction code fund; (2) all fees collected under section 45.23 in connection with continuing education for residential contractors, residential remodelers, and residential roofers are credited to the construction code fund; and (3) all penalties assessed under the sections set forth in clauses (1) and (2) and all penalties assessed under sections 144.99 to 144.993 in connection with any violation of sections 326.37 to 326.45 or 326.57 to 327.65 or the rules adopted under those sections are credited to the assigned risk safety account established by section 79.253.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 5. **[326B.05] EXAM ADMINISTRATION.**

The commissioner may contract with an examination service to develop and administer examinations. The contract may provide for the examination service to charge an examination fee to each examinee. The examination fee shall be set by the contract. For the purposes of these contracts, the department is not required to comply with section 16A.1283.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 6. **[326B.051] COMMISSIONER AUTHORIZED TO HIRE CONTRACT INSPECTORS.**

The commissioner is authorized to contract with and fix the compensation of inspectors for the purpose of inspecting elevators as defined by section 16B.74, subdivision 5, and as required by section 16B.61, subdivision 1a. For the purposes of these contracts, the department is required to comply with section 15.061. The department is not required to comply with section 16B.748, clause (2), until the commissioner adopts rules using the expedited process established in section 14.389, subdivision 5, or December 31, 2009, whichever occurs first.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 7. **[326B.06] BONDS.**

Bonds issued under this chapter are not state bonds or contracts for purposes of sections 8.05 and 16C.05, subdivision 2.

Sec. 8. **[326B.075] COMMISSIONER NOT SUBJECT TO SUBPOENA.**

The commissioner shall not be subject to subpoena for purposes of providing expert testimony or for purposes of providing testimony or documents, as that term is defined in section 326B.081, subdivision 4, about an investigation or inspection conducted by the commissioner, except in an enforcement proceeding brought by the commissioner.

ARTICLE 4
ENFORCEMENT

Section 1. **[326B.081] DEFINITIONS.**

Subdivision 1. **Application.** For purposes of sections 326B.081 to 326B.085, the terms defined in this section have the meanings given them.

Subd. 2. **Administrative order.** "Administrative order" means an order issued under section 326B.082, subdivision 7.

Subd. 3. **Applicable law.** "Applicable law" means the provisions of sections 326B.084 to 326B.998 and 327.31 to 327.36 and chapter 327B, and all rules, orders, stipulation agreements, settlements, compliance agreements, licenses, registrations, certificates, and permits adopted, issued, or enforced by the department under sections 326B.02 or 326B.084 to 326B.998 or 327.31 to 327.36 or chapter 327B.

Subd. 4. **Document or documents.** "Document" or "documents" includes papers; books; records; memoranda; data; contracts; drawings; graphs; charts; photographs; digital, video, and audio recordings; records; accounts; files; statements; letters; e-mails; invoices; bills; notes; and calendars maintained in any form or manner.

37.1 Subd. 5. **Final.** "Final" when used to describe any order issued under section
37.2 326B.082 means that:

37.3 (1) no request for hearing in connection with the order was filed in the manner and
37.4 within the time provided by section 326B.082;

37.5 (2) all requests for hearing have been withdrawn;

37.6 (3) an agreement that resolves the order has been signed by all the parties; or

37.7 (4) after the filing of a request for hearing, an order has been issued by the
37.8 commissioner, the Court of Appeals, or the Supreme Court, and all appeals have been
37.9 pursued or forgone.

37.10 Subd. 6. **Licensing order.** "Licensing order" means an order issued under section
37.11 326B.082, subdivision 12, paragraph (a).

37.12 Subd. 7. **Minimum qualifications.** "Minimum qualifications" means the
37.13 educational, experience, fee, examination, application, and other eligibility requirements
37.14 that an applicant must meet in order to obtain a license, registration, certificate, or
37.15 permit under the applicable law. For an applicant that is not an individual, the minimum
37.16 qualifications include the requirement that an employee or other individual associated
37.17 with the applicant hold a license.

37.18 Subd. 8. **Stop order.** "Stop order" means an order issued under section 326B.082,
37.19 subdivision 10.

37.20 Sec. 2. **[326B.082] ENFORCEMENT.**

37.21 Subdivision 1. **Remedies available.** The commissioner may enforce all applicable
37.22 law under this section. The commissioner may use any enforcement provision in this
37.23 section, including the assessment of monetary penalties, against a person required to have
37.24 a license, registration, certificate, or permit under the applicable law based on conduct
37.25 that would provide grounds for action against a licensee, registrant, certificate holder,
37.26 or permit holder under the applicable law. The use of an enforcement provision in this
37.27 section shall not preclude the use of any other enforcement provision in this section or
37.28 otherwise provided by law.

37.29 Subd. 2. **Access to information and property; subpoenas.** (a) In order to carry out
37.30 the purposes of the applicable law, the commissioner may:

37.31 (1) administer oaths and affirmations, certify official acts, interview, question, take
37.32 oral or written statements, and take depositions;

37.33 (2) request, examine, take possession of, test, sample, measure, photograph, record,
37.34 and copy any documents, apparatus, devices, equipment, or materials;

38.1 (3) at a time and place indicated by the commissioner, request persons to appear
38.2 before the commissioner to give testimony and produce documents, apparatus, devices,
38.3 equipment, or materials;

38.4 (4) issue subpoenas to compel persons to appear before the commissioner to give
38.5 testimony and produce documents, apparatus, devices, equipment, or materials; and

38.6 (5) with or without notice, enter without delay upon any property, public or private,
38.7 for the purpose of taking any action authorized under this subdivision or the applicable
38.8 law, including obtaining information, remedying violations, or conducting surveys,
38.9 inspections, or investigations.

38.10 (b) Persons requested by the commissioner to give testimony or produce documents,
38.11 apparatus, devices, equipment, or materials shall respond within the time and in the manner
38.12 specified by the commissioner. If no time to respond is specified in the request, then a
38.13 response shall be submitted within 30 days of the commissioner's service of the request.

38.14 (c) Upon the refusal or anticipated refusal of a property owner, lessee, property
38.15 owner's representative, or lessee's representative to permit the commissioner's entry onto
38.16 property as provided in paragraph (a), the commissioner may apply for an administrative
38.17 inspection order in the Ramsey County District Court or, at the commissioner's discretion,
38.18 in the district court in the county in which the property is located. The commissioner may
38.19 anticipate that a property owner or lessee will refuse entry if the property owner, lessee,
38.20 property owner's representative, or lessee's representative has refused to permit entry on a
38.21 prior occasion or has informed the commissioner that entry will be refused. Upon showing
38.22 of administrative probable cause by the commissioner, the district court shall issue an
38.23 administrative inspection order that compels the property owner or lessee to permit the
38.24 commissioner to enter the property for the purposes specified in paragraph (a).

38.25 (d) Upon the application of the commissioner, a district court shall treat the failure of
38.26 any person to obey a subpoena lawfully issued by the commissioner under this subdivision
38.27 as a contempt of court.

38.28 Subd. 3. **Service.** Unless otherwise specified, service of a document on a person
38.29 under this section or section 326B.083 may be by mail, by personal service, or in
38.30 accordance with any consent to service filed with the commissioner. Service by mail shall
38.31 be accomplished in the manner provided in Minnesota Rules, part 1400.5550, subpart
38.32 2. Personal service shall be accomplished in the manner provided in Minnesota Rules,
38.33 part 1400.5550, subpart 3.

38.34 Subd. 4. **Fax transmission.** When this section or section 326B.083 permits a
38.35 request for reconsideration or request for hearing to be served by fax on the commissioner,
38.36 the fax shall not exceed 15 pages in length. The request shall be considered timely

served if the fax is received by the commissioner, at the fax number identified by the commissioner in the order or notice of violation, no later than 4:30 p.m. central time on the last day permitted for faxing the request. Where the quality or authenticity of the faxed request is at issue, the commissioner may require the original request to be filed. Where the commissioner has not identified quality or authenticity of the faxed request as an issue and the request has been faxed in accordance with this subdivision, the person faxing the request does not need to file the original request with the commissioner.

Subd. 5. Time computation. In computing any period of time prescribed or allowed by this section, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, Sunday, or legal holiday, in which event the period runs until the next day which is not a Saturday, Sunday, or legal holiday.

Subd. 6. Notices of violation. (a) The commissioner may issue a notice of violation to any person who the commissioner determines has committed a violation of the applicable law. The notice of violation must state a summary of the facts that constitute the violation and the applicable law violated. The notice of violation may require the person to correct the violation. If correction is required, the notice of violation must state the deadline by which the violation must be corrected.

(b) The commissioner shall issue the notice of violation by:

(1) serving the notice of violation on the property owner or on the person who committed the violation; or

(2) posting the notice of violation at the location where the violation occurred.

(c) If the person to whom the commissioner has issued the notice of violation believes the notice was issued in error, then the person may request reconsideration of the parts of the notice that the person believes are in error. The request for reconsideration must be in writing and must be served on or faxed to the commissioner at the address or fax number specified in the notice of violation by the tenth day after the commissioner issued the notice of violation. The date on which a request for reconsideration is served by mail shall be the postmark date on the envelope in which the request for reconsideration is mailed. If the person does not serve or fax a written request for reconsideration or if the person's written request for reconsideration is not served on or faxed to the commissioner by the tenth day after the commissioner issued the notice of violation, the notice of violation shall become a final order of the commissioner and will not be subject to review by any court or agency. The request for reconsideration must:

(1) specify which parts of the notice of violation the person believes are in error;

(2) explain why the person believes the parts are in error; and

40.1 (3) provide documentation to support the request for reconsideration.

40.2 The commissioner shall respond in writing to requests for reconsideration
40.3 made under this paragraph within 15 days after receiving the request. A request for
40.4 reconsideration does not stay a requirement to correct a violation as set forth in the notice
40.5 of violation. After reviewing the request for reconsideration, the commissioner may
40.6 affirm, modify, or rescind the notice of violation. The commissioner's response to a
40.7 request for reconsideration is final and shall not be reviewed by any court or agency.

40.8 Subd. 7. **Administrative orders; correction; assessment of monetary**
40.9 **penalties.** (a) The commissioner may issue an administrative order to any person who
40.10 the commissioner determines has committed a violation of the applicable law. The
40.11 commissioner shall issue the administrative order by serving the administrative order on
40.12 the person. The administrative order may require the person to correct the violation,
40.13 may require the person to cease and desist from committing the violation, and may
40.14 assess monetary penalties. The commissioner shall follow the procedures in section
40.15 326B.083 when issuing administrative orders. Except as provided in paragraph (b), the
40.16 commissioner may issue to each person a monetary penalty of up to \$10,000 for each
40.17 violation of applicable law committed by the person. The commissioner may order that
40.18 part or all of the monetary penalty will be forgiven if the person to whom the order is
40.19 issued demonstrates to the commissioner by the 31st day after the order is issued that
40.20 the person has corrected the violation or has developed a correction plan acceptable to
40.21 the commissioner.

40.22 (b) The commissioner may issue an administrative order for failure to correct a
40.23 violation by the deadline stated in a final administrative order issued under paragraph (a).
40.24 Each day after the deadline during which the violation remains uncorrected is a separate
40.25 violation for purposes of calculating the maximum monetary penalty amount.

40.26 (c) Upon the application of the commissioner, a district court shall find the failure of
40.27 any person to correct a violation as required by a final administrative order issued by the
40.28 commissioner under this subdivision as a contempt of court.

40.29 Subd. 8. **Hearings related to administrative orders.** (a) Within 30 days after the
40.30 commissioner issues an administrative order or within 20 days after the commissioner
40.31 issues the notice under section 326B.083, subdivision 3, paragraph (b), clause (3), the
40.32 person to whom the administrative order or notice is issued may request an expedited
40.33 hearing to review the commissioner's order or notice. The request for hearing must be
40.34 in writing and must be served on or faxed to the commissioner at the address or fax
40.35 number specified in the order or notice. If the person does not request a hearing or if the
40.36 person's written request for hearing is not served on or faxed to the commissioner by the

41.1 30th day after the commissioner issues the administrative order or the 20th day after the
41.2 commissioner issues the notice under section 326B.083, subdivision 3, paragraph (b),
41.3 clause (3), the order will become a final order of the commissioner and will not be subject
41.4 to review by any court or agency. The date on which a request for hearing is served by
41.5 mail shall be the postmark date on the envelope in which the request for hearing is mailed.
41.6 The hearing request must specifically state the reasons for seeking review of the order or
41.7 notice. The person to whom the order or notice is issued and the commissioner are the
41.8 parties to the expedited hearing. The commissioner must notify the person to whom the
41.9 order or notice is issued of the time and place of the hearing at least 15 days before the
41.10 hearing. The expedited hearing must be held within 45 days after a request for hearing has
41.11 been served on the commissioner unless the parties agree to a later date.

41.12 (b) All written arguments must be submitted within ten days following the close of
41.13 the hearing. The hearing shall be conducted under Minnesota Rules, parts 1400.8510 to
41.14 1400.8612, as modified by this subdivision. The Office of Administrative Hearings may, in
41.15 consultation with the agency, adopt rules specifically applicable to cases under this section.

41.16 (c) The administrative law judge shall issue a report making findings of fact,
41.17 conclusions of law, and a recommended order to the commissioner within 30 days
41.18 following the close of the record.

41.19 (d) If the administrative law judge makes a finding that the hearing was requested
41.20 solely for purposes of delay or that the hearing request was frivolous, the commissioner
41.21 may add to the amount of the penalty the costs charged to the department by the Office of
41.22 Administrative Hearings for the hearing.

41.23 (e) If a hearing has been held, the commissioner shall not issue a final order until
41.24 at least five days after the date of the administrative law judge's report. Any person
41.25 aggrieved by the administrative law judge's report may, within those five days, serve
41.26 written comments to the commissioner on the report and the commissioner shall consider
41.27 the comments. The commissioner's final order may be appealed in the manner provided in
41.28 sections 14.63 to 14.69.

41.29 Subd. 9. **Injunctive relief.** In addition to any other remedy provided by law, the
41.30 commissioner may bring an action for injunctive relief in the Ramsey County District
41.31 Court or, at the commissioner's discretion, in the district court in the county in which the
41.32 commissioner has determined a violation of the applicable law has occurred or is about to
41.33 occur to enjoin the violation. A temporary restraining order and other injunctive relief
41.34 shall be granted by the district court if the court determines that a person has engaged in or
41.35 is about to engage in an act, conduct, or practice constituting a violation of the applicable
41.36 law. The commissioner shall not be required to show irreparable harm.

42.1 Subd. 10. **Stop orders.** (a) If the commissioner determines based on an inspection
42.2 or investigation that a person has violated or is about to violate the applicable law, the
42.3 commissioner may issue to the person a stop order requiring the person to cease and desist
42.4 from committing the violation.

42.5 (b) If the commissioner determines that a condition exists on real property that
42.6 violates the applicable law, the commissioner may issue a stop order to the owner or
42.7 lessee of the real property to cease and desist from committing the violation and to correct
42.8 the condition that is in violation.

42.9 (c) The commissioner shall issue the stop work order by:

42.10 (1) serving the order on the person who has committed or is about to commit the
42.11 violation;

42.12 (2) posting the order at the location where the violation was committed or is about to
42.13 be committed or at the location where the violating condition exists; or

42.14 (3) serving the order on any owner or lessee of the real property where the violating
42.15 condition exists.

42.16 (d) A stop order shall:

42.17 (1) describe the act, conduct, or practice committed or about to be committed, or the
42.18 condition, and include a reference to the applicable law that the act, conduct, practice, or
42.19 condition violates or would violate; and

42.20 (2) provide notice that any person aggrieved by the stop order may request a hearing
42.21 as provided in paragraph (e).

42.22 (e) Within 30 days after the commissioner issues a stop order, any person aggrieved
42.23 by the order may request an expedited hearing to review the commissioner's action.

42.24 The request for hearing must be made in writing and must be served on or faxed to the
42.25 commissioner at the address or fax number specified in the order. If the person does not
42.26 request a hearing or if the person's written request for hearing is not served on or faxed to
42.27 the commissioner on or before the 30th day after the commissioner issued the stop order,
42.28 the order will become a final order of the commissioner and will not be subject to review
42.29 by any court or agency. The date on which a request for hearing is served by mail is the
42.30 postmark date on the envelope in which the request for hearing is mailed. The hearing
42.31 request must specifically state the reasons for seeking review of the order. The person who
42.32 requested the hearing and the commissioner are the parties to the expedited hearing. The
42.33 hearing shall be commenced within ten days after the commissioner receives the request
42.34 for hearing. The hearing shall be conducted under Minnesota Rules, parts 1400.8510 to
42.35 1400.8612, as modified by this subdivision. The administrative law judge shall issue a
42.36 report containing findings of fact, conclusions of law, and a recommended order within

ten days after the conclusion of the hearing. Any party aggrieved by the administrative law judge's report shall have five days after the date of the administrative law judge's report to submit exceptions and argument to the commissioner. Within 15 days after receiving the administrative law judge's report, the commissioner shall issue an order vacating, modifying, or making permanent the stop order. The commissioner and the person requesting the hearing may by agreement lengthen any time periods described in this paragraph. The Office of Administrative Hearings may, in consultation with the agency, adopt rules specifically applicable to cases under this subdivision.

(f) A stop order issued under this subdivision shall be in effect until it is modified or vacated by the commissioner or an appellate court. The administrative hearing provided by this subdivision and any appellate judicial review as provided in chapter 14 shall constitute the exclusive remedy for any person aggrieved by a stop order.

(g) Upon the application of the commissioner, a district court shall find the failure of any person to comply with a final stop order lawfully issued by the commissioner under this subdivision as a contempt of court.

Subd. 11. **Licensing orders; grounds; reapplication.** (a) The commissioner may deny an application for a permit, license, registration, or certificate if the applicant does not meet or fails to maintain the minimum qualifications for holding the permit, license, registration, or certificate, or has any unresolved violations or unpaid fees or monetary penalties related to the activity for which the permit, license, registration, or certificate has been applied for or was issued.

(b) The commissioner may deny, suspend, limit, place conditions on, or revoke a person's permit, license, registration, or certificate, or censure the person holding the permit, license, registration, or certificate, if the commissioner finds that the person:

(1) committed one or more violations of the applicable law;

(2) submitted false or misleading information to the state in connection with activities for which the permit, license, registration, or certificate was issued, or in connection with the application for the permit, license, registration, or certificate;

(3) allowed the alteration or use of the person's own permit, license, registration, or certificate by another person;

(4) within the previous five years, was convicted of a crime in connection with activities for which the permit, license, registration, or certificate was issued;

(5) violated a final administrative order issued under subdivision 7 or a final stop order issued under subdivision 10, or injunctive relief issued under subdivision 9;

44.1 (6) failed to cooperate with a commissioner's request to give testimony, to produce
44.2 documents, things, apparatus, devices, equipment, or materials, or to access property
44.3 under subdivision 2;

44.4 (7) retaliated in any manner against any employee or person who is questioned by,
44.5 cooperates with, or provides information to the commissioner or an employee or agent
44.6 authorized by the commissioner who seeks access to property or things under subdivision
44.7 2;

44.8 (8) engaged in any fraudulent, deceptive, or dishonest act or practice; or

44.9 (9) performed work in connection with the permit, license, registration, or
44.10 certificate or conducted the person's affairs in a manner that demonstrates incompetence,
44.11 untrustworthiness, or financial irresponsibility.

44.12 (c) If the commissioner revokes a person's permit, license, registration, or certificate
44.13 under paragraph (b), the person is prohibited from reapplying for the same type of permit,
44.14 license, registration, or certificate for at least two years after the effective date of the
44.15 revocation. The commissioner may, as a condition of reapplication, require the person to
44.16 obtain a bond or comply with additional reasonable conditions the commissioner considers
44.17 necessary to protect the public.

44.18 (d) If a permit, license, registration, or certificate expires, or is surrendered,
44.19 withdrawn, or terminated, or otherwise becomes ineffective, the commissioner may
44.20 institute a proceeding under this subdivision within two years after the permit, license,
44.21 registration, or certificate was last effective and enter a revocation or suspension order as
44.22 of the last date on which the permit, license, registration, or certificate was in effect.

44.23 Subd. 12. Issuance of licensing orders; hearings related to licensing orders.

44.24 (a) If the commissioner determines that a permit, license, registration, or certificate
44.25 should be conditioned, limited, suspended, revoked, or denied under subdivision 11,
44.26 or that the permit holder, licensee, registrant, or certificate holder should be censured
44.27 under subdivision 11, then the commissioner shall issue to the person an order denying,
44.28 conditioning, limiting, suspending, or revoking the person's permit, license, registration,
44.29 or certificate, or censuring the permit holder, licensee, registrant, or certificate holder.

44.30 (b) Any order issued under paragraph (a) may include an assessment of monetary
44.31 penalties and may require the person to cease and desist from committing the violation
44.32 or committing the act, conduct, or practice set out in subdivision 11, paragraph (b). The
44.33 monetary penalty may be up to \$10,000 for each violation or act, conduct, or practice
44.34 committed by the person. The procedures in section 326B.083 must be followed when
44.35 issuing orders under paragraph (a).

(c) The permit holder, licensee, registrant, certificate holder, or applicant to whom the commissioner issues an order under paragraph (a) shall have 30 days after service of the order to request a hearing. The request for hearing must be in writing and must be served on or faxed to the commissioner at the address or fax number specified in the order by the 30th day after service of the order. If the person does not request a hearing or if the person's written request for hearing is not served on or faxed to the commissioner by the 30th day after service of the order, the order shall become a final order of the commissioner and will not be subject to review by any court or agency. The date on which a request for hearing is served by mail shall be the postmark date on the envelope in which the request for hearing is mailed. If the person submits to the commissioner a timely request for hearing, a contested case hearing shall be held in accordance with chapter 14.

(d) Paragraph (c) does not apply to summary suspension under subdivision 13.

Subd. 13. **Summary suspension.** In any case where the commissioner has issued an order to revoke or suspend a license, registration, certificate, or permit under subdivision 12, the commissioner may summarily suspend the person's permit, license, registration, or certificate before the order becomes final. The commissioner shall issue a summary suspension order when the safety of life or property is threatened or to prevent the commission of fraudulent, deceptive, untrustworthy, or dishonest acts against the public. The summary suspension shall not affect the deadline for submitting a request for hearing under subdivision 12. If the commissioner summarily suspends a person's permit, license, registration, or certificate, a timely request for hearing submitted under subdivision 12 shall also be considered a timely request for hearing on continuation of the summary suspension. If the commissioner summarily suspends a person's permit, license, registration, or certificate under this subdivision and the person submits a timely request for a hearing, then a hearing on continuation of the summary suspension must be held within ten days after the commissioner receives the request for hearing unless the parties agree to a later date.

Subd. 14. **Plan for assessing penalties.** The commissioner may prepare a plan for assessing penalties in orders issued under subdivision 7 or 12. The commissioner shall provide a 30-day period for public comment on any such plan. Penalties assessed by the commissioner in accordance with the plan shall be presumed reasonable.

Subd. 15. **Effect on other laws.** Nothing in this section shall be construed to limit the application of other state or federal laws, including specifically but not exclusively section 270C.72, that require suspension of, revocation of, denial of, or refusal to renew a permit, license, registration, or certificate issued by the commissioner.

Subd. 16. **Misdemeanor penalties.** Except as otherwise provided by law, a person who violates an applicable law is guilty of a misdemeanor.

Subd. 17. **Revocation and suspension of license.** If a person fails to pay a penalty owed under this section or section 326B.083, the commissioner may revoke, suspend, or deny any or all licenses, permits, certificates, and registrations issued by the department.

Sec. 3. **[326B.083] AMOUNT OF PENALTY; CONTENTS OF ADMINISTRATIVE AND LICENSING ORDERS.**

Subdivision 1. **Amount of penalty; considerations.** In determining the amount of a penalty assessed under section 326B.082, subdivision 7 or 12, the commissioner shall consider the factors described in section 14.045, subdivision 3.

Subd. 2. **Contents of administrative order and licensing order.** (a) An administrative order and a licensing order must include:

(1) a summary of the facts that constitute the violation or violations;

(2) a reference to the applicable law that has been violated; and

(3) a statement of the person's right to request a hearing.

(b) An administrative order may include a requirement that the violation be corrected. If the order includes a requirement that the violation be corrected, then the order must include, in addition to any statements required under paragraphs (a) and (c), the deadline by which the violation must be corrected.

(c) An administrative order or a licensing order may assess monetary penalties. If the order assesses monetary penalties, then the order must include, in addition to any statements required under paragraphs (a) and (b):

(1) a statement of the amount of the monetary penalty imposed;

(2) a statement that, when the order becomes final, the commissioner may file and enforce the unpaid portion of a penalty as a judgment in district court without further notice or additional proceedings; and

(3) if the order is an administrative order, a statement of the amount of the penalty, if any, that will be forgiven if the person who is subject to the order demonstrates to the commissioner by the 31st day after the order is served that the person has corrected the violation or has developed a correction plan acceptable to the commissioner.

Subd. 3. **Penalty.** (a) If an administrative order includes a penalty assessment, then the penalty is due and payable on the date the administrative order becomes final unless some or all of the penalty is forgivable. If a licensing order includes a penalty assessment, then the penalty is due and payable on the date the licensing order becomes final.

47.1 (b) This paragraph applies if an administrative order includes a penalty assessment
47.2 and all or a portion of the penalty is forgivable.

47.3 (1) If any portion of the penalty is not forgivable, that portion of the penalty is due
47.4 and payable ten days after the date the administrative order becomes final.

47.5 (2) The commissioner shall forgive the forgivable portion of the penalty if the
47.6 commissioner determines that the violation has been corrected within the time set by
47.7 the order or the person to whom the order was issued has developed a correction plan
47.8 acceptable to the commissioner within the time set by the order.

47.9 (3) If the commissioner determines that the person to whom the order was issued
47.10 has failed to correct the violation within the time set by the order or has failed to develop
47.11 a correction plan acceptable to the commissioner within the time set by the order, then
47.12 the forgivable portion of the penalty is due and payable ten days after the commissioner
47.13 serves notice of the determination on the person or on the date the administrative order
47.14 becomes final, whichever is later.

47.15 (c) This paragraph applies if an administrative order or a licensing order includes a
47.16 penalty assessment and if the person subject to the order has requested a hearing. The
47.17 administrative law judge may not recommend a change in the amount of the penalty if
47.18 the penalty was assessed in accordance with a plan prepared under section 326B.082,
47.19 subdivision 14. If the commissioner has not prepared a plan under section 326B.082,
47.20 subdivision 14, then the administrative law judge may not recommend a change in the
47.21 amount of the penalty unless the administrative law judge determines that, based on the
47.22 factors in section 14.045, subdivision 3, the amount of the penalty is unreasonable.

47.23 (d) The assessment of a penalty does not preclude the use of other enforcement
47.24 provisions, under which penalties are not assessed, in connection with the violation for
47.25 which the penalty was assessed.

47.26 **Sec. 4. [326B.084] FALSE INFORMATION.**

47.27 A person subject to any of the requirements in the applicable law may not make a
47.28 false material statement, representation, or certification in; omit material information
47.29 from; or alter, conceal, or fail to file or maintain a notice, application, record, report, plan,
47.30 or other document required under the applicable law.

47.31 **Sec. 5. [326B.085] RECOVERY OF LITIGATION COSTS AND EXPENSES.**

47.32 In any action brought by the commissioner for enforcement of an order issued
47.33 under section 326B.082 for injunctive relief, or to compel performance pursuant to the
47.34 applicable law, if the state finally prevails, the state, in addition to other penalties provided

by law, may be allowed an amount determined by the court to be the reasonable value of all or part of the litigation expenses incurred by the state. In determining the amount of the litigation expenses to be allowed, the court shall give consideration to the economic circumstances of the defendant.

Sec. 6. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall renumber Minnesota Statutes, section 299F.011, subdivision 1, as Minnesota Statutes, section 326B.02, subdivision 5.

ARTICLE 5
BUILDING CODE

Section 1. Minnesota Statutes 2006, section 16B.04, subdivision 2, is amended to read:

Subd. 2. **Powers and duties, general.** Subject to other provisions of this chapter, the commissioner is authorized to:

- (1) supervise, control, review, and approve all state contracts and purchasing;
- (2) provide agencies with supplies and equipment and operate all central store or supply rooms serving more than one agency;
- (3) investigate and study the management and organization of agencies, and reorganize them when necessary to ensure their effective and efficient operation;
- (4) manage and control state property, real and personal;
- (5) maintain and operate all state buildings, as described in section 16B.24, subdivision 1;
- (6) supervise, control, review, and approve all capital improvements to state buildings and the capitol building and grounds;
- (7) provide central duplicating, printing, and mail facilities;
- (8) oversee publication of official documents and provide for their sale;
- (9) manage and operate parking facilities for state employees and a central motor pool for travel on state business; and
- ~~(10) establish and administer a State Building Code; and~~
- ~~(11)~~ (10) provide rental space within the capitol complex for a private day care center for children of state employees. The commissioner shall contract for services as provided in this chapter. The commissioner shall report back to the legislature by October 1, 1984, with the recommendation to implement the private day care operation.

Sec. 2. Minnesota Statutes 2006, section 16B.60, subdivision 4, is amended to read:

49.1 Subd. 4. **Code.** "Code" means the State Building Code adopted by the commissioner
49.2 of labor and industry in accordance with sections 16B.59 to 16B.75.

49.3 Sec. 3. Minnesota Statutes 2006, section 16B.60, subdivision 7, is amended to read:

49.4 Subd. 7. ~~**Physically disabled**~~ **Person with a disability.** ~~"Physically disabled" means~~
49.5 ~~having sight disabilities, hearing disabilities, disabilities of incoordination, disabilities~~
49.6 ~~of aging, or other disabilities that significantly reduce mobility, flexibility, coordination,~~
49.7 ~~or perceptiveness.~~ "Person with a disability" or "persons with disabilities" includes
49.8 people who have a vision disability, a hearing disability, a disability of coordination, a
49.9 disability of aging, or any other disability that significantly reduces mobility, flexibility,
49.10 coordination, or perceptiveness.

49.11 Sec. 4. Minnesota Statutes 2006, section 16B.60, subdivision 8, is amended to read:

49.12 Subd. 8. **Remodeling.** "Remodeling" means deliberate reconstruction of an existing
49.13 public building in whole or in part in order to bring it ~~up-to-date in~~ into conformity with
49.14 present uses of the structure and to which other rules on the upgrading of health and
49.15 safety provisions are applicable.

49.16 Sec. 5. Minnesota Statutes 2006, section 16B.60, subdivision 11, is amended to read:

49.17 Subd. 11. **State licensed facilities facility.** "State licensed ~~facilities~~ facility" means
49.18 a building and its grounds that are licensed by the state as a hospital, nursing home,
49.19 supervised living facility, free-standing outpatient surgical center, ~~or~~ correctional facility,
49.20 boarding care home, or residential hospice.

49.21 Sec. 6. Minnesota Statutes 2006, section 16B.61, is amended to read:

49.22 **16B.61 GENERAL POWERS OF COMMISSIONER OF LABOR AND**
49.23 **INDUSTRY.**

49.24 Subdivision 1. **Adoption of code.** Subject to sections 16B.59 to 16B.75,
49.25 the commissioner shall by rule establish a code of standards for the construction,
49.26 reconstruction, alteration, and repair of buildings, governing matters of structural
49.27 materials, design and construction, fire protection, health, sanitation, and safety, including
49.28 design and construction standards regarding heat loss control, illumination, and climate
49.29 control. The code must also include duties and responsibilities for code administration,
49.30 including procedures for administrative action, penalties, and suspension and revocation
49.31 of certification. The code must conform insofar as practicable to model building codes
49.32 generally accepted and in use throughout the United States, including a code for

building conservation. In the preparation of the code, consideration must be given to the existing statewide specialty codes presently in use in the state. Model codes with necessary modifications and statewide specialty codes may be adopted by reference. The code must be based on the application of scientific principles, approved tests, and professional judgment. To the extent possible, the code must be adopted in terms of desired results instead of the means of achieving those results, avoiding wherever possible the incorporation of specifications of particular methods or materials. To that end the code must encourage the use of new methods and new materials. Except as otherwise provided in sections 16B.59 to 16B.75, the commissioner shall administer and enforce the provisions of those sections.

The commissioner shall develop rules addressing the plan review fee assessed to similar buildings without significant modifications including provisions for use of building systems as specified in the industrial/modular program specified in section 16B.75. Additional plan review fees associated with similar plans must be based on costs commensurate with the direct and indirect costs of the service.

Subd. 1a. **Administration by commissioner.** The commissioner shall administer and enforce the State Building Code as a municipality with respect to public buildings and state licensed facilities in the state. The commissioner shall establish appropriate permit, plan review, ~~and inspection fees, and surcharges~~ for public buildings and state licensed facilities. ~~Fees and surcharges for public buildings and state licensed facilities must be remitted to the commissioner, who shall deposit them in the state treasury for credit to the special revenue fund.~~

Municipalities other than the state having an agreement with the commissioner for code administration and enforcement service for public buildings and state licensed facilities shall charge their customary fees, including surcharge, to be paid directly to the jurisdiction by the applicant seeking authorization to construct a public building or a state licensed facility. The commissioner shall sign an agreement with a municipality other than the state for plan review, code administration, and code enforcement service for public buildings and state licensed facilities in the jurisdiction if the building officials of the municipality meet the requirements of section 16B.65 and wish to provide those services and if the commissioner determines that the municipality has enough adequately trained and qualified building inspectors to provide those services for the construction project.

The commissioner may direct the state building official to assist a community that has been affected by a natural disaster with building evaluation and other activities related to building codes.

51.1 Administration and enforcement in a municipality under this section must apply
51.2 any optional provisions of the State Building Code adopted by the municipality. A
51.3 municipality adopting any optional code provision shall notify the state building official
51.4 within 30 days of its adoption.

51.5 The commissioner shall administer and enforce the provisions of the code relating to
51.6 elevators statewide, except as provided for under section 16B.747, subdivision 3.

51.7 Subd. 2. **Enforcement by certain bodies.** Under the direction and supervision of
51.8 the commissioner, the provisions of the code relating to electrical installations ~~shall be~~
51.9 ~~enforced by the State Board of Electricity, pursuant to the Minnesota Electrical Act,~~
51.10 ~~the provisions relating to,~~ plumbing ~~shall be enforced by the commissioner of health,~~
51.11 ~~the provisions relating to,~~ boilers, high pressure steam piping and appurtenances, and
51.12 ammonia refrigeration piping, and bioprocess piping shall be enforced by the Department
51.13 of Labor and Industry. Fees for inspections conducted by the ~~State Board of Electricity~~
51.14 commissioner shall be paid in accordance with the rules of the ~~State Board of Electricity~~
51.15 department. Under direction of the commissioner of public safety, the state fire marshal
51.16 shall enforce the State Fire Code as provided in chapter 299F. The commissioner, ~~in~~
51.17 ~~consultation with the commissioner of labor and industry,~~ shall adopt amendments to the
51.18 mechanical code portion of the State Building Code to implement standards for process
51.19 piping.

51.20 Subd. 3. **Special requirements.** (a) **Space for commuter vans.** The code must
51.21 require that any parking ramp or other parking facility constructed in accordance with the
51.22 code include an appropriate number of spaces suitable for the parking of motor vehicles
51.23 having a capacity of seven to 16 persons and which are principally used to provide
51.24 prearranged commuter transportation of employees to or from their place of employment
51.25 or to or from a transit stop authorized by a local transit authority.

51.26 (b) **Smoke detection devices.** The code must require that all dwellings, lodging
51.27 houses, apartment houses, and hotels as defined in section 299F.362 comply with the
51.28 provisions of section 299F.362.

51.29 (c) **Doors in nursing homes and hospitals.** The State Building Code may not
51.30 require that each door entering a sleeping or patient's room from a corridor in a nursing
51.31 home or hospital with an approved complete standard automatic fire extinguishing system
51.32 be constructed or maintained as self-closing or automatically closing.

51.33 (d) **Child care facilities in churches; ground level exit.** A licensed day care center
51.34 serving fewer than 30 preschool age persons and which is located in a belowground space
51.35 in a church building is exempt from the State Building Code requirement for a ground
51.36 level exit when the center has more than two stairways to the ground level and its exit.

~~(e) **Child care facilities in churches; vertical access.** Until August 1, 1996, an organization providing child care in an existing church building which is exempt from taxation under section 272.02, subdivision 6, shall have five years from the date of initial licensure under chapter 245A to provide interior vertical access, such as an elevator, to persons with disabilities as required by the State Building Code. To obtain the extension, the organization providing child care must secure a \$2,500 performance bond with the commissioner of human services to ensure that interior vertical access is achieved by the agreed upon date.~~

~~(f)~~ (e) **Family and group family day care.** Until the legislature enacts legislation specifying appropriate standards, the definition of ~~Group R-3 occupancies in~~ dwelling constructed in accordance with the International Residential Code as adopted as part of the State Building Code applies to family and group family day care homes licensed by the Department of Human Services under Minnesota Rules, chapter 9502.

~~(g)~~ (f) **Enclosed stairways.** No provision of the code or any appendix chapter of the code may require stairways of existing multiple dwelling buildings of two stories or less to be enclosed.

~~(h)~~ (g) **Double cylinder dead bolt locks.** No provision of the code or appendix chapter of the code may prohibit double cylinder dead bolt locks in existing single-family homes, townhouses, and first floor duplexes used exclusively as a residential dwelling. Any recommendation or promotion of double cylinder dead bolt locks must include a warning about their potential fire danger and procedures to minimize the danger.

~~(i)~~ (h) **Relocated residential buildings.** A residential building relocated within or into a political subdivision of the state need not comply with the State Energy Code or section 326.371 provided that, where available, an energy audit is conducted on the relocated building.

~~(j)~~ (i) **Automatic garage door opening systems.** The code must require all residential buildings as defined in section 325F.82 to comply with the provisions of sections 325F.82 and 325F.83.

~~(k)~~ (j) **Exit sign illumination.** For a new building on which construction is begun on or after October 1, 1993, or an existing building on which remodeling affecting 50 percent or more of the enclosed space is begun on or after October 1, 1993, the code must prohibit the use of internally illuminated exit signs whose electrical consumption during nonemergency operation exceeds 20 watts of resistive power. All other requirements in the code for exit signs must be complied with.

~~(l)~~ (k) **Exterior wood decks, patios, and balconies.** The code must permit the decking surface and upper portions of exterior wood decks, patios, and balconies to be

constructed of (1) heartwood from species of wood having natural resistance to decay or termites, including redwood and cedars, (2) grades of lumber which contain sapwood from species of wood having natural resistance to decay or termites, including redwood and cedars, or (3) treated wood. The species and grades of wood products used to construct the decking surface and upper portions of exterior decks, patios, and balconies must be made available to the building official on request before final construction approval.

~~(m)~~ **(1) Bioprocess piping and equipment.** No permit fee for bioprocess piping may be imposed by municipalities under the State Building Code, except as required under section 326.47, subdivision 1. Permits for bioprocess piping shall be according to section 326.47 administered by the Department of Labor and Industry. All data regarding the material production processes, including the bioprocess system's structural design and layout, are nonpublic data as provided by section 13.7911.

Subd. 3a. **Recycling space.** The code must require suitable space for the separation, collection, and temporary storage of recyclable materials within or adjacent to new or significantly remodeled structures that contain 1,000 square feet or more. Residential structures with fewer than four dwelling units are exempt from this subdivision.

Subd. 4. **Review of plans for public buildings and state licensed facilities.** Construction or remodeling may not begin on any public building or state licensed facility until the plans and specifications have been approved by the commissioner or municipality under contractual agreement pursuant to subdivision 1a. The plans and specifications must be submitted for review, and within 30 days after receipt of the plans and specifications, the commissioner or municipality under contractual agreement shall notify the submitting authority of any corrections.

Subd. 5. **Accessibility.** (a) **Public buildings.** The code must provide for making public buildings constructed or remodeled after July 1, 1963, accessible to and usable by ~~physically disabled persons~~ persons with disabilities, although this does not require the remodeling of public buildings solely to provide accessibility and usability to ~~the physically disabled persons~~ persons with disabilities when remodeling would not otherwise be undertaken.

(b) **Leased space.** No agency of the state may lease space for agency operations in a non-state-owned building unless the building satisfies the requirements of the State Building Code for accessibility by ~~the physically disabled persons~~ persons with disabilities, or is eligible to display the state symbol of accessibility. This limitation applies to leases of 30 days or more for space of at least 1,000 square feet.

(c) **Meetings or conferences.** Meetings or conferences for the public or for state employees which are sponsored in whole or in part by a state agency must be held in buildings that meet the State Building Code requirements relating to accessibility for

~~physically disabled~~ persons with disabilities. This subdivision does not apply to any classes, seminars, or training programs offered by the Minnesota State Colleges and Universities or the University of Minnesota. Meetings or conferences intended for specific individuals none of whom need the accessibility features for ~~disabled~~ persons with disabilities specified in the State Building Code need not comply with this subdivision unless a ~~disabled~~ person with a disability gives reasonable advance notice of an intent to attend the meeting or conference. When sign language interpreters will be provided, meetings or conference sites must be chosen which allow hearing impaired participants to see their signing clearly.

(d) **Exemptions.** The commissioner may grant an exemption from the requirements of paragraphs (b) and (c) in advance if an agency has demonstrated that reasonable efforts were made to secure facilities which complied with those requirements and if the selected facilities are the best available for access for ~~disabled~~ persons with disabilities. Exemptions shall be granted using criteria developed by the commissioner in consultation with the Council on Disability.

(e) **Symbol indicating access.** The wheelchair symbol adopted by Rehabilitation International's Eleventh World Congress is the state symbol indicating buildings, facilities, and grounds which are accessible to and usable by ~~disabled~~ persons with disabilities. In the interests of uniformity, this symbol is the sole symbol for display in or on all public or private buildings, facilities, and grounds which qualify for its use. The secretary of state shall obtain the symbol and keep it on file. No building, facility, or grounds may display the symbol unless it is in compliance with the rules adopted by the commissioner under subdivision 1. Before any rules are proposed for adoption under this paragraph, the commissioner shall consult with the Council on Disability. Rules adopted under this paragraph must be enforced in the same way as other accessibility rules of the State Building Code.

(f) **Municipal enforcement.** Municipalities which have not adopted the State Building Code may enforce the building code requirements for ~~disabled~~ persons with disabilities by either entering into a joint powers agreement for enforcement with another municipality which has adopted the State Building Code; or contracting for enforcement with an individual certified under section 16B.65, subdivision 3, to enforce the State Building Code.

~~(g) **Equipment allowed.** The code must allow the use of vertical wheelchair lifts and inclined stairway wheelchair lifts in public buildings. An inclined stairway wheelchair lift must be equipped with light or sound signaling device for use during operation of the lift. The stairway or ramp shall be marked in a bright color that clearly indicates the~~

~~outside edge of the lift when in operation. The code shall not require a guardrail between the lift and the stairway or ramp. Compliance with this provision by itself does not mean other disability accessibility requirements have been met.~~

Subd. 6. **Energy efficiency.** The code must provide for building new low-income housing in accordance with energy efficiency standards adopted under subdivision 1. For purposes of this subdivision, low-income housing means residential housing built for low-income persons and families under a program of a housing and redevelopment authority, the Minnesota Housing Finance Agency, or another entity receiving money from the state to construct such housing.

Subd. 7. **Access for the hearing-impaired.** All rooms in the State Office Building and in the Capitol that are used by the house of representatives or the senate for legislative hearings, and the public galleries overlooking the house and senate chambers, must be fitted with assistive listening devices for the hearing-impaired. Each hearing room and the public galleries must have a sufficient number of receivers available so that hearing-impaired members of the public may participate in the committee hearings and public sessions of the house and senate.

Subd. 8. **Separate metering for electric service.** The standards concerning heat loss, illumination, and climate control adopted pursuant to subdivision 1, shall require that electrical service to individual dwelling units in buildings containing two or more units be separately metered, with individual metering readily accessible to the individual occupants. The standards authorized by this subdivision shall only apply to buildings constructed after the effective date of the amended standards. Buildings intended for occupancy primarily by persons who are 62 years of age or older or disabled, or which contain a majority of units not equipped with complete kitchen facilities, shall be exempt from the provisions of this subdivision.

Sec. 7. Minnesota Statutes 2006, section 16B.615, subdivision 4, is amended to read:

Subd. 4. **Rules.** ~~The commissioner of administration~~ shall adopt rules to implement this section. The rules may provide for a greater ratio of women's to men's facilities for certain types of occupancies than is required in subdivision 3, and may apply the required ratios to categories of occupancies other than those defined as places of public accommodation under subdivision 1.

Sec. 8. Minnesota Statutes 2006, section 16B.617, is amended to read:

16B.617 ENERGY CODE RULES REMAIN IN EFFECT.

(a) Notwithstanding Laws 1999, chapter 135, section 9, Minnesota Rules, chapter 7670, does not expire on April 15, 2000, but remains in effect for residential buildings not covered by Minnesota Rules, chapter 7676. The provisions of Minnesota Rules, chapter 7670, that apply to category 1 buildings govern new, detached single one- and two-family R-3 occupancy residential buildings. All new, detached single one- and two-family R-3 occupancy buildings subject to Minnesota Rules, chapter 7670, submitting an application for a building permit after April 14, 2000, must meet the requirements for category 1 buildings, as set out in Minnesota Rules, chapter 7670.

(b) As an alternative to compliance with paragraph (a), compliance with Minnesota Rules, chapters 7672 and 7674, is optional for a contractor or owner.

~~(c) The Department of Administration, Building Codes and Standards Division (BCSD), shall issue a report to the legislature by December 1, 2001, addressing the cost benefit, as well as air quality, building durability, moisture, enforcement, enforceability, and liability regarding implementation of Minnesota Rules, chapters 7670, 7672, and 7674. The report must include a feasibility study of establishing new criteria for category 2 detached single one- and two-family R-3 occupancy buildings that are energy efficient, enforceable, and provide sufficient nonmechanical ventilation or permeability for a home to maintain good air quality, building durability, and adequate release of moisture.~~

~~(d)~~ (c) This section expires when the commissioner of administration adopts a new energy code in accordance with Laws 2002, chapter 317, section 4.

Sec. 9. Minnesota Statutes 2006, section 16B.6175, is amended to read:

16B.6175 ENERGY CODE.

Notwithstanding section 16B.617, the commissioner of administration, ~~in consultation with the Construction Codes Advisory Council,~~ shall explore and review the availability and appropriateness of any model energy codes related to the construction of single one- and two-family residential buildings. ~~In consultation with the council,~~ The commissioner shall take steps to adopt the chosen code with all necessary and appropriate amendments.

The commissioner may not adopt all or part of a model energy code relating to the construction of residential buildings without research and analysis that addresses, at a minimum, air quality, building durability, moisture, enforcement, enforceability cost benefit, and liability. The research and analysis must be completed in cooperation with practitioners in residential construction and building science ~~and an affirmative recommendation by the Construction Codes Advisory Council.~~

Sec. 10. Minnesota Statutes 2006, section 16B.63, is amended to read:

16B.63 STATE BUILDING OFFICIAL.

Subdivision 1. **Appointment.** The commissioner shall appoint a state building official who under the direction and supervision of the commissioner shall administer the code.

Subd. 2. **Qualifications.** To be eligible for appointment as state building official an individual must be competent in the field of administration and shall have the experience in building design, construction, and supervision which the commissioner considers necessary.

Subd. 3. **Powers and duties.** The state building official may, with the approval of the commissioner, employ personnel necessary to carry out the inspector's function under sections 16B.59 to 16B.75. The state building official shall distribute without charge ~~one copy~~ a printed or electronic version of the code to each municipality within the state. ~~Additional copies~~ A printed or electronic version of the code shall be made available to municipalities and interested parties for a fee prescribed by the commissioner. The state building official shall perform other duties in administering the code assigned by the commissioner.

Subd. 4. **Accessibility specialists.** The state building official shall, with the approval of the commissioner, assign three department employees to assist municipalities in complying with section 16B.61, subdivision 5.

Subd. 5. **Interpretative authority.** To achieve uniform and consistent application of the State Building Code, the state building official has final interpretative authority applicable to all codes adopted as part of the State Building Code ~~except for the Plumbing Code and the Electrical Code when enforced by the State Board of Electricity.~~ A final interpretative committee composed of seven members, consisting of three building officials, two inspectors from the affected field, and two construction industry representatives, shall review requests for final interpretations relating to that field. A request for final interpretation must come from a local or state level building code board of appeals. The state building official must establish procedures for membership of the interpretative committees. The appropriate committee shall review the request and make a recommendation to the state building official for the final interpretation within 30 days of the request. The state building official must issue an interpretation within ten business days from the recommendation from the review committee. A final interpretation may be appealed within 30 days of its issuance to the commissioner under section 16B.67. The final interpretation must be published within ten business days of its issuance and made available to the public. Municipal building officials shall administer all

final interpretations issued by the state building official until the final interpretations are considered for adoption as part of the State Building Code.

Sec. 11. Minnesota Statutes 2006, section 16B.65, is amended to read:

16B.65 BUILDING OFFICIALS.

Subdivision 1. **Designation.** ~~By January 1, 2002,~~ Each municipality shall designate a building official to administer the code. A municipality may designate no more than one building official responsible for code administration defined by each certification category established in rule. Two or more municipalities may combine in the designation of a building official for the purpose of administering the provisions of the code within their communities. In those municipalities for which no building officials have been designated, the state building official may use whichever state employees are necessary to perform the duties of the building official until the municipality makes a temporary or permanent designation. All costs incurred by virtue of these services rendered by state employees must be borne by the involved municipality and receipts arising from these services must be paid ~~into the state treasury and credited to the special revenue fund~~ to the commissioner.

Subd. 2. **Qualifications.** A building official, to be eligible for designation, must be certified and have the experience in design, construction, and supervision which the commissioner deems necessary and must be generally informed on the quality and strength of building materials, accepted building construction requirements, and the nature of equipment and needs conducive to the safety, comfort, and convenience of building occupants. No person may be designated as a building official for a municipality unless the commissioner determines that the official is qualified as provided in subdivision 3.

Subd. 3. **Certification.** The commissioner shall by rule establish certification criteria as proof of qualification pursuant to subdivision 2. The commissioner may:

(1) ~~prepare and conduct~~ develop and administer written and practical examinations to determine if a person is qualified pursuant to subdivision 2 to be a building official;

(2) accept documentation of successful completion of testing programs developed and administered by nationally recognized testing agencies, as proof of qualification pursuant to subdivision 2; or

(3) determine qualifications by ~~both clauses (1) and (2)~~ satisfactory completion of clause (2) and a mandatory training program developed or approved by the commissioner.

Upon a determination of qualification under clause (1), (2), or ~~both of them~~ (3), the commissioner shall issue a certificate to the building official stating that the official is certified. Each person applying for examination and certification pursuant to this section shall pay a nonrefundable fee of \$70. The commissioner or a designee may

59.1 establish categories of certification that will recognize the varying complexities of code
59.2 enforcement in the municipalities within the state. The commissioner shall provide
59.3 educational programs designed to train and assist building officials in carrying out their
59.4 responsibilities.

59.5 ~~The Department of Employee Relations may, at the request of the commissioner,~~
59.6 ~~provide statewide testing services.~~

59.7 Subd. 4. **Duties.** Building officials shall, in the municipality for which they
59.8 are designated, be responsible for all aspects of code administration for which they
59.9 are certified, including the issuance of all building permits and the inspection of all
59.10 manufactured home installations. The commissioner may direct a municipality with
59.11 a building official to perform services for another municipality, and in that event the
59.12 municipality being served shall pay the municipality rendering the services the reasonable
59.13 costs of the services. The costs may be subject to approval by the commissioner.

59.14 Subd. 5. **Oversight committee.** (a) The commissioner shall establish a Code
59.15 Administration Oversight Committee ~~to evaluate, mediate, and~~ that will, at the
59.16 commissioner's request, recommend to the commissioner any administrative action,
59.17 penalty, suspension, or revocation with respect appropriate action pursuant to section
59.18 326B.82, in response to complaints filed with or information received or obtained by the
59.19 commissioner alleging or indicating that supports a finding that: (1) an individual has
59.20 engaged in, or is about to engage in, the unauthorized performance of official the duties
59.21 of a certified building official or the unauthorized use of the title certified building official;
59.22 title; or a violation of (2) a certified building official has violated a statute, rule, stipulation,
59.23 agreement, settlement, compliance agreement, cease and desist agreement, or order that
59.24 the commissioner has adopted, issued, or is empowered has the authority to enforce and
59.25 that is related to the duties of a certified building official.

59.26 (b) The committee consists shall consist of six members. One member shall be the
59.27 commissioner's designee and five members shall be certified building officials; who are
59.28 appointed by the commissioner. At least two of whom the appointed certified building
59.29 officials must be from nonmetropolitan counties. For the committee members must be
59.30 compensated according to who are not state officials or employees, their compensation
59.31 and removal from the oversight committee is governed by section 15.059, subdivision 3.
59.32 The commissioner's designee shall act as an ex-officio member of the oversight committee
59.33 serve as the chair of the oversight committee and shall not vote. The terms of the appointed
59.34 members of the oversight committee shall be four years. The terms of three of the
59.35 appointed members shall be coterminous with the governor and the terms of the remaining
59.36 two appointed members shall end on the first Monday in January one year after the terms

of the other appointed members expire. An appointed member may be reappointed. The committee is not subject to the expiration provisions of section 15.059, subdivision 5.

~~(b)~~ (c) If the commissioner ~~has a reasonable basis to believe~~ determines that ~~a person~~ an individual has engaged in ~~an act or practice constituting~~ the unauthorized performance of ~~official~~ the duties, of a certified building official or the unauthorized use of the ~~title~~ certified building official title, or ~~that a violation of~~ certified building official has violated a statute, rule, stipulation, agreement, settlement, compliance agreement, cease and desist agreement, or order that the commissioner has adopted, issued, or is empowered authorized to enforce that is related to the duties of a certified building official, the commissioner may ~~proceed with~~ take administrative actions ~~or penalties as described in subdivision 5a or suspension or revocation as described in subdivision 5b.~~ against the individual pursuant to section 326B.082, subdivisions 7 and 11.

~~Subd. 5a. **Administrative action and penalties.** The commissioner shall, by rule, establish a graduated schedule of administrative actions for violations of sections 16B.59 to 16B.75 and rules adopted under those sections. The schedule must be based on and reflect the culpability, frequency, and severity of the violator's actions. The commissioner may impose a penalty from the schedule on a certification holder for a violation of sections 16B.59 to 16B.75 and rules adopted under those sections. The penalty is in addition to any criminal penalty imposed for the same violation. Administrative monetary penalties imposed by the commissioner must be paid to the special revenue fund.~~

~~Subd. 5b. **Suspension, revocation. Grounds.** Except as otherwise provided for by law, the commissioner may, upon notice and hearing, revoke or suspend or refuse to issue or reissue a building official certification if the applicant, building official, or certification holder. In addition to the grounds set forth in section 326B.082, subdivision 11, the commissioner may deny, suspend, limit, place conditions on, or revoke a certificate, or may censure an applicant or individual holding a certificate, if the applicant or individual:~~

~~(1) violates a provision of sections 16B.59 to 16B.75 or a rule adopted under those sections; or~~

~~(2) engages in fraud, deceit, or misrepresentation while performing the duties of a certified building official;~~

~~(3) makes a false statement in an application submitted to the commissioner or in a document required to be submitted to the commissioner; or~~

~~(4) violates an order of the commissioner.~~

~~Notice must be provided and the hearing conducted in accordance with the provisions of chapter 14 governing contested case proceedings. Nothing in this subdivision limits or~~

otherwise affects the authority of a municipality to dismiss or suspend a building official at its discretion, except as otherwise provided for by law.

Subd. 5c. **Action against unlicensed persons.** The commissioner may take any administrative action provided under section 326B.082, against an individual required to be certified under subdivision 3, based upon conduct that would provide grounds for action against a certificate holder under this section.

Subd. 6. Vacancies. In the event that a designated building official position is vacant within a municipality, that municipality shall designate a certified building official to fill the vacancy as soon as possible. The commissioner must be notified of any vacancy or designation in writing within 15 days. If the municipality fails to designate a certified building official within 15 days of the occurrence of the vacancy, the state building official may provide state employees to serve that function as provided in subdivision 1 until the municipality makes a temporary or permanent designation. Municipalities must not issue permits without a designated certified building official.

Subd. 7. Continuing education. Subject to sections 16B.59 to 16B.75, the commissioner may by rule establish or approve continuing education programs for ~~municipal~~ certified building officials dealing with matters of building code administration, inspection, and enforcement.

Each person certified as a building official for the state must satisfactorily complete applicable educational programs established or approved by the commissioner ~~every three calendar years~~ to retain certification.

~~Each person certified as a building official must submit in writing to the commissioner an application for renewal of certification within 60 days of the last day of the third calendar year following the last certificate issued. Each application for renewal must be accompanied by proof of satisfactory completion of minimum continuing education requirements and the certification renewal fee established by the commissioner.~~

Subd. 8. **Renewal.** (a) Subject to sections 16B.59 to 16B.76, the commissioner of labor and industry may by rule adopt standards dealing with renewal requirements.

(b) If the commissioner has not issued a notice of denial of application for a certificate holder and if the certificate holder has properly and timely filed a fully completed renewal application, then the certificate holder may continue to engage in building official activities whether or not the renewed certificate has been received. Applications must be made on a form approved by the commissioner. Each application for renewal must be fully completed, and be accompanied by proof of the satisfactory completion of minimum continuing education requirements and the certification renewal fee established by the commissioner. Applications are timely if received prior to the expiration of the most

recently issued certificate. An application for renewal that does not contain all of the information requested is an incomplete application and will not be accepted.

Subd. 9. **Expiration.** All certificates expire at 11:59:59 p.m. central time on the date of expiration if not properly renewed in accordance with subdivision 8, paragraph (b).

Subd. 10. **Failure to renew.** An individual who has failed to make a timely application for renewal of a certificate is not certified and must not serve as the designated building official for any municipality until a renewed certificate has been issued by the commissioner.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 12. Minnesota Statutes 2006, section 16B.70, is amended to read:

16B.70 SURCHARGE.

Subdivision 1. **Computation.** To defray the costs of administering sections 16B.59 to 16B.76, a surcharge is imposed on all permits issued by municipalities in connection with the construction of or addition or alteration to buildings and equipment or appurtenances after June 30, 1971. The commissioner may use any surplus in surcharge receipts to award grants for code research and development and education.

If the fee for the permit issued is fixed in amount the surcharge is equivalent to one-half mill (.0005) of the fee or 50 cents, whichever amount is greater. For all other permits, the surcharge is as follows:

(1) if the valuation of the structure, addition, or alteration is \$1,000,000 or less, the surcharge is equivalent to one-half mill (.0005) of the valuation of the structure, addition, or alteration;

(2) if the valuation is greater than \$1,000,000, the surcharge is \$500 plus two-fifths mill (.0004) of the value between \$1,000,000 and \$2,000,000;

(3) if the valuation is greater than \$2,000,000, the surcharge is \$900 plus three-tenths mill (.0003) of the value between \$2,000,000 and \$3,000,000;

(4) if the valuation is greater than \$3,000,000, the surcharge is \$1,200 plus one-fifth mill (.0002) of the value between \$3,000,000 and \$4,000,000;

(5) if the valuation is greater than \$4,000,000, the surcharge is \$1,400 plus one-tenth mill (.0001) of the value between \$4,000,000 and \$5,000,000; and

(6) if the valuation exceeds \$5,000,000, the surcharge is \$1,500 plus one-twentieth mill (.00005) of the value that exceeds \$5,000,000.

Subd. 2. **Collection and reports.** All permit surcharges must be collected by each municipality and a portion of them remitted to the state. Each municipality having a

population greater than 20,000 people shall prepare and submit to the commissioner once a month a report of fees and surcharges on fees collected during the previous month but shall retain the greater of two percent or that amount collected up to \$25 to apply against the administrative expenses the municipality incurs in collecting the surcharges. All other municipalities shall submit the report and surcharges on fees once a quarter but shall retain the greater of four percent or that amount collected up to \$25 to apply against the administrative expenses the municipalities incur in collecting the surcharges. The report, which must be in a form prescribed by the commissioner, must be submitted together with a remittance covering the surcharges collected by the 15th day following the month or quarter in which the surcharges are collected. ~~All money collected by the commissioner through surcharges and other fees prescribed by sections 16B.59 to 16B.75 shall be deposited in the state government special revenue fund and is appropriated to the commissioner for the purpose of administering and enforcing the State Building Code under sections 16B.59 to 16B.75.~~

Subd. 3. **Revenue to equal costs.** Revenue received from the surcharge imposed in subdivision 1 should approximately equal the cost, including the overhead cost, of administering sections 16B.59 to 16B.75. By November 30 each year, the commissioner must report to the commissioner of finance and to the legislature on changes in the surcharge imposed in subdivision 1 needed to comply with this policy. In making this report, the commissioner must assume that the services associated with administering sections 16B.59 to 16B.75 will continue to be provided at the same level provided during the fiscal year in which the report is made.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 13. Minnesota Statutes 2006, section 16B.72, is amended to read:

**16B.72 REFERENDA ON STATE BUILDING CODE IN
NONMETROPOLITAN COUNTIES.**

Notwithstanding any other provision of law to the contrary, a county that is not a metropolitan county as defined by section 473.121, subdivision 4, may provide, by a vote of the majority of its electors residing outside of municipalities that have adopted the State Building Code before January 1, 1977, that no part of the State Building Code except the building requirements for ~~disabled~~ persons with disabilities, the requirements for bleacher safety, and the requirements for elevator safety applies within its jurisdiction.

The county board may submit to the voters at a regular or special election the question of adopting the building code. The county board shall submit the question to

the voters if it receives a petition for the question signed by a number of voters equal to at least five percent of those voting in the last general election. The question on the ballot must be stated substantially as follows:

"Shall the State Building Code be adopted in County?"

If the majority of the votes cast on the proposition is in the negative, the State Building Code does not apply in the subject county, outside home rule charter or statutory cities or towns that adopted the building code before January 1, 1977, except the building requirements for ~~disabled~~ persons with disabilities, the requirements for bleacher safety, and the requirements for elevator safety do apply.

Nothing in this section precludes a municipality or town that has not adopted the State Building Code from adopting and enforcing by ordinance or other legal means the State Building Code within its jurisdiction.

Sec. 14. Minnesota Statutes 2006, section 16B.73, is amended to read:

**16B.73 STATE BUILDING CODE IN MUNICIPALITIES UNDER 2,500;
LOCAL OPTION.**

The governing body of a municipality whose population is less than 2,500 may provide that the State Building Code, except the requirements for ~~disabled~~ persons with disabilities, the requirements for bleacher safety, and the requirements for elevator safety, will not apply within the jurisdiction of the municipality, if the municipality is located in whole or in part within a county exempted from its application under section 16B.72. If more than one municipality has jurisdiction over an area, the State Building Code continues to apply unless all municipalities having jurisdiction over the area have provided that the State Building Code, except the requirements for ~~disabled~~ persons with disabilities, the requirements for bleacher safety, and the requirements for elevator safety, does not apply within their respective jurisdictions. Nothing in this section precludes a municipality or town from adopting and enforcing by ordinance or other legal means the State Building Code within its jurisdiction.

Sec. 15. Minnesota Statutes 2006, section 16B.735, is amended to read:

**16B.735 ENFORCEMENT OF REQUIREMENTS FOR ~~DISABLED~~
PERSONS WITH DISABILITIES.**

A statutory or home rule charter city that is not covered by the State Building Code because of action taken under section 16B.72 or 16B.73 is responsible for enforcement in the city of the State Building Code's requirements for ~~disabled~~ persons with disabilities. In

65.1 all other areas where the State Building Code does not apply because of action taken under
65.2 section 16B.72 or 16B.73, the county is responsible for enforcement of those requirements.

65.3 Sec. 16. Minnesota Statutes 2006, section 16B.74, subdivision 1, is amended to read:

65.4 Subdivision 1. **Applicability.** ~~As used in~~ For the purposes of sections 16B.61,
65.5 16B.72, 16B.73, and 16B.74 to ~~16B.746~~ 16B.748 the terms "~~passenger or freight elevator,~~"
65.6 "~~automatic operation~~" and "~~continuous pressure operation~~" defined in this section shall
65.7 have the following meanings given them.

65.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

65.9 Sec. 17. Minnesota Statutes 2006, section 16B.74, subdivision 2, is amended to read:

65.10 Subd. 2. **Passenger or freight elevator.** "Passenger or freight elevator" means
65.11 all elevators except those that comply with the safety rules of the department of
65.12 ~~Administration~~ relating to construction and installation and that have automatic operation
65.13 or continuous pressure operation.

65.14 Sec. 18. Minnesota Statutes 2006, section 16B.74, is amended by adding a subdivision
65.15 to read:

65.16 Subd. 7. **Elevator inspection.** "Elevator inspection" means an examination of
65.17 elevator installations, repairs, alterations, removal, and construction for compliance with
65.18 the State Building Code that may include witnessing tests performed on elevators by
65.19 elevator personnel, performing tests on elevators, or an audit of records related to routine
65.20 and periodic maintenance and testing, or any combination thereof when performed by the
65.21 department or a municipality authorized to perform such inspections.

65.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

65.23 Sec. 19. Minnesota Statutes 2006, section 16B.74, is amended by adding a subdivision
65.24 to read:

65.25 Subd. 8. **Elevator inspector.** "Elevator inspector" means an individual who meets
65.26 the requirements established pursuant to section 16B.748, clause (1), who is performing
65.27 elevator inspections for the department or a municipality authorized to perform such
65.28 inspections.

65.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 20. Minnesota Statutes 2006, section 16B.74, is amended by adding a subdivision to read:

Subd. 9. **Limited elevator inspector.** "Limited elevator inspector" means an individual who performs annual elevator inspections for the department or a municipality authorized to perform such inspections. Until rules are adopted pursuant to sections 16B.748, clause (2), and 326B.051, the commissioner shall approve limited elevator inspector qualifications.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 21. Minnesota Statutes 2006, section 16B.741, is amended to read:

16B.741 ELEVATOR AVAILABLE FOR INSPECTION AND REPORTING.

Subdivision 1. **Elevator available for inspection.** A person, ~~firm, entity, or corporation~~ that owns or controls a building or other structure housing an elevator that is subject to inspection by the department, shall, upon request, provide access at a reasonable hour to the elevator for purposes of inspection.

Subd. 2. **Persons required to report.** The following persons shall report the information specified in subdivision 3 to the commissioner by January 1, 2008:

(a) any person that, between August 1, 2005, and July 31, 2007, has provided service, alteration, repair, or maintenance to any elevator located in Minnesota;

(b) any person that, between August 1, 2005, and July 31, 2007, has entered into an agreement to provide service, alteration, repair, or maintenance to any elevator located in Minnesota;

(c) any person that owns or controls an elevator located in Minnesota that, between August 1, 2005, and July 31, 2007, has not received service, alteration, repair, or maintenance on the elevator; or

(d) any person that owns or controls an elevator located in Minnesota that, between August 1, 2005, and July 31, 2007, has not entered into an agreement to receive service, alteration, repair, or maintenance on the elevator.

Subd. 3. **Elevator location, type, and installation date.** On a form prescribed by the commissioner, the persons required to report pursuant to subdivision 2 shall provide the following:

(a) the location of each elevator;

(b) the type of each elevator; and

(c) the date the elevator was installed.

67.1 Subd. 4. **Definition.** As used in this section, "elevator" is as defined in section
67.2 16B.74, subdivision 5.

67.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

67.4 Sec. 22. Minnesota Statutes 2006, section 16B.744, is amended to read:

67.5 **16B.744 ELEVATORS, ENTRANCES SEALED.**

67.6 It shall be the duty of the department ~~of Administration~~ and the licensing authority
67.7 of any municipality which adopts any such ordinance whenever it finds any such elevator
67.8 under its jurisdiction in use in violation of any provision of sections 16B.74 to 16B.745 to
67.9 seal the entrances of such elevator and attach a notice forbidding the use of such elevator
67.10 until the provisions thereof are complied with.

67.11 Sec. 23. Minnesota Statutes 2006, section 16B.745, subdivision 1, is amended to read:

67.12 Subdivision 1. **Removal of seal.** No person, firm, or corporation may remove any
67.13 seal or notice forbidding the use of an elevator, except by authority of the department ~~of~~
67.14 ~~Administration~~ or the licensing authority having jurisdiction over the elevator, or operate
67.15 an elevator after a notice has been attached forbidding its use, unless the notice has been
67.16 removed by authority of the department ~~of Administration~~ or the licensing authority
67.17 having jurisdiction over the elevator.

67.18 Sec. 24. Minnesota Statutes 2006, section 16B.745, subdivision 4, is amended to read:

67.19 Subd. 4. **Penalties.** The commissioner ~~of administration~~ shall administer sections
67.20 16B.74 to 16B.749. In addition to the remedies provided for violations of this chapter,
67.21 the commissioner may impose a penalty of up to ~~\$1,000~~ \$10,000 for a violation of any
67.22 provision of sections 16B.74 to 16B.749.

67.23 Sec. 25. Minnesota Statutes 2006, section 16B.747, is amended to read:

67.24 **16B.747 FEES FOR LICENSURE AND INSPECTION.**

67.25 Subdivision 1. **Permits.** No person, firm, or corporation may construct, install, alter,
67.26 or remove an elevator without first filing an application for a permit with the department
67.27 ~~of Administration~~ or a municipality authorized by subdivision 3 to inspect elevators.
67.28 Upon successfully completing inspection and the payment of the appropriate fee, the
67.29 owner must be granted an operating permit for the elevator.

Subd. 2. **Contractor licenses.** The commissioner may establish criteria for the qualifications of elevator contractors and issue licenses based upon proof of the applicant's qualifications.

Subd. 3. **Permissive municipal regulation.** A municipality may conduct a system of elevator inspection in conformity with this chapter, State Building Code requirements, and adopted rules that includes the inspection of elevator installation, repair, alteration, and removal, construction, and the routine and periodic inspection and testing of existing elevators. The municipality shall employ inspectors meeting the minimum requirements established by Minnesota Rules to perform the inspections and to witness the tests. A municipality may establish and retain its own fees for inspection of elevators and related devices in its jurisdiction. A municipality may not adopt standards that do not conform to the uniform standards prescribed by the department.

If the commissioner determines that a municipality is not properly administering and enforcing the law, rules, and codes, the commissioner shall have the inspection, administration, and enforcement undertaken by a qualified inspector employed by the department.

~~Subd. 4. **Deposit of fees.** Fees received under this section must be deposited in the state treasury and credited to the special revenue fund.~~

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 26. Minnesota Statutes 2006, section 16B.748, is amended to read:

16B.748 RULES.

The commissioner may adopt rules for the following purposes:

(1) to establish minimum qualifications for elevator inspectors that must include possession of a current elevator constructor electrician's license issued by the ~~State Board of Electricity~~ department and proof of successful completion of the national elevator industry education program examination or equivalent experience;

(2) to establish minimum qualifications for limited elevator inspectors;

~~(2)~~ (3) to establish criteria for the qualifications of elevator contractors;

~~(3)~~ (4) to establish elevator standards under sections 16B.61, subdivisions 1 and 2, and 16B.64;

~~(4)~~ (5) to establish procedures for appeals of decisions of the commissioner under chapter 14 and procedures allowing the commissioner, before issuing a decision, to seek advice from the elevator trade, building owners or managers, and others knowledgeable in the installation, construction, and repair of elevators; and

69.1 ~~(5)~~ (6) to establish requirements for the registration of all elevators.

69.2 **EFFECTIVE DATE.** This section is effective the day following final enactment.

69.3 Sec. 27. Minnesota Statutes 2006, section 16B.76, is amended to read:

69.4 **16B.76 CONSTRUCTION CODES ADVISORY COUNCIL.**

69.5 Subdivision 1. **Membership.** (a) The Construction Codes Advisory Council
69.6 consists of the following members:

69.7 (1) the commissioner ~~of administration~~ or the commissioner's designee representing
69.8 the department's ~~Building Codes and Standards~~ Construction Codes and Licensing
69.9 Division;

69.10 ~~(2) the commissioner of health or the commissioner's designee representing an~~
69.11 ~~Environmental Health Section of the department;~~

69.12 ~~(3)~~ (2) the commissioner of public safety or the ~~commissioner's~~ commissioner of
69.13 public safety's designee representing the ~~department's~~ Department of Public Safety's State
69.14 Fire Marshal Division;

69.15 ~~(4) the commissioner of commerce or the commissioner's designee representing~~
69.16 ~~the department's State Energy Office; and~~

69.17 ~~(5)~~ (3) one member, appointed by the commissioner, representing each of the
69.18 following occupations ~~or~~ entities, appointed by the commissioner of administration or
69.19 industries:

69.20 (i) ~~a~~ a certified building ~~official~~ officials;

69.21 (ii) ~~a~~ a fire ~~service representative~~ chiefs or fire marshals;

69.22 (iii) ~~a~~ a licensed ~~architect~~ architects;

69.23 (iv) ~~a~~ a licensed ~~engineer~~ professional engineers;

69.24 (v) ~~a building owners and managers representative~~ commercial building owners
69.25 and managers;

69.26 (vi) ~~a~~ a the licensed residential building ~~contractor~~ industry;

69.27 (vii) ~~a~~ a the commercial building ~~contractor~~ industry;

69.28 (viii) ~~a~~ a the heating and ventilation ~~contractor~~ industry;

69.29 (ix) ~~a~~ a the plumbing ~~contractor~~ industry;

69.30 (x) ~~a representative of a construction and building trades union; and~~ member of
69.31 the Electrical Advisory Council;

69.32 (xi) ~~a local unit of government representative.~~ the high pressure piping industry;

69.33 (xii) the boiler industry;

69.34 (xiii) the manufactured housing industry;

70.1 (xiv) public utility suppliers;

70.2 (xv) the Minnesota Building and Construction Trades Council; and

70.3 (xvi) local units of government.

70.4 (b) The commissioner or the commissioner's designee representing the department's

70.5 Construction Codes and Licensing Division shall serve as chair of the advisory council.

70.6 For members who are not state officials or employees, ~~terms~~, compensation, and removal;

70.7 ~~and the filling of vacancies~~ of members of the advisory council are governed by section

70.8 15.059. ~~The council shall select one of its members to serve as chair.~~ The terms of the

70.9 members of the advisory council shall be four years. The terms of eight of the appointed

70.10 members shall be coterminous with the governor and the terms of the remaining nine

70.11 appointed members shall end on the first Monday in January one year after the terms of

70.12 the other appointed members expire. An appointed member may be reappointed. Each

70.13 council member shall appoint an alternate to serve in their absence. The committee is not

70.14 subject to the expiration provision of section 15.059, subdivision 5.

70.15 ~~(c) The council expires June 30, 2003.~~

70.16 Subd. 2. **Duties of council.** The council shall review laws, codes, rules, standards,

70.17 and licensing requirements relating to building construction and may:

70.18 (1) recommend ways to eliminate inconsistencies, to streamline construction

70.19 regulation and construction ~~processes~~ procedures, and to improve procedures within

70.20 and among jurisdictions;

70.21 (2) review and comment on current and proposed laws and rules to promote

70.22 coordination and consistency;

70.23 (3) advise agencies on possible changes in rules to make them easier to understand

70.24 and apply; and

70.25 (4) promote the coordination, within each jurisdiction, of the administration and

70.26 enforcement of construction codes.

70.27 The council shall meet a minimum of two times each year. The council shall report

70.28 its findings and recommendations to the commissioner ~~of administration and the head of~~

70.29 ~~any other affected agency by the end of each calendar year.~~ The council may recommend

70.30 changes in laws or rules governing building construction. The council may establish

70.31 subcommittees to facilitate its work. If the council establishes subcommittees, it shall

70.32 include in their memberships representation from entities and organizations expressing

70.33 an interest in membership. The commissioner ~~of administration~~ shall maintain a list of

70.34 interested entities and organizations.

70.35 Subd. 3. **Agency cooperation.** State agencies and local governmental units shall

70.36 cooperate with the council and, so far as possible, provide information or assistance to

71.1 it upon its request. The commissioner of administration shall provide necessary staff
71.2 and administrative support to the council.

71.3 Sec. 28. Minnesota Statutes 2006, section 326.992, is amended to read:

71.4 **326.992 BOND REQUIRED FOR CERTAIN CONTRACTORS.**

71.5 (a) A person contracting to do gas, heating, ventilation, cooling, air conditioning,
71.6 fuel burning, or refrigeration work must give bond to the state in the amount of \$25,000 for
71.7 all work entered into within the state. The bond must be for the benefit of persons suffering
71.8 financial loss by reason of the contractor's failure to comply with the requirements of the
71.9 State Mechanical Code. A bond given to the state must be filed with the commissioner
71.10 of administration and is in lieu of all other bonds to any political subdivision required for
71.11 work covered by this section. The bond must be written by a corporate surety licensed to
71.12 do business in the state.

71.13 (b) The commissioner of administration may charge each person giving bond under
71.14 this section an annual bond filing fee of \$15. ~~The money must be deposited in a special~~
71.15 ~~revenue fund and is appropriated to the commissioner to cover the cost of administering~~
71.16 ~~the bond program.~~

71.17 **EFFECTIVE DATE.** This section is effective July 1, 2007.

71.18 Sec. 29. Minnesota Statutes 2006, section 327.31, subdivision 2, is amended to read:

71.19 Subd. 2. **Authorized representative.** "Authorized representative" means any
71.20 person, firm or corporation, or employee thereof, approved or hired by the commissioner
71.21 of labor and industry to perform inspection services.

71.22 Sec. 30. Minnesota Statutes 2006, section 327.31, subdivision 3, is amended to read:

71.23 Subd. 3. **Manufactured Home Building Code.** "Manufactured Home Building
71.24 Code" means, for manufactured homes manufactured after July 1, 1972, and prior to June
71.25 15, 1976, the standards code promulgated by the American National Standards Institute
71.26 and identified as ANSI A119.1, including all revisions thereof in effect on May 21, 1971,
71.27 or the provisions of the National Fire Protection Association and identified as NFPA 501B,
71.28 and further revisions adopted by the commissioner of labor and industry.

71.29 "Manufactured Home Building Code" means, for manufactured homes constructed
71.30 after June 14, 1976, the manufactured home construction and safety standards promulgated
71.31 by the United States Department of Housing and Urban Development which are in effect
71.32 at the time of the manufactured home's manufacture.

72.1 Sec. 31. Minnesota Statutes 2006, section 327.31, subdivision 4, is amended to read:

72.2 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of
72.3 ~~administration~~ labor and industry.

72.4 Sec. 32. Minnesota Statutes 2006, section 327.31, is amended by adding a subdivision
72.5 to read:

72.6 Subd. 6a. **Individual.** "Individual" means a human being.

72.7 Sec. 33. Minnesota Statutes 2006, section 327.31, subdivision 7, is amended to read:

72.8 Subd. 7. **Person.** "Person" means ~~a person, partnership, corporation or other legal~~
72.9 ~~entity~~ any individual, limited liability company, corporation, partnership, incorporated
72.10 or unincorporated association, sole proprietorship, joint stock company, or any other
72.11 legal or commercial entity.

72.12 Sec. 34. Minnesota Statutes 2006, section 327.31, subdivision 15, is amended to read:

72.13 Subd. 15. **Purchaser.** "Purchaser" means the first ~~person~~ individual purchasing a
72.14 manufactured home in good faith for purposes other than resale.

72.15 Sec. 35. Minnesota Statutes 2006, section 327.32, subdivision 8, is amended to read:

72.16 Subd. 8. **Evidence of compliance.** Each manufacturer, distributor, and dealer
72.17 shall establish and maintain records, make reports, and provide information as the
72.18 commissioner or the secretary may reasonably require to be able to determine whether
72.19 the manufacturer, distributor, or dealer has acted or is acting in compliance with sections
72.20 327.31 to 327.35, and shall, upon request of a person duly designated by the commissioner
72.21 or the secretary, permit that person to inspect appropriate books, papers, records, and
72.22 documents relevant to determining whether that manufacturer, distributor, or dealer
72.23 has acted or is acting in compliance with sections 327.31 to 327.35, and the National
72.24 Manufactured Home Construction and Safety Standards Act of 1974, United States
72.25 Code, title 42, section 5401, et seq., as amended by the National Manufactured Housing
72.26 Construction and Safety Standards Act, Title VI, Manufactured Housing Improvement
72.27 Act of 2000, or other applicable federal or state law.

72.28 Sec. 36. Minnesota Statutes 2006, section 327.33, subdivision 2, is amended to read:

72.29 Subd. 2. **Fees.** The commissioner shall by rule establish reasonable fees for seals,
72.30 installation seals and inspections which are sufficient to cover all costs incurred in the
72.31 administration of sections 327.31 to 327.35. The commissioner shall also establish by

73.1 rule a monitoring inspection fee in an amount that will comply with the secretary's fee
73.2 distribution program. This monitoring inspection fee shall be an amount paid by the
73.3 manufacturer for each manufactured home produced in Minnesota. The monitoring
73.4 inspection fee shall be paid by the manufacturer to the secretary. The rules of the
73.5 fee distribution program require the secretary to distribute the fees collected from all
73.6 manufactured home manufacturers among states approved and conditionally approved
73.7 based on the number of new manufactured homes whose first location after leaving the
73.8 manufacturer is on the premises of a distributor, dealer or purchaser in that state. ~~All~~
73.9 ~~money collected by the commissioner through fees prescribed by sections 327.31 to~~
73.10 ~~327.36 shall be deposited in the state government special revenue fund and is appropriated~~
73.11 ~~to the commissioner for the purpose of administering and enforcing the Manufactured~~
73.12 ~~Home Building Code under sections 327.31 to 327.36.~~

73.13 **EFFECTIVE DATE.** This section is effective July 1, 2007.

73.14 Sec. 37. Minnesota Statutes 2006, section 327.33, subdivision 6, is amended to read:

73.15 Subd. 6. **Authorization as agency.** The commissioner shall apply to the secretary
73.16 for approval of the commissioner as the administrative agency for the regulation of
73.17 manufactured homes under the rules of the secretary. The commissioner may make
73.18 rules for the administration and enforcement of department responsibilities as a state
73.19 administrative agency including, but not limited to, rules for the handling of citizen's
73.20 complaints. All money received for services provided by the commissioner or the
73.21 department's authorized agents as a state administrative agency shall be deposited in
73.22 the ~~general~~ construction code fund. The commissioner is charged with the adoption,
73.23 administration, and enforcement of the Manufactured Home Construction and Safety
73.24 Standards, consistent with rules and regulations promulgated by the United States
73.25 Department of Housing and Urban Development. The commissioner may adopt the
73.26 rules, codes, and standards necessary to enforce the standards promulgated under this
73.27 section. The commissioner is authorized to conduct hearings and presentations of views
73.28 consistent with regulations adopted by the United States Department of Housing and
73.29 Urban Development and to adopt rules in order to carry out this function.

73.30 **EFFECTIVE DATE.** This section is effective July 1, 2007.

73.31 Sec. 38. Minnesota Statutes 2006, section 327.33, subdivision 7, is amended to read:

74.1 Subd. 7. **Employees.** The commissioner may appoint such employees within
74.2 the Department of ~~Administration~~ Labor and Industry as deemed necessary for the
74.3 administration of sections 327.31 to 327.35.

74.4 Sec. 39. Minnesota Statutes 2006, section 327.34, subdivision 3, is amended to read:

74.5 Subd. 3. **Removal of seals.** Manufactured home seals remain the property of
74.6 the Department of ~~Administration~~ Labor and Industry and may be removed by the
74.7 commissioner from any manufactured home which is in violation of the Manufactured
74.8 Home Building Code.

74.9 Sec. 40. Minnesota Statutes 2006, section 327.35, subdivision 1, is amended to read:

74.10 Subdivision 1. **Civil Monetary penalty.** Notwithstanding the penalty amount of
74.11 section 326B.082, subdivisions 7 and 12, any person who violates any provision of this
74.12 section is liable to the state of Minnesota for a ~~civil~~ monetary penalty of not to exceed
74.13 \$1,000 for each ~~offense~~ violation. Each violation involving a separate manufactured home
74.14 or involving a separate failure or refusal to allow or perform any act required by this
74.15 section constitutes a separate ~~offense~~ violation, except that the maximum ~~civil~~ monetary
74.16 penalties for any related series of violations occurring within one year from the date of the
74.17 first violation may not exceed \$1,000,000.

74.18 Sec. 41. Minnesota Statutes 2006, section 327.35, subdivision 2, is amended to read:

74.19 Subd. 2. **Willful violations.** Any individual or a director, officer, or agent of a
74.20 corporation who knowingly and willfully violates any provision of this section in a manner
74.21 which threatens the health or safety of any purchaser shall be ~~fined not more than \$3,000~~
74.22 ~~or imprisoned not more than one year, or both~~ guilty of a gross misdemeanor.

74.23 Sec. 42. Minnesota Statutes 2006, section 327B.01, subdivision 4, is amended to read:

74.24 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of
74.25 ~~administration~~ labor and industry.

74.26 Sec. 43. Minnesota Statutes 2006, section 327B.01, subdivision 5, is amended to read:

74.27 Subd. 5. **Consumer customer.** "Consumer customer" means any ~~natural person~~
74.28 individual who, primarily for personal, household or family purposes, buys, sells, or seeks
74.29 to buy or sell, a manufactured home from, to or through a dealer or manufacturer.

74.30 Sec. 44. Minnesota Statutes 2006, section 327B.01, subdivision 7, is amended to read:

75.1 Subd. 7. **Dealer or retailer.** "Dealer" or "retailer" means any person who engages
75.2 in the business, either exclusively or in addition to any other occupation, of selling or
75.3 brokering manufactured homes, new or used, or who offers to sell, solicit, broker or
75.4 advertise the sale of manufactured homes, new or used.

75.5 Sec. 45. Minnesota Statutes 2006, section 327B.01, is amended by adding a
75.6 subdivision to read:

75.7 Subd. 10a. **Individual.** "Individual" means a human being.

75.8 Sec. 46. Minnesota Statutes 2006, section 327B.01, is amended by adding a
75.9 subdivision to read:

75.10 Subd. 11a. **Licensee.** "Licensee" means a person who is licensed as a dealer, limited
75.11 dealer, or manufacturer by the Department of Labor and Industry.

75.12 Sec. 47. Minnesota Statutes 2006, section 327B.01, is amended by adding a
75.13 subdivision to read:

75.14 Subd. 11b. **Limited dealer or limited retailer.** "Limited dealer" or "limited
75.15 retailer" means any person who is an owner of a manufactured home park authorized, as
75.16 principal only, to engage in the sale, offering for sale, soliciting, or advertising the sale
75.17 of used manufactured homes located in the owned manufactured home park, who is the
75.18 title holder and engages in no more than ten sales annually.

75.19 Sec. 48. Minnesota Statutes 2006, section 327B.01, is amended by adding a
75.20 subdivision to read:

75.21 Subd. 14a. **Manufacturing facility.** "Manufacturing facility" means the physical
75.22 site where a manufacturer engages in the business of manufacture, assembly, or production
75.23 of manufactured homes.

75.24 Sec. 49. Minnesota Statutes 2006, section 327B.01, is amended by adding a
75.25 subdivision to read:

75.26 Subd. 16a. **Owner.** "Owner" means any person holding title to a manufactured
75.27 home park or manufactured homes.

75.28 Sec. 50. Minnesota Statutes 2006, section 327B.01, subdivision 17, is amended to read:

Subd. 17. **Person.** "Person" means any individual, limited liability company, corporation, firm, partnership, incorporated and unincorporated association, sole proprietorship, joint stock company, or any other legal or commercial entity.

Sec. 51. Minnesota Statutes 2006, section 327B.04, subdivision 1, is amended to read:

Subdivision 1. **License ~~and~~, bond, and liability insurance required.** No person shall act as a dealer in manufactured homes, new or used, without a license ~~and~~, a surety bond, and liability insurance as provided in this section. No person shall manufacture manufactured homes without a license ~~and~~ for each manufacturing facility shipping into or located within Minnesota's boundaries, a surety bond, and liability insurance as provided in this section. The licensing and bonding requirements of this section do not apply to any bank, savings bank, savings association, or credit union, chartered by either this state or the federal government, which acts as a dealer only by repossessing manufactured homes and then offering the homes for resale.

Sec. 52. Minnesota Statutes 2006, section 327B.04, subdivision 4, is amended to read:

Subd. 4. **License prerequisites.** No application shall be granted nor license issued until the applicant proves to the commissioner that:

(a) the applicant has a permanent, established place of business at each licensed location. An "established place of business" means a permanent enclosed building other than a residence, or a commercial office space, either owned by the applicant or leased by the applicant for a term of at least one year, located in an area where zoning regulations allow commercial activity, and where the books, records and files necessary to conduct the business are kept and maintained. The owner of a licensed manufactured home park who resides in or adjacent to the park may use the residence as the established place of business required by this subdivision, unless prohibited by local zoning ordinance.

If a license is granted, the licensee may use unimproved lots and premises for sale, storage, and display of manufactured homes, if the licensee first notifies the commissioner in writing;

(b) if the applicant desires to sell, solicit or advertise the sale of new manufactured homes, it has a bona fide contract or franchise in effect with a manufacturer or distributor of the new manufactured home it proposes to deal in;

(c) the applicant has secured: (1) a surety bond in the amount of \$20,000 for the agency and each subagency location that bears the applicant's name and the name under which the applicant will be licensed and do business in this state. Each bond is for the protection of consumer customers, and must be executed by the applicant as principal and

issued by a surety company admitted to do business in this state. ~~The~~ Each bond shall be exclusively for the purpose of reimbursing consumer customers and shall be conditioned upon the faithful compliance by the applicant with all of the laws and rules of this state pertaining to the applicant's business as a dealer or manufacturer, including sections 325D.44, 325F.67 and 325F.69, and upon the applicant's faithful performance of all its legal obligations to consumer customers; and (2) a certificate of liability insurance in the amount of \$1,000,000 that provides coverage for the agency and each subagency location;

(d) the applicant has established a trust account as required by section 327B.08, subdivision 3, unless the applicant states in writing its intention to limit its business to selling, offering for sale, soliciting or advertising the sale of new manufactured homes; and

(e) the applicant has provided evidence of having had at least two years' prior experience in the sale of manufactured homes, working for a licensed dealer.

Sec. 53. Minnesota Statutes 2006, section 327B.04, subdivision 6, is amended to read:

Subd. 6. **Certificate of license.** For each license granted the commissioner shall issue a certificate which includes the name of the licensee, the name of the surety company and the amount of the surety bond, and the insurance underwriter and policy number, the names and addresses of any related principal or subagencies, and a license number.

Sec. 54. Minnesota Statutes 2006, section 327B.04, subdivision 7, is amended to read:

Subd. 7. **Fees; licenses; when granted.** Each application for a license or license renewal must be accompanied by a fee in an amount established by the commissioner by rule pursuant to section 327B.10. The fees shall be set in an amount which over the fiscal biennium will produce revenues approximately equal to the expenses which the commissioner expects to incur during that fiscal biennium while administering and enforcing sections 327B.01 to 327B.12. ~~All money collected by the commissioner through fees prescribed in sections 327B.01 to 327B.12 shall be deposited in the state government special revenue fund and is appropriated to the commissioner for purposes of administering and enforcing the provisions of this chapter.~~ The commissioner shall grant or deny a license application or a renewal application within 60 days of its filing. If the license is granted, the commissioner shall license the applicant as a dealer or manufacturer for the remainder of the calendar year. Upon application by the licensee, the commissioner shall renew the license for a two year period, if:

(a) the renewal application satisfies the requirements of subdivisions 3 and 4;

(b) the renewal applicant has made all listings, registrations, notices and reports required by the commissioner during the preceding year; and

(c) the renewal applicant has paid all fees owed pursuant to sections 327B.01 to 327B.12 and all taxes, arrearages, and penalties owed to the state.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 55. Minnesota Statutes 2006, section 327B.04, subdivision 8, is amended to read:

Subd. 8. **Limited dealer's license.** The commissioner shall issue a limited dealer's license to an owner of a manufactured home park authorizing the licensee as principal only to engage in the sale, offering for sale, soliciting, or advertising the sale of used manufactured homes located in the owned manufactured home park. The licensee must be the title holder of the homes and may engage in no more than ten sales annually. An owner may, upon payment of the applicable fee and compliance with this subdivision, obtain a separate license for each owned manufactured home park and is entitled to sell up to ten homes per license provided that only one limited dealer license may be issued for each park. The license shall be issued after:

(1) receipt of an application on forms provided by the commissioner containing the following information:

(i) the identity of the applicant;

(ii) the name under which the applicant will be licensed and do business in this state;

(iii) the name and address of the owned manufactured home park, including a copy of the park license, serving as the basis for the issuance of the license; ~~and~~

(iv) the name, home, and business address of the applicant;

(v) the name, address, and telephone number of one individual that is designated by the applicant to receive all communications and cooperate with all inspections and investigations of the commissioner pertaining to the sale of manufactured homes in the manufactured home park owned by the applicant;

(vi) whether the applicant or its designated individual has been convicted of a crime within the previous ten years that is either related directly to the business for which the license is sought or involved fraud, misrepresentation or misuse of funds, or has suffered a judgment in a civil action involving fraud, misrepresentation, or conversion within the previous five years or has had any government license or permit suspended or revoked as a result of an action brought by a federal or state governmental agency in this or any other state within the last five years; and

(vii) the applicant's qualifications and business history, including whether the applicant or its designated individual has ever been adjudged bankrupt or insolvent, or has any unsatisfied court judgments outstanding against it or them;

(2) payment of a \$100 annual fee; and

(3) provision of a surety bond in the amount of \$5,000. A separate surety bond must be provided for each limited license.

The applicant need not comply with section 327B.04, subdivision 4, paragraph (e). The holding of a limited dealer's license does not satisfy the requirement contained in section 327B.04, subdivision 4, paragraph (e), for the licensee or salespersons with respect to obtaining a dealer license. The commissioner may, upon application for a renewal of a license, require only a verification that copies of sales documents have been retained and payment of a \$100 renewal fee. "Sales documents" mean only the safety feature disclosure form defined in section 327C.07, subdivision 3a, title of the home, financing agreements, and purchase agreements.

The license holder shall, upon request of the commissioner, make available for inspection during business hours sales documents required to be retained under this subdivision.

Sec. 56. Minnesota Statutes 2006, section 327B.04, is amended by adding a subdivision to read:

Subd. 8a. **Service.** Service of a document on a limited dealer licensed under this section may be effected by mail to or by personal service on: (1) the licensee at the licensee's last known address; or (2) the individual designated by the licensee at that individual's last known address.

Sec. 57. **[327B.042] NOTICE TO COMMISSIONER.**

Subdivision 1. **Notification.** A person licensed as a dealer, limited dealer, or manufacturer shall notify the commissioner of the occurrence of any of the events in subdivisions 2 to 5.

Subd. 2. **Change in application information.** A licensee shall notify the commissioner in writing within ten days of the change of any change in information contained in the most recent license application on file with the commissioner, which shall include any change in the information pertaining to the individual designated under section 327B.04, subdivision 8, clause (1), item (vi).

Subd. 3. **Civil judgment.** A licensee shall notify the commissioner in writing within ten days of any decision of a court regarding a proceeding in which the licensee was named as a defendant, and in which fraud, misrepresentation, or the conversion of funds was found to have been committed by the licensee.

Subd. 4. **Disciplinary action in another state.** A licensee shall notify the commissioner in writing within ten days of the condition, reprimand, censure, limitation,

suspension, or revocation of any other professional or occupational license, registration, permit, or certificate held by the licensee in this or any other state, or any other United States jurisdiction.

Subd. 5. **Criminal offense.** A licensee shall notify the commissioner in writing within ten days if the licensee is found guilty of a felony, gross misdemeanor, misdemeanor, or any comparable offense related to manufactured home sales, improper business practices, fraud, misrepresentation, misuse of funds, or violation of the consumer laws in this or any other state, or any other United States jurisdiction.

Sec. 58. Minnesota Statutes 2006, section 327B.05, subdivision 1, is amended to read:

Subdivision 1. **Grounds.** In addition to the grounds in section 326B.082, subdivision 11, the commissioner may by order deny, suspend, limit, place conditions on, or revoke any the application or license on finding (1) that the order is in the public interest and (2) that the of any applicant or licensee or any of its directors, officers, limited or general partners, controlling shareholders, or affiliates for any of the following grounds:

~~(a) has filed an application for a license or a license renewal which fails to disclose any material information or contains any statement which is false or misleading with respect to any material fact;~~

~~(b)~~ (a) has violated any of the provisions of sections 327B.01 to 327B.12 or any rule or order issued by the commissioner or any prior law providing for the licensing of manufactured home dealers or manufacturers;

~~(c)~~ (b) has had a previous manufacturer or dealer license revoked in this or any other state;

~~(d)~~ (c) has engaged in acts or omissions which have been adjudicated or amount to a violation of any of the provisions of section 325D.44, 325F.67 or 325F.69;

~~(e)~~ (d) has sold or brokered the sale of a home containing a material violation of sections 327.31 to 327.35 about which the dealer knew or which should have been obvious to a reasonably prudent dealer;

~~(f)~~ (e) has failed to make or provide all listings, notices and reports required by the commissioner;

~~(g)~~ (f) has failed to pay a civil penalty assessed under subdivision 5 within ten days after the assessment becomes final;

~~(h)~~ (g) has failed to pay to the commissioner or other responsible government agency all taxes, fees and arrearages due;

~~(i)~~ (h) has failed to duly apply for license renewal;

~~(j)~~ (i) has violated any applicable manufactured home building or safety code;

81.1 ~~(k)~~ (j) has failed or refused to honor any express or implied warranty as provided
81.2 in section 327B.03;

81.3 ~~(l)~~ (k) has failed to continuously occupy a permanent, established place of business
81.4 licensed under section 327B.04;

81.5 ~~(m)~~ (l) has, without first notifying the commissioner, sold a new and unused
81.6 manufactured home other than the make of manufactured home described in a franchise or
81.7 contract filed with the application for license or license renewal;

81.8 ~~(n)~~ (m) has wrongfully failed to deliver a certificate of title to a person entitled to it;
81.9 ~~(o)~~ (n) is insolvent or bankrupt;

81.10 ~~(p)~~ (o) holds an impaired or canceled bond;

81.11 ~~(q)~~ (p) has failed to notify the commissioner of bankruptcy proceedings within ten
81.12 days after a petition in bankruptcy has been filed by or against the dealer or manufacturer;

81.13 ~~(r)~~ (q) has, within the previous ten years, been convicted of a crime that either related
81.14 directly to the business of the dealer or manufacturer or involved fraud, misrepresentation
81.15 or misuse of funds;

81.16 ~~(s)~~ (r) has suffered a judgment within the previous five years in a civil action
81.17 involving fraud, misrepresentation or misuse of funds; or

81.18 ~~(t)~~ (s) has failed to reasonably supervise any employee or agent of the dealer or
81.19 manufacturer, resulting in injury or harm to the public.

81.20 The commissioner may establish rules pursuant to section 327B.10 further
81.21 specifying, defining or establishing standards of conduct for manufactured home dealers
81.22 and manufacturers.

81.23 Sec. 59. Minnesota Statutes 2006, section 327B.10, is amended to read:

81.24 **327B.10 RULEMAKING AUTHORITY.**

81.25 The commissioner may promulgate rules and issue orders reasonably necessary
81.26 to implement and administer the provisions of sections 327B.01 to 327B.12. The
81.27 commissioner shall adopt rules establishing and approving education programs for
81.28 manufactured home installers. Each manufactured home installer must satisfactorily
81.29 complete the continuing education requirements established by the commissioner in rule.

81.30 Sec. 60. **REVISOR'S INSTRUCTION.**

81.31 The revisor of statutes shall renumber each section of Minnesota Statutes listed in
81.32 column A with the number listed in column B. The revisor shall also make necessary
81.33 cross-reference changes consistent with the renumbering.

	<u>Column A</u>	<u>Column B</u>
82.1	<u>16B.59</u>	<u>326B.101</u>
82.2	<u>16B.60, subd. 1</u>	<u>326B.103, subd. 1</u>
82.3	<u>16B.60, subd. 2</u>	<u>326B.103, subd. 4</u>
82.4	<u>16B.60, subd. 3</u>	<u>326B.103, subd. 9</u>
82.5	<u>16B.60, subd. 4</u>	<u>326B.103, subd. 5</u>
82.6	<u>16B.60, subd. 5</u>	<u>326B.103, subd. 3</u>
82.7	<u>16B.60, subd. 6</u>	<u>326B.103, subd. 11</u>
82.8	<u>16B.60, subd. 7</u>	<u>326B.103, subd. 10</u>
82.9	<u>16B.60, subd. 8</u>	<u>326B.103, subd. 12</u>
82.10	<u>16B.60, subd. 9</u>	<u>326B.103, subd. 8</u>
82.11	<u>16B.60, subd. 10</u>	<u>326B.103, subd. 7</u>
82.12	<u>16B.60, subd. 11</u>	<u>326B.103, subd. 13</u>
82.13	<u>16B.60, subd. 12</u>	<u>326B.103, subd. 6</u>
82.14	<u>16B.60, subd. 13</u>	<u>326B.103, subd. 2</u>
82.15	<u>16B.61</u>	<u>326B.106</u>
82.16	<u>16B.615</u>	<u>326B.109</u>
82.17	<u>16B.616</u>	<u>326B.112</u>
82.18	<u>16B.617</u>	<u>326B.115</u>
82.19	<u>16B.6175</u>	<u>326B.118</u>
82.20	<u>16B.62</u>	<u>326B.121</u>
82.21	<u>16B.625</u>	<u>326B.124</u>
82.22	<u>16B.63</u>	<u>326B.127</u>
82.23	<u>16B.64</u>	<u>326B.13</u>
82.24	<u>16B.65</u>	<u>326B.133</u>
82.25	<u>16B.66</u>	<u>326B.136</u>
82.26	<u>16B.67</u>	<u>326B.139</u>
82.27	<u>16B.68</u>	<u>326B.142</u>
82.28	<u>16B.685</u>	<u>326B.145</u>
82.29	<u>16B.70</u>	<u>326B.148</u>
82.30	<u>16B.71</u>	<u>326B.151</u>
82.31	<u>16B.72</u>	<u>326B.154</u>
82.32	<u>16B.73</u>	<u>326B.157</u>
82.33	<u>16B.735</u>	<u>326B.16</u>
82.34	<u>16B.74</u>	<u>326B.163</u>
82.35	<u>16B.741</u>	<u>326B.166</u>
82.36	<u>16B.742</u>	<u>326B.169</u>
82.37	<u>16B.743</u>	<u>326B.172</u>
82.38	<u>16B.744</u>	<u>326B.175</u>
82.39	<u>16B.745</u>	<u>326B.178</u>
82.40	<u>16B.746</u>	<u>326B.181</u>
82.41	<u>16B.747</u>	<u>326B.184</u>
82.42	<u>16B.748</u>	<u>326B.187</u>
82.43	<u>16B.749</u>	<u>326B.191</u>

83.2	<u>16B.75</u>	<u>326B.194</u>
83.3	<u>16B.76</u>	<u>326B.07</u>
83.4	<u>326.992</u>	<u>326B.197</u>

83.5

83.6

ARTICLE 6
ELECTRICAL

83.7 Section 1. Minnesota Statutes 2006, section 326.01, subdivision 2, is amended to read:

83.8 Subd. 2. **Class A master electrician.** ~~The term "Class A master electrician"~~
83.9 means ~~a person~~ an individual having the necessary qualifications, training, experience,
83.10 and technical knowledge to ~~install, alter, repair, plan, lay out, and supervise the installing,~~
83.11 ~~altering, and repairing of electrical wiring, apparatus, and equipment for light, heat, power,~~
83.12 ~~and other purposes~~ perform and supervise any electrical work, and who is licensed as such
83.13 a Class A master electrician by the Board of Electricity commissioner.

83.14 Sec. 2. Minnesota Statutes 2006, section 326.01, subdivision 3, is amended to read:

83.15 Subd. 3. **Class A journeyman electrician.** ~~The term "Class A journeyman~~
83.16 ~~electrician"~~ means ~~a person~~ an individual having the necessary qualifications, training,
83.17 experience, and technical knowledge to install, alter, repair, and supervise the installing,
83.18 altering, or repairing of electrical wiring, apparatus, and equipment for light, heat, power,
83.19 and other purposes, and who is licensed as such a Class A journeyman electrician by the
83.20 Board of Electricity commissioner.

83.21 Sec. 3. Minnesota Statutes 2006, section 326.01, subdivision 4, is amended to read:

83.22 Subd. 4. **Special electrician.** ~~The term "Special electrician" means a person having~~
83.23 ~~the necessary qualifications, training, experience, and technical knowledge to install, alter,~~
83.24 ~~repair, and supervise the installing, altering, or repairing of special classes of electrical~~
83.25 ~~wiring, apparatus, or equipment for light, heat, power, and other purposes or for special~~
83.26 ~~classes of electrical work who is~~ an individual ~~licensed as such by the Board of Electricity.~~
83.27 ~~The scope of any special electrician license created by the board under section 326.242,~~
83.28 ~~subdivision 4, shall be limited to that provided for by the rules adopted by the board.~~
83.29 commissioner as an elevator constructor, lineman, maintenance electrician, or master
83.30 elevator constructor.

83.31 Sec. 4. Minnesota Statutes 2006, section 326.01, subdivision 5, is amended to read:

84.1 Subd. 5. **Contractor.** ~~The term "Contractor" means a person, partnership, or~~
84.2 ~~corporation operating a business that undertakes~~ who performs or offers to undertake to

84.3 ~~plan for, lay out, or install or to make additions, alterations, or repairs in the installation~~
84.4 ~~of electrical wiring, apparatus, or equipment for light, heat, power, and other purposes~~
84.5 ~~perform any electrical work, with or without compensation, who is licensed as such a~~
84.6 ~~contractor by the Board of Electricity commissioner. A contractor's license does not of~~
84.7 ~~itself qualify its holder to perform or supervise the electrical work authorized by holding~~
84.8 ~~any class of electrician's or other personal electrical license. Contractor includes electrical~~
84.9 ~~contractors and technology system contractors.~~

84.10 Sec. 5. Minnesota Statutes 2006, section 326.01, subdivision 6, is amended to read:

84.11 Subd. 6. **Class B master electrician.** ~~The term~~ "Class B master electrician"
84.12 means ~~a person~~ an individual having the necessary qualifications, training, experience,
84.13 and technical knowledge to ~~install, alter, repair, plan, lay out,~~ perform and supervise
84.14 ~~the installing, altering, and repairing of electrical wiring, apparatus, and equipment~~ any
84.15 electrical work for single phase systems of not over 200 ampere capacity for light, heat,
84.16 power, and other purposes on any farm or in any single family dwelling located in any
84.17 town or municipality which has a population of less than ~~2500~~ 2,500 inhabitants, and who
84.18 is licensed as ~~such~~ a Class B master electrician by the Board of Electricity commissioner.

84.19 Sec. 6. Minnesota Statutes 2006, section 326.01, subdivision 6a, is amended to read:

84.20 Subd. 6a. **Class B journeyman electrician.** ~~The term~~ "Class B journeyman
84.21 electrician" means ~~a person~~ an individual having the necessary qualifications, training,
84.22 experience, and technical knowledge to install, alter, repair, and supervise the installing,
84.23 altering, or repairing of electrical wiring, apparatus, and equipment for single phase
84.24 systems of not more than 200 ampere capacity for light, heat, power, and other purposes
84.25 on any farm or in any single family dwelling located in any town or municipality which
84.26 has a population of less than ~~2500~~ 2,500 inhabitants, and who is licensed as ~~such~~ a Class B
84.27 journeyman electrician by the Board of Electricity commissioner.

84.28 Sec. 7. Minnesota Statutes 2006, section 326.01, subdivision 6b, is amended to read:

84.29 Subd. 6b. **Class A installer.** ~~The term~~ "Class A installer" means ~~a person~~ an
84.30 individual who has the necessary qualifications, training, experience, and technical
84.31 knowledge to properly lay out and install electrical wiring, apparatus, and equipment for
84.32 major electrical home appliances and such other electrical equipment as is determined by
84.33 ~~the state Board of Electricity commissioner~~ pursuant to section 326.242, subdivision 3,
85.1 on the load side of the main service on farmsteads or in any town or municipality with
85.2 less than 1,500 inhabitants, which is not contiguous to a city of the first class and does not

85.3 contain an established business of a master electrician, and who is licensed as ~~such~~ a Class
85.4 A installer by the ~~state Board of Electricity~~ commissioner.

85.5 Sec. 8. Minnesota Statutes 2006, section 326.01, subdivision 6c, is amended to read:

85.6 Subd. 6c. **Class B installer.** ~~The term~~ "Class B installer" means ~~a person~~ an
85.7 individual who has the necessary qualifications, training, experience, and technical
85.8 knowledge to properly lay out and install electrical wiring, apparatus, and equipment
85.9 on center pivot irrigation booms on the load side of the main service on farmsteads,
85.10 and install other electrical equipment determined by the ~~state Board of Electricity~~
85.11 commissioner, and who is licensed as a Class B installer ~~must be licensed by the Board of~~
85.12 Electricity commissioner.

85.13 Sec. 9. Minnesota Statutes 2006, section 326.01, subdivision 6e, is amended to read:

85.14 Subd. 6e. **Owner.** An owner is ~~a natural person~~ an individual who physically
85.15 performs electrical work on premises the ~~person~~ individual owns and actually occupies as
85.16 a residence or owns and will occupy as a residence upon completion of its construction.

85.17 Sec. 10. Minnesota Statutes 2006, section 326.01, subdivision 6f, is amended to read:

85.18 Subd. 6f. **Electrical work.** ~~The term~~ "Electrical work" means the installing,
85.19 altering, repairing, planning, or laying out of electrical wiring, apparatus, or equipment
85.20 for electrical light, heat, power, technology circuits or systems, or other purposes. The
85.21 installing, ~~alteration~~ altering, repairing, planning, or laying out of electrical wiring,
85.22 apparatus, or equipment for electrical light, heat, power, technology circuits or systems,
85.23 or other purposes includes, but is not limited to, the performance of any work ~~governed~~
85.24 regulated by the standards referred to in section 326.243.

85.25 Sec. 11. Minnesota Statutes 2006, section 326.01, subdivision 6g, is amended to read:

85.26 Subd. 6g. **Personal Direct supervision.** ~~The term "personal~~ "Direct supervision"
85.27 means ~~that a person licensed to perform electrical work oversees and directs the electrical~~
85.28 ~~work performed by an unlicensed person such that:~~

85.29 (1) ~~the licensed person actually reviews the electrical work performed by the~~
85.30 ~~unlicensed person~~ an unlicensed individual is being supervised by an individual licensed
85.31 to perform the electrical work being supervised;

86.1 (2) during the entire working day of the unlicensed individual, the licensed individual
86.2 is present at the location where the unlicensed individual is performing electrical work;

(3) the licensed ~~person~~ individual is immediately available to the unlicensed ~~person~~ individual at all times for assistance and direction;

(4) the licensed individual actually reviews the electrical work performed by the unlicensed individual before the electrical work is operated; and

~~(3)~~ (5) the licensed ~~person~~ individual is able to and does determine that all electrical work performed by the unlicensed ~~person~~ individual is performed in compliance with section 326.243.

~~The licensed person is responsible for the compliance with section 326.243 of all electrical work performed by the unlicensed person.~~

Sec. 12. Minnesota Statutes 2006, section 326.01, subdivision 6j, is amended to read:

Subd. 6j. **Residential dwelling.** A "residential dwelling" is ~~an individual dwelling of a single dwelling unit that is contained in~~ a one-family, two-family, or multifamily dwelling as defined in the National Electrical Code pursuant to section 326.243, ~~including its garage or accessory building.~~ A residential dwelling includes a garage and accessory building that can only be used by the residents of the single dwelling unit.

Sec. 13. Minnesota Statutes 2006, section 326.01, subdivision 6k, is amended to read:

Subd. 6k. **Power limited technician.** ~~The term~~ "Power limited technician" means ~~a person~~ an individual having the necessary qualifications, training, experience, and technical knowledge to install, alter, repair, plan, lay out, and supervise the installing, altering, and repairing of electrical wiring, apparatus, and equipment for technology circuits or systems, and who is licensed as such a power limited technician by the Board of Electricity commissioner.

Sec. 14. Minnesota Statutes 2006, section 326.01, subdivision 6l, is amended to read:

Subd. 6l. **Technology circuits or systems.** "Technology circuits or systems" means class 2 or class 3 circuits or systems for, but not limited to, remote control, signaling, control, alarm, and audio signal, including associated components as covered by the National Electrical Code, articles 640, 645, 650, 725, 760, 770, and 780, and which are isolated from circuits or systems other than class 2 or class 3 by a demarcation and are not process control circuits or systems; antenna and communication circuits or systems as covered by chapter 8 of the National Electrical Code; and circuitry and equipment for indoor lighting and outdoor landscape lighting systems that are supplied by the secondary circuit of an isolating power supply operating at 30 volts or less as covered by the National Electrical Code, article 411. The planning, laying out, installing, altering, and repairing

of technology circuits or systems must be performed in accordance with the applicable requirements of the National Electrical Code pursuant to section 326.243.

Sec. 15. Minnesota Statutes 2006, section 326.241, is amended to read:

326.241 ~~BOARD OF ELECTRICITY~~ ELECTRICAL ADVISORY COUNCIL.

Subdivision 1. **Composition.** ~~The Board of Electricity~~ Electrical Advisory Council shall be advisory to the commissioner and shall consist of 11 members; who are residents of the state; and appointed by the governor of whom commissioner. Two members shall be representatives of the electrical suppliers in the rural areas of the state; two shall be master electricians, who shall be contractors; two shall be journeyman electricians; one registered consulting shall be a licensed electrical engineer; two shall be power limited technicians, who shall be technology system contractors primarily engaged in the business of installing technology circuits or systems; and two; one shall be a public members member as defined by section 214.02; and one shall be a department employee designated by the commissioner. The commissioner may also appoint one or more alternates for each member of the advisory council. ~~Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09. The provision of staff, administrative services and office space, the review and processing of complaints, the setting of board fees, and other provisions relating to board operations shall be as provided in chapter 214.~~

Subd. 1a. **Organization.** (a) The advisory council shall be organized and administered according to section 15.059, except that, notwithstanding any other law to the contrary, the advisory council shall not expire. Upon the commissioner's request, the advisory council shall form a complaint committee, a technical committee, a technical program committee, and any other committee that the commissioner directs. Each committee shall render advice to the commissioner without referring matters to the full advisory council, unless the committee determines that referral of a technical matter to the full advisory council is appropriate.

(b) The complaint committee shall consist of three members of the advisory council who are not department employees, plus one department employee designated by the commissioner. The department employee shall be a nonvoting member of the committee regardless of whether that employee is a member of the advisory council. The complaint committee shall, upon the commissioner's request, advise the commissioner regarding the disposition of complaints filed with or information received by the commissioner alleging or indicating violations of sections 326B.32 to 326B.399.

(c) The technical committee shall consist of one department employee designated by the commissioner and at least one member but no more than three members of the advisory council. The technical committee shall, upon the commissioner's request, advise the commissioner regarding technical electrical code issues and proposed licensing examinations.

(d) The technical program committee shall consist of two department employees designated by the commissioner and at least one member but no more than three members of the advisory council. The technical program committee shall, upon the commissioner's request, advise the commissioner regarding experience credits for technical programs.

Subd. 2. **Powers Duties.** ~~The board, or the complaint committee on behalf of the board where authorized by law,~~ advisory council shall have power to meet at least four times per year and shall:

(1) elect its own officers-, who shall select advisory council members to serve on the complaint committee, the technical committee, the technical program committee, and any other committee directed by the commissioner;

(2) ~~Engage and fix the compensation of inspectors, and hire employees. The salary of the executive secretary shall be established pursuant to chapter 43A. All agents and employees other than contract inspectors shall be in the classified service and shall be compensated pursuant to chapter 43A. All inspectors shall hold licenses as master or journeyman electricians under section 326.242, subdivision 1(1) or 2(1), and shall give bond in an amount fixed by the board, conditioned upon the faithful performance of their duties.~~ select an advisory council member to serve on the Construction Codes Advisory Council established in section 326B.07;

(3) ~~Pay such other expenses as it may deem necessary in the performance of its duties, including rent, supplies, and such like.~~ at the request of the commissioner, advise the commissioner on issues related to the electrical industry; and

(4) ~~Enforce the provisions of sections 326.241 to 326.248, and provide, upon request, such additional voluntary inspections and reviews as it may deem appropriate at the request of an advisory council committee, provide advice to that committee or to the commissioner on technical issues.~~

(5) ~~Issue, renew, refuse to renew, suspend, temporarily suspend, and revoke licenses, censure licensees, assess civil penalties, issue cease and desist orders, and seek injunctive relief and civil penalties in court as authorized by section 326.242 and other provisions of Minnesota law.~~

~~(6) Adopt reasonable rules to carry out its duties under sections 326.241 to 326.248 and to provide for the amount and collection of fees for inspection and other services. All rules shall be adopted in accordance with chapter 14.~~

~~Subd. 3. **Fees and finances; disposition.** All fees collected under the provisions of sections 326.241 to 326.248 are to be credited to a special account in the state treasury. Money in the account is appropriated to the Board of Electricity to administer and enforce sections 326.241 to 326.248, to pay indirect costs, to compensate contract electrical inspectors for inspections performed, and to make refunds.~~

EFFECTIVE DATE. The repeal of subdivision 3 is effective July 1, 2007.

Sec. 16. Minnesota Statutes 2006, section 326.242, is amended to read:

326.242 LICENSES.

Subdivision 1. **Master electrician.** Except as otherwise provided by law, no ~~person~~ individual shall ~~install, alter, repair, plan, lay out, or supervise the installing, altering, or repairing of electrical wiring, apparatus, or equipment for light, heat, power, or other purposes~~ perform or supervise electrical work unless the ~~person~~ individual is: (a) licensed by the ~~board~~ commissioner as a master electrician; and (b)(i) the electrical work is for a licensed contractor and the ~~person~~ individual is an employee, partner, or officer of, or is the licensed contractor, or (ii) the electrical work is performed for the ~~person's~~ individual's employer on ~~electric~~ electrical wiring, apparatus, equipment, or facilities that are owned or leased by the employer ~~which is~~ and that are located within the limits of property ~~which is~~ operated, maintained, and either owned or leased ~~and operated and maintained~~ by the employer.

(1) An applicant for a Class A master ~~electrician's~~ electrician license shall (a) be a graduate of a four-year electrical course ~~in~~ offered by an accredited college or university; or (b) shall have had at least one ~~year's~~ year of experience, acceptable to the ~~board~~ commissioner, as a licensed journeyman; or (c) shall have had at least five years' experience, acceptable to the ~~board~~ commissioner, in planning for, laying out, supervising and installing wiring, apparatus, or equipment for electrical light, heat and power.

(2) As of August 1, 1985, no new Class B master ~~electrician's~~ electrician licenses shall be issued. An individual who has a Class B master ~~electrician's~~ electrician license as of August 1, 1985, may retain and renew the license and exercise the privileges it grants, which include electrical work limited to single phase systems, not over 200 amperes in capacity, on farmsteads or single-family dwellings located in towns or municipalities with fewer than 2,500 inhabitants.

Subd. 2. **Journeyman electrician.** (a) Except as otherwise provided by law, no ~~person~~ individual shall install, alter, repair, or supervise the installing, altering, or repairing of electrical wiring, apparatus, or equipment for electrical light, heat, power, or other purposes unless:

(1) the ~~person~~ individual is licensed by the ~~board~~ commissioner as a journeyman electrician; and

(2) the electrical work is:

(i) for a contractor and the ~~person~~ individual is an employee, partner, or officer of the licensed contractor; or

(ii) performed under the supervision of a master electrician also employed by the ~~person's~~ individual's employer on electrical wiring, apparatus, equipment, or facilities that are owned or leased by the employer and that is are located within the limits of property operated, maintained, and either owned or leased, ~~operated, and maintained~~ by the employer.

(b) An applicant for a Class A journeyman ~~electrician's~~ electrician license shall have had at least four years of experience, acceptable to the ~~board~~ commissioner, in wiring for, installing, and repairing electrical wiring, apparatus, or equipment, provided however, that the ~~board~~ commissioner may by rule ~~provide for the allowance of~~ allow one year of experience credit for the successful completion of a two-year post high school electrical course approved by the ~~board~~ commissioner.

(c) As of August 1, 1985, no new Class B journeyman ~~electrician's~~ electrician licenses shall be issued. An individual who holds a Class B journeyman ~~electrician's~~ electrician license as of August 1, 1985, may retain and renew the license and exercise the privileges it grants, which include electrical work limited to single phase systems, not over 200 amperes in capacity, on farmsteads or on single-family dwellings located in towns or municipalities with fewer than 2,500 inhabitants.

Subd. 3. **Class A installer.** Notwithstanding the provisions of subdivisions 1, 2, and 6, any ~~person~~ individual holding a Class A installer license may lay out and install and supervise the laying out and installing of electrical wiring, apparatus, or equipment for major electrical home appliances on the load side of the main service on farmsteads and in any town or municipality with fewer than 1,500 inhabitants, which is not contiguous to a city of the first class and does not contain an established business of a contractor. As of December 1, 2007, no new Class A installer licenses shall be issued. An individual who holds a Class A installer license as of December 1, 2007, may retain and renew the license and exercise the privileges it grants.

91.1 Subd. 3a. **Class B installer.** Notwithstanding the provisions of subdivisions 1, 2
91.2 and 6, any ~~person~~ individual holding a Class B installer license may lay out and install
91.3 electrical wiring, apparatus and equipment on center pivot irrigation booms on the load
91.4 side of the main service on farmsteads, and install such other electrical equipment as is
91.5 ~~determined~~ approved by the ~~board~~ commissioner.

91.6 Subd. 3b. **Coursework or experience.** An applicant for a Class A or B installer
91.7 license shall have completed a post high school course in electricity ~~acceptable to~~
91.8 approved by the board commissioner or shall have had at least one ~~year's~~ year of
91.9 experience, ~~acceptable to~~ approved by the board commissioner, in electrical wiring.

91.10 Subd. 3c. **Bond.** Every Class A and Class B installer, as a condition of licensure,
91.11 shall give bond to the state in the sum of \$1,000 conditioned upon the faithful and lawful
91.12 performance of all work contracted for or entered upon by the installer within the state of
91.13 Minnesota, and such bond shall be for the benefit of persons injured or suffering financial
91.14 loss by reason of failure of such performance. Such bond shall be in lieu of all other
91.15 license bonds to any political subdivision of the state. Such bond shall be written by a
91.16 corporate surety licensed to do business in the state of Minnesota.

91.17 Subd. 3d. **Power limited technician.** (a) Except as otherwise provided by law,
91.18 no ~~person~~ individual shall install, alter, repair, plan, lay out, or supervise the installing,
91.19 altering, ~~or~~ repairing, planning, or laying out of electrical wiring, apparatus, or equipment
91.20 for technology circuits or systems unless:

91.21 (1) the ~~person~~ individual is licensed by the ~~board~~ commissioner as a power limited
91.22 technician; and

91.23 (2) the electrical work is:

91.24 (i) for a licensed contractor and the ~~person~~ individual is an employee, partner, or
91.25 officer of, or is the licensed contractor; or

91.26 (ii) performed under the supervision of a master electrician or power limited
91.27 technician also employed by the ~~person's~~ individual's employer on technology circuits,
91.28 systems, apparatus, equipment, or facilities that are owned or leased by the employer and
91.29 that are located within the limits of property operated, maintained, and either owned or
91.30 leased, ~~operated, and maintained~~ by the employer.

91.31 (b) An applicant for a power limited technician's license shall (1) be a graduate of a
91.32 four-year electrical course ~~in~~ offered by an accredited college or university; or (2) have
91.33 had at least 36 months' experience, acceptable to the ~~board~~ commissioner, in planning
91.34 for, laying out, supervising, ~~and~~ installing, altering, and repairing wiring, apparatus, or
91.35 equipment for power limited systems, provided however, that the ~~board~~ commissioner
91.36 may by rule provide for the allowance of up to 12 months (2,000 hours) of experience

92.1 credit for successful completion of a two-year post high school electrical course or other
92.2 technical training approved by the ~~board~~ commissioner.

92.3 ~~(e) The board may initially set experience requirements without rulemaking, but~~
92.4 ~~must adopt rules before July 1, 2004.~~

92.5 ~~(d) Licensees must attain eight hours of continuing education acceptable to the~~
92.6 ~~board every renewal period.~~

92.7 ~~(e) A person who has submitted an application by June 30, 2003, to take the alarm~~
92.8 ~~and communications examination administered by the board, and who has achieved a~~
92.9 ~~minimal score of 70 percent on the examination by September 30, 2003, may obtain a~~
92.10 ~~power limited technician license without further examination by submitting an application~~
92.11 ~~and a license fee of \$30.~~

92.12 ~~(f)~~ (c) A company holding an alarm and communication license as of June 30, 2003,
92.13 may designate one ~~person~~ individual who may obtain a power limited technician license
92.14 without passing an examination administered by the ~~board~~ commissioner by submitting an
92.15 application and license fee of \$30.

92.16 ~~(g) A person who has submitted an application by September 30, 2005, to take the~~
92.17 ~~power limited technician examination administered by the board is not required to meet~~
92.18 ~~the qualifications set forth in paragraph (b).~~

92.19 Subd. 4. **Special electrician.** Notwithstanding the provisions of subdivisions 1, 2, 6,
92.20 and 7, the ~~board~~ commissioner may by rule provide for the issuance of special electrician
92.21 licenses empowering the licensee to engage in ~~a~~ one or more of the following limited
92.22 class or classes of electrical work, which class or classes shall be specified on the license
92.23 certificate: elevator constructor, lineman, maintenance electrician, and master elevator
92.24 constructor. Each licensee shall have had at least two years of experience, acceptable to
92.25 the ~~board~~ commissioner, in each such limited class of work for which the licensee is
92.26 licensed. The scope of each special electrician license created by the commissioner under
92.27 this section shall be limited to that provided for by the rules adopted by the commissioner.

92.28 Subd. 5. **Unlicensed ~~persons~~ individuals.** (a) An unlicensed ~~person~~ individual
92.29 shall not perform electrical work unless the work is performed under the ~~personal~~ direct
92.30 supervision of ~~a person actually~~ an individual licensed to perform such work and the
92.31 licensed ~~electrician~~ individual and unlicensed ~~persons~~ individual are employed by the
92.32 same employer. Licensed persons shall not permit unlicensed ~~persons~~ individuals to
92.33 perform electrical work except under the ~~personal~~ direct supervision of ~~a person actually~~
92.34 an individual licensed to perform ~~such the electrical~~ work. Unlicensed ~~persons~~ individuals
92.35 shall not supervise the performance of electrical work or make assignments of electrical
92.36 work to unlicensed ~~persons~~ individuals. Except for technology circuit or system work,

each licensed persons individual shall supervise no more than two unlicensed ~~persons~~ individuals. For technology circuit or system work, each licensed persons individual shall supervise no more than three unlicensed ~~persons~~ individuals.

(b) Notwithstanding any other provision of this section, no ~~person~~ individual other than a licensed master electrician or licensed power limited technician shall plan or lay out electrical wiring, apparatus, or equipment for light, heat, power, or other purposes, except circuits or systems exempted from personal licensing by subdivision 12, paragraph (b).

(c) Contractors employing unlicensed ~~persons performing~~ individuals to perform electrical work shall maintain records establishing compliance with this subdivision, ~~which~~ that shall designate identify all unlicensed ~~persons~~ individuals performing electrical work, except for ~~persons~~ individuals working on circuits or systems exempted from personal licensing by subdivision 12, paragraph (b), and shall permit the ~~board~~ commissioner to examine and copy all such records as provided for in section 326.244, subdivision 6.

(d) When a licensed individual supervises the electrical work of an unlicensed individual, the licensed individual is responsible for ensuring that the electrical work complies with the Minnesota Electrical Act and all rules adopted under the act.

Subd. 6. **Contractor's license required.** Except as otherwise provided by law, no ~~person~~ individual other than an employee, partner, or officer of a licensed contractor, as defined by section ~~326.01~~ 326B.31, subdivision ~~5~~ 12, shall ~~undertake~~ perform or offer to ~~undertake to plan for, lay out, supervise or install or to make additions, alterations, or repairs in the installation of electrical wiring, apparatus, and equipment for light, heat, power, and other purposes~~ perform electrical work with or without compensation unless the ~~person~~ individual obtains a contractor's license. A contractor's license does not of itself qualify its holder to perform or supervise the electrical work authorized by holding any class of personal ~~electrical~~ license.

Subd. 6a. **Bond required.** As a condition of licensing, each contractor shall give and maintain bond to the state in the penal sum of \$5,000 \$25,000 conditioned upon the faithful and lawful performance of all work entered upon contracted for or performed by the contractor within the state of Minnesota and such bond shall be for the benefit of persons injured or suffering financial loss by reason of failure of such performance. The bond shall be filed with the board commissioner and shall be in lieu of all other license bonds to any other political subdivision. Such bond shall be written by a corporate surety licensed to do business in the state of Minnesota.

Subd. 6b. **Insurance required.** Each contractor shall have and maintain in effect general liability insurance, which includes premises and operations insurance and products and completed operations insurance, with limits of at least \$100,000 per occurrence,

\$300,000 aggregate limit for bodily injury, and property damage insurance with limits of at least ~~\$25,000~~ \$50,000 or a policy with a single limit for bodily injury and property damage of \$300,000 per occurrence and \$300,000 aggregate limits. Such insurance shall be written by an insurer licensed to do business in the state of Minnesota and each contractor shall maintain on file with the ~~board~~ commissioner a certificate evidencing such insurance which provides that such insurance shall not be canceled without the insurer first giving 15 days written notice to the ~~board~~ commissioner of such cancellation.

Subd. 6c. **Employment of master electrician or power limited technician.** (a) ~~No contractor shall engage in business of electrical contracting unless the contractor employs a licensed Class A master or Class B~~ Each contractor must designate a responsible master electrician, or power limited technician, who shall be responsible for the performance of all electrical work in accordance with the requirements of sections ~~326.241 to 326.248~~ 326B.31 to 326B.399 or any rule or order adopted or issued under these sections. The classes of work ~~for which the~~ that a licensed contractor is authorized to perform shall be limited to ~~those for which such Class A master electrician, Class B master electrician, or power limited technician employed by the contractor~~ the classes of work that the responsible master electrician or power limited electrician is licensed to perform.

(b) When a contractor's license is held by an individual, sole proprietorship, partnership, limited liability company, or corporation and the individual, proprietor, one of the partners, one of the members, or an officer of the corporation, respectively, is not the responsible master electrician or power limited technician ~~of record~~, all requests for inspection shall be signed by the responsible master electrician or power limited technician ~~of record~~. ~~The designated responsible master electrician or power limited technician of record shall be employed by the individual, partnership, limited liability company, or corporation which is applying for a contractor's license and shall not be employed in any capacity as a licensed electrician or licensed technician by any other contractor or employer designated in subdivision 12.~~ If the contractor is an individual or a sole proprietorship, the responsible licensed individual must be the individual, proprietor, or managing employee. If the contractor is a partnership, the responsible licensed individual must be a general partner or managing employee. If the licensed contractor is a limited liability company, the responsible licensed individual must be a chief manager or managing employee. If the contractor is a corporation, the responsible licensed individual must be an officer or managing employee. If the responsible licensed individual is a managing employee, the responsible licensed individual must be actively engaged in performing electrical work on behalf of the contractor, and cannot be employed in any capacity as an electrician

or technician by any other contractor or employer designated in subdivision 12. An individual may be the responsible licensed individual for only one contractor or employer.

(c) All applications and renewals for ~~contractor's~~ contractor licenses ~~and all renewals~~ shall include a verified statement that the applicant or licensee has complied with this subdivision.

Subd. 7. **Examination.** In addition to the other requirements ~~imposed herein~~ described in this section and except as ~~herein otherwise~~ provided in subdivision 11, as a precondition to issuance of a personal license, each applicant must pass a written or oral examination ~~given~~ developed and administered by the ~~board~~ commissioner to ~~insure~~ ensure the competence of each applicant for license. An oral examination shall be administered only to an applicant who furnishes a written statement from a certified teacher or other professional, trained in the area of reading disabilities stating that the applicant has a specific reading disability which would prevent the applicant from performing satisfactorily on a written test. The oral examination shall be structured so that an applicant who passes the examination will not impair the applicant's own safety or that of others while acting as a licensed ~~person~~ individual. No ~~person~~ individual failing an examination may retake it for six months thereafter, but within such six months the ~~person~~ individual may take an examination for a lesser grade of license. Any ~~licensee~~ individual failing to renew a personal license for two years or more after its expiration, and any licensee whose personal license is revoked under this chapter, shall be required to retake the examination before being issued a new license. An individual whose personal license is revoked under any other chapter is not required to retake the examination before being issued a new license, unless the personal license was revoked two years or more before the commissioner received the completed application for a new license. A licensee whose personal license is suspended for any reason is not required to retake the examination before the personal license is reinstated, unless the personal license has not been reinstated within two years after the suspension began.

An applicant for a personal license shall submit to the ~~board~~ commissioner an application and examination fee at the time of application. Upon approval of the application, the ~~board~~ commissioner shall schedule the applicant for the next available examination, which shall be held within 60 days. The applicant shall be allowed one opportunity to reschedule an examination without being required to submit another application and examination fee. Additionally, an applicant who fails an examination, or whose application ~~has been disapproved, must~~ was not approved, shall submit another application and examination fee.

Subd. 8. **License and renewal fees; expiration.** ~~All licenses issued hereunder shall expire in a manner as provided by the board.~~ (a) Unless revoked or suspended under this chapter, all licenses issued or renewed under this section expire on the date specified in this subdivision. Master licenses expire March 1 of each odd-numbered year after issuance or renewal. Electrical contractor licenses expire March 1 of each even-numbered year after issuance or renewal. Technology system contractor licenses expire August 1 of each even-numbered year after issuance or renewal. Journeyman, installer, power limited technician, and special electrician licenses expire two years from the date of original issuance and every two years thereafter.

(b) ~~Fees, as set by the board, shall be payable for application and examination, and for the original issuance and each subsequent renewal of the following, are:~~

(1) For each personal license application and examination: \$35;

~~Class A Master.~~

~~Class B Master.~~

~~Class A Journeyman, Class B Journeyman, Installer, Power Limited Technician, or Special Electrician.~~

(2) For original issuance of original license and each subsequent renewal of:

~~Class A Master; or master special electrician, including master elevator constructor:~~
\$40 per year;

~~Class B Master;~~ \$25 per year;

~~Power Limited Technician;~~ \$15 per year;

~~Class A Journeyman, Class B Journeyman, Installer, or Special Electrician; other than master special electrician:~~ \$15 per year;

~~Electrical contractor;~~ \$100 per year.

~~Technology Systems Contractor.~~

(c) If any new license is issued in accordance with this subdivision for less than two years, the fee for the license shall be prorated on an annual basis.

(d) A license fee may not be refunded after a license is issued or renewed. However, if the fee paid for a license was not prorated in accordance with this subdivision, the amount of the overpayment shall be refunded.

(e) Any contractor who seeks reissuance of a license after it has been revoked or suspended under this chapter shall submit a reissuance fee of \$100 before the license is reinstated.

(f) The fee for the issuance of each duplicate license is \$15.

~~(3)~~ (g) An individual or contractor who fails to renew a license before 30 days after the expiration of the license must submit a late fee equal to one year's license fee in

addition to the full renewal fee. Fees for renewed licenses are not prorated. An individual or contractor that fails to renew a license by the expiration date is unlicensed until the license is renewed.

Subd. 8a. Continuing education. The commissioner shall adopt rules governing continuing education requirements for individuals licensed under this section. Notwithstanding the provisions of section 14.125, the commissioner shall publish a notice of intent to adopt rules or a notice of hearing with respect to the proposed continuing education rules by January 4, 2010. Until such rules are effective, the commissioner shall enforce the continuing education requirements of Minnesota Rules, parts 3800.3601 to 3800.3603.

~~Subd. 9. Denial, suspension, and revocation of licenses.~~ The board may by order deny, suspend, revoke, or refuse to renew a license, or may censure a licensee if the board finds (1) in its discretion that the order is in the public interest and (2) that, based upon a preponderance of the evidence presented, the applicant or licensee:

~~(a) has filed an application for a license which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it is made, is false or misleading with respect to any material fact;~~

~~(b) has engaged in any fraudulent, deceptive, or dishonest act or practice;~~

~~(c) has been convicted within the past five years of a misdemeanor involving a violation of sections 326.241 to 326.248;~~

~~(d) has violated or failed to comply with sections 326.241 to 326.248 or any rule or order adopted or issued under these sections; or~~

~~(e) has, in the conduct of the applicant's or licensee's affairs, including, but not limited to, the performance of electrical work, been shown to be incompetent or untrustworthy.~~

~~If a licensee engages in conduct that is proven by a preponderance of the evidence to be a basis for discipline pursuant to paragraphs (a) to (e), the conduct shall constitute a violation of this subdivision. The board may take action under this subdivision or any other law authorizing action against a licensee regardless of whether the underlying conduct was willful.~~

~~The board may adopt rules further specifying and defining actions, conduct, and omissions that constitute fraudulent, deceptive, dishonest, or prohibited practices, and establishing standards of conduct for applicants and licensees.~~

~~Subd. 9a. Civil penalties.~~ Whenever a preponderance of the evidence presented proves that a person has violated or failed to comply with sections 326.241 to 326.248 or

~~any rule or order adopted or issued under these sections, the board may impose a civil penalty upon the person in an amount not to exceed \$10,000 per violation.~~

~~Subd. 9b. **Orders for hearing.** The complaint committee may, on behalf of the board, issue an order requiring a licensee or an applicant for a license to appear at a hearing on the issue of whether the license should be revoked or suspended, the licensee censured, the application denied, or a civil penalty imposed. The order shall be calculated to give reasonable notice of the time and place for hearing, and shall state the reasons for the entry of the order. All hearings shall be conducted in accordance with chapter 14. After the hearing, the board shall enter an order making a disposition of the matter as the facts require. If the licensee or applicant fails to appear at a hearing of which that person has been duly notified, the person is in default and the proceeding may be determined against that person upon consideration of the order for hearing, the allegations of which may be deemed to be true.~~

~~Subd. 9c. **Temporary suspension.** (a) The complaint committee may, on behalf of the board and in the public interest, temporarily suspend a license pending final determination of an order for hearing. The complaint committee shall not issue a temporary suspension order until an investigation of the facts has been conducted pursuant to section 214.10 by the attorney general. The complaint committee shall issue a temporary suspension order only when the safety of life or property is threatened or to prevent the commission of fraudulent, deceptive, or dishonest acts against the public. Service of the temporary suspension order is effective if the order is served on the licensee or counsel of record personally or by first class mail to the most recent address provided to the board for the licensee or the counsel of record.~~

~~(b) If a license is suspended pending final determination of an order for hearing, a hearing on the merits shall be held within 45 days of the issuance of the order of temporary suspension. The administrative law judge shall issue a report within 30 days after closing of the contested case hearing record. The board shall issue a final order within 30 days after receipt of that report and any exceptions.~~

~~(c) If the licensee requests a hearing in writing within ten days of service of the order, the board shall hold a hearing before its own members on the sole issue of whether there is a reasonable basis to continue, modify, or vacate the temporary suspension. The board shall hold the hearing within five working days of the licensee's request for hearing. Evidence presented by the complaint committee or licensee shall be in affidavit form only. The licensee or counsel of record for the licensee may appear for oral argument. Within five working days after the hearing, the board shall issue its order either continuing or vacating the temporary suspension.~~

~~Subd. 9d. **Cease and desist order.** (a) Whenever it appears to the complaint committee that any person has engaged or is about to engage in any act or practice constituting a violation of sections 326.241 to 326.248, any other law authorizing the issuance of a cease and desist order, or any rule or order adopted or issued under these sections, the complaint committee may, on behalf of the board, issue and cause to be served upon the person an order requiring the person to cease and desist from violating sections 326.241 to 326.248 or any rule or order adopted or issued under these sections. The complaint committee shall not issue a cease and desist order until an investigation of the facts has been conducted pursuant to section 214.10 by the attorney general. The order shall be calculated to give reasonable notice of the right of the person to request a hearing and shall state the reasons for the entry of the order. If no hearing is requested of the board within 15 days of service of the order, the order shall become final and shall remain in effect until it is modified or vacated by the board and shall not be reviewable by a court.~~

~~(b) A hearing shall be held not later than 30 days from the date of the board's receipt of a written hearing request, unless otherwise agreed by the person requesting the hearing and the complaint committee. Within 30 days of receipt of the administrative law judge's report and any exceptions, the board shall issue a final order modifying, vacating, or making permanent the cease and desist order as the facts require. The final order remains in effect until modified or vacated by the board.~~

~~Subd. 9e. **Costs of proceeding.** The board may impose a fee to reimburse the board for all or part of the cost of the proceedings resulting in disciplinary action or the imposition of civil penalties or the issuance of a cease and desist order. Such fees include, but are not limited to, the amount paid by the board for services from the office of administrative hearings, attorney fees, court reporters, witnesses, reproduction of records, board members' per diem compensation, board staff time, and expense incurred by board members and staff.~~

~~Subd. 9f. **District court action, injunctive relief and civil penalties.** (a) Whenever it appears to the board, or the complaint committee if authorized by the board, that any person has engaged or is about to engage in any act or practice constituting a violation of sections 326.241 to 326.248 or any rule or order adopted or issued under these sections, the board, or the complaint committee if authorized by the board, may bring an action in the name of the board in the Ramsey County District Court or the district court of any other county in which venue is proper.~~

~~(b) The action may be brought to enjoin the acts or practices and to enforce compliance with sections 326.241 to 326.248, any other law authorizing a civil or injunctive action, or any rule or order adopted or issued under these sections and for a civil~~

penalty not to exceed \$10,000 for each separate violation of sections 326.241 to 326.248, any other law authorizing a civil or injunctive action, or any rule or order adopted or issued under these sections.

~~(e) A temporary restraining order and other temporary injunctive relief shall be granted in the proceeding whenever it appears that any person has engaged in or is about to engage in any act, conduct, or practice constituting violation of sections 326.241 to 326.248, any other law authorizing a civil or injunctive action, or any rule or order adopted or issued under these sections. The board shall not be required to show irreparable harm.~~

~~Subd. 9g. **Other remedies.** The issuance of a cease and desist order or injunctive relief under this section does not relieve a person from criminal prosecution by any competent authority or from disciplinary action by the board and does not prevent the board from exercising any other authority granted to it.~~

~~Subd. 9h. **Powers additional.** The powers contained in subdivisions 9 to 9g are in addition to all other powers of the board.~~

~~Subd. 9i. **Cooperation required.** A person who is the subject of an investigation, or who is questioned in connection with an investigation, by or on behalf of the board or its complaint committee shall cooperate fully with the investigation. Cooperation includes, but is not limited to:~~

~~(1) responding fully and promptly to questions raised by or on behalf of the board or its complaint committee relating to the subject of the investigation;~~

~~(2) providing copies of records in the person's possession related to the matter under investigation as requested by the board, its complaint committee, or the attorney general within the time limit set by the board, its complaint committee, or the attorney general;~~

~~(3) assisting the board, its complaint committee, or the attorney general in its investigation; and~~

~~(4) appearing at conferences or hearings scheduled by the board or its complaint committee.~~

~~Subd. 9j. **Disciplinary proceedings closed.** Proceedings held before the board or its complaint committee under chapter 214 or subdivisions 9 to 9d are exempt from the requirements of section 13D.01.~~

~~Subd. 9k. **Conflicts of law.** If there is a conflict between sections 326.241 to 326.248 and chapter 214, sections 326.241 to 326.248 shall control.~~

~~Subd. 10. **Continuation of business by estates.** Upon the death of a master who is a contractor, the board may permit the decedent's representative to carry on the business of the decedent for a period not in excess of six months, for the purpose of completing work under contract or otherwise to comply with sections 326.241 to 326.248. The~~

101.1 ~~representative shall give such bond as the board may require conditioned upon the faithful~~
101.2 ~~and lawful performance of such work and such bond shall be for the benefit of persons~~
101.3 ~~injured or suffering financial loss by reason of failure of such performance. Such bond~~
101.4 ~~shall be written by a corporate surety licensed to do business in the state of Minnesota.~~
101.5 ~~Such representative shall also comply with all public liability and property damage~~
101.6 ~~insurance requirements imposed by this chapter upon a licensed contractor.~~

101.7 Subd. 11. **Reciprocity Comity.** ~~To the extent that any other state which provides~~
101.8 ~~for the licensing of electricians provides for similar action the board may grant licenses,~~
101.9 ~~without examination, of the same grade and class to an electrician who has been licensed~~
101.10 ~~by such other state for at least one year, upon payment by the applicant of the required~~
101.11 ~~fee and upon the board being furnished with proof that the required fee and upon the~~
101.12 ~~board being furnished with proof that the qualifications of the applicant are equal to the~~
101.13 ~~qualifications of holders of similar licenses in Minnesota.~~ If the commissioner has entered
101.14 into an agreement with another state or group of states, the commissioner may issue
101.15 a personal license without requiring the applicant to pass an examination. To receive a
101.16 personal license under this subdivision, the applicant must submit an application under
101.17 section 326B.33, pay the fee required under section 326B.33, and hold a comparable
101.18 license in a state participating in the agreement. Agreements are subject to the following:

101.19 (1) The parties to the agreement must administer a statewide licensing program that
101.20 includes examination and qualifying experience or training.

101.21 (2) The experience or training requirement under which an individual applicant
101.22 qualified for examination in the qualifying state must be deemed equal to or greater than
101.23 required for an applicant making application in Minnesota at the time the applicant
101.24 acquired the license in the qualifying state.

101.25 (3) The applicant must have acquired the license in the qualifying state through an
101.26 examination deemed equivalent to the same class of license examination in Minnesota.
101.27 A lesser class of license may be granted where the applicant has acquired a greater
101.28 class of license in the qualifying state and the applicant otherwise meets the conditions
101.29 of this subdivision.

101.30 (4) At the time of application, the applicant must hold a valid license in the
101.31 qualifying state and have held the license continuously for at least one year before making
101.32 application in Minnesota.

101.33 (5) An applicant is not eligible for a license under this subdivision if the applicant
101.34 has failed the same or greater class of license examination in Minnesota, or if the
101.35 applicant's Minnesota license of the same or greater class has been revoked or suspended.

102.1 (6) An applicant who has failed to renew a personal license for two years or more
102.2 after its expiration is not eligible for a license under this subdivision.

102.3 Subd. 12. **Exemptions from licensing.** (a) An individual who is a maintenance
102.4 electrician who is supervised by the responsible master electrician for a contractor who
102.5 has contracted with the maintenance electrician's employer to provide services for which
102.6 a contractor's license is required or by a master electrician or an electrical engineer
102.7 registered with the board and who is an employee of an employer and is engaged in the
102.8 maintenance, and repair of electrical equipment, apparatus, and facilities owned or leased
102.9 by the employer, and performed within the limits of property which is owned or leased
102.10 and operated and maintained by said employer, shall is not be required to hold or obtain a
102.11 license under sections ~~326.241 to 326.248~~. 326B.31 to 326B.399 if:

102.12 (1) the individual is engaged in the maintenance and repair of electrical equipment,
102.13 apparatus, and facilities that are owned or leased by the individual's employer and that are
102.14 located within the limits of property operated, maintained, and either owned or leased by
102.15 the individual's employer;

102.16 (2) the individual is supervised by:

102.17 (i) the responsible master electrician for a contractor who has contracted with the
102.18 individual's employer to provide services for which a contractor's license is required; or

102.19 (ii) a licensed master electrician, a licensed maintenance electrician, an electrical
102.20 engineer, or, if the maintenance and repair work is limited to technology circuit and system
102.21 work, a licensed power limited technician; and

102.22 (3) the individual's employer has filed with the commissioner a certificate of
102.23 responsible person, signed by the responsible master electrician of the contractor, the
102.24 licensed master electrician, the licensed maintenance electrician, the electrical engineer, or
102.25 the licensed power limited technician, and stating that the person signing the certificate is
102.26 responsible for ensuring that the maintenance and repair work performed by the employer's
102.27 employees complies with the Minnesota Electrical Act and the rules adopted under that act.

102.28 (b) Employees of a licensed electrical or technology systems contractor or other
102.29 employer where provided with supervision by a master electrician in accordance with
102.30 subdivision 1, or power limited technician in accordance with subdivision 3d, paragraph
102.31 (a), clause (1), are not required to hold a license under sections ~~326.241 to 326.248~~
102.32 326B.31 to 326B.399 for the planning, laying out, installing, altering, and repairing of
102.33 technology circuits or systems except planning, laying out, or installing:

102.34 (1) in other than residential dwellings, class 2 or class 3 remote control circuits that
102.35 control circuits or systems other than class 2 or class 3, except circuits that interconnect

103.1 these systems through communication, alarm, and security systems are exempted from
103.2 this paragraph;

103.3 (2) class 2 or class 3 circuits in electrical cabinets, enclosures, or devices containing
103.4 physically unprotected circuits other than class 2 or class 3; or

103.5 (3) technology circuits and systems in hazardous classified locations as covered by
103.6 chapter 5 of the National Electrical Code.

103.7 (c) Companies and their employees that plan, lay out, install, alter, or repair class
103.8 2 and class 3 remote control wiring associated with plug or cord and plug connected
103.9 appliances other than security or fire alarm systems installed in a residential dwelling are
103.10 not required to hold a license under sections ~~326.241 to 326.248~~ 326B.31 to 326B.399.

103.11 (d) Heating, ventilating, air conditioning, and refrigeration contractors and their
103.12 employees are not required to hold or obtain a license under sections ~~326.241 to~~
103.13 ~~326.248~~ 326B.31 to 326B.399 when performing heating, ventilating, air conditioning, or
103.14 refrigeration work as described in section 326.245.

103.15 (e) Employees of any ~~electric~~ electrical, communications, or railway utility, cable
103.16 communications company as defined in section 238.02, or a telephone company as defined
103.17 under section 237.01 or its employees, or of any independent contractor performing work
103.18 on behalf of any such utility, cable communications company, or telephone company, shall
103.19 not be required to hold a license under sections ~~326.241 to 326.248~~ 326B.31 to 326B.399:

103.20 (1) while performing work on installations, materials, or equipment which are owned
103.21 or leased, and operated and maintained by such utility, cable communications company, or
103.22 telephone company in the exercise of its utility, antenna, or telephone function, and which

103.23 (i) are used exclusively for the generation, transformation, distribution, transmission,
103.24 or metering of electric current, or the operation of railway signals, or the transmission
103.25 of intelligence and do not have as a principal function the consumption or use of electric
103.26 current or provided service by or for the benefit of any person other than such utility, cable
103.27 communications company, or telephone company, and

103.28 (ii) are generally accessible only to employees of such utility, cable communications
103.29 company, or telephone company or persons acting under its control or direction, and

103.30 (iii) are not on the load side of the service point or point of entrance for
103.31 communication systems;

103.32 (2) while performing work on installations, materials, or equipment which are a part
103.33 of the street lighting operations of such utility; or

103.34 (3) while installing or performing work on outdoor area lights which are directly
103.35 connected to a utility's distribution system and located upon the utility's distribution poles,

104.1 and which are generally accessible only to employees of such utility or persons acting
104.2 under its control or direction.

104.3 (f) An owner shall not be required to hold or obtain a license under sections ~~326.241~~
104.4 ~~to 326.248~~ 326B.31 to 326B.399.

104.5 **EFFECTIVE DATE.** This section is effective December 1, 2007, except that the
104.6 amendments to subdivision 8 are effective July 1, 2007.

104.7 Sec. 17. Minnesota Statutes 2006, section 326.243, is amended to read:

104.8 **326.243 SAFETY STANDARDS.**

104.9 All electrical wiring, apparatus and equipment for ~~electric~~ electrical light, heat and
104.10 power, technology circuits or systems shall comply with the rules of the department of
104.11 ~~Commerce or the Department of Labor and Industry, as applicable,~~ and be installed in
104.12 conformity with accepted standards of construction for safety to life and property. For the
104.13 purposes of this chapter, the rules and safety standards stated at the time the work is done
104.14 in the then most recently published edition of the National Electrical Code as adopted by
104.15 the National Fire Protection Association, Inc. and approved by the American National
104.16 Standards Institute, and the National Electrical Safety Code as published by the Institute
104.17 of Electrical and Electronics Engineers, Inc. and approved by the American National
104.18 Standards Institute, shall be prima facie evidence of accepted standards of construction
104.19 for safety to life and property; provided further, that in the event a Minnesota Building
104.20 Code is formulated pursuant to section 16B.61, containing approved methods of electrical
104.21 construction for safety to life and property, compliance with said methods of electrical
104.22 construction of said Minnesota Building Code shall also constitute compliance with this
104.23 section, and provided further, that nothing herein contained shall prohibit any political
104.24 subdivision from making and enforcing more stringent requirements than set forth herein
104.25 and such requirements shall be complied with by all licensed electricians working within
104.26 the jurisdiction of such political subdivisions.

104.27 Sec. 18. Minnesota Statutes 2006, section 326.244, subdivision 1, is amended to read:

104.28 Subdivision 1. **Required inspection.** Except where any political subdivision has by
104.29 ordinance provided for electrical inspection similar to that herein provided, every new
104.30 electrical installation in any construction, remodeling, replacement, or repair, except minor
104.31 repair work as the same is defined by the ~~board~~ commissioner by rule, shall be inspected
104.32 by the ~~board~~ commissioner for compliance with accepted standards of construction for
104.33 safety to life and property.

105.1 Sec. 19. Minnesota Statutes 2006, section 326.244, subdivision 1a, is amended to read:

105.2 Subd. 1a. **Technology systems.** (a) The installation of the technology circuits or
105.3 systems described in paragraph (b), except:

105.4 (1) minor work performed by a contractor;

105.5 (2) work performed by a heating, ventilating, or air conditioning contractor as
105.6 described in section 326.245; and

105.7 (3) work performed by cable company employees when installing cable
105.8 communications systems or telephone company employees when installing telephone
105.9 systems,

105.10 must be inspected as provided in this section for compliance with the applicable provisions
105.11 of the National Electrical Code and the applicable provisions of the National Electrical
105.12 Safety Code, as those codes were approved by the American National Standards Institute.

105.13 (b) The inspection requirements in paragraph (a) apply to:

105.14 (1) ~~remote control circuits controlling~~ class 2 or class 3 remote control circuits that
105.15 control circuits or systems other than class 2 or class 3 ~~and indoor lighting~~, except circuits
105.16 that interconnect these systems exempted by section 326.242, subdivision 12, paragraph
105.17 (b), other than fire alarm; class 2 or class 3 circuits in electrical cabinets, enclosures,
105.18 or devices containing physically unprotected circuits other than class 2 or class 3; or
105.19 technology circuits and systems in hazardous classified locations as covered by chapter 5
105.20 of the National Electrical Code;

105.21 (2) fire alarm systems, other than in one- or two-family dwellings, as defined in
105.22 articles 100 and 760 of the National Electrical Code;

105.23 (3) technology circuits and systems contained within critical care areas of health
105.24 care facilities as defined by the safety standards identified in section 326.243, including,
105.25 but not limited to, anesthesia and resuscitative alarm and alerting systems, medical
105.26 monitoring, and nurse call systems; ~~and~~

105.27 (4) physical security systems within detention facilities; and

105.28 (5) circuitry and equipment for indoor lighting systems as defined in article 411
105.29 of the National Electrical Code.

105.30 (c) For the purposes of this subdivision "minor work" means the adjustment or repair
105.31 and replacement of worn or defective parts of a technology circuit or system. Minor work
105.32 may be inspected under this section at the request of the owner of the property or the
105.33 person doing the work.

105.34 (d) Notwithstanding this subdivision, if an electrical inspector observes that a
105.35 contractor, employer, or owner has not complied with accepted standards when the
105.36 work was performed, as provided in the most recent editions of the National Electrical

106.1 Code and the National Electrical Safety Code as approved by the American National
106.2 Standards Institute, the inspector may order the contractor, employer, or owner who has
106.3 performed the work to file a request for electrical inspection, pay an inspection fee, and
106.4 make any necessary repairs to comply with applicable standards and require that the
106.5 work be inspected.

106.6 Sec. 20. Minnesota Statutes 2006, section 326.244, is amended by adding a subdivision
106.7 to read:

106.8 Subd. 1b. **Licenses; bond.** All inspectors shall hold licenses as master or
106.9 journeyman electricians under this chapter. All inspectors under contract with the
106.10 department to provide electrical inspection services shall give bond in the amount of
106.11 \$1,000, conditioned upon the faithful performance of their duties.

106.12 Sec. 21. Minnesota Statutes 2006, section 326.244, subdivision 2, is amended to read:

106.13 Subd. 2. **Procedure.** (a) At or before commencement of any installation required
106.14 to be inspected by the ~~board~~ commissioner, the contractor, installer, special electrician,
106.15 or owner making the installation shall submit to the ~~board~~ commissioner a request
106.16 for inspection, in a form prescribed by the ~~board~~ commissioner, together with the fees
106.17 required for the installation.

106.18 (b) The fees required are a handling fee and an inspection fee. The handling fee shall
106.19 be set by the ~~board~~ commissioner in an amount sufficient to pay the cost of printing and
106.20 handling the form requesting an inspection. The inspection fee shall be set by the ~~board~~
106.21 commissioner in an amount sufficient to pay the actual costs of the inspection and the
106.22 ~~board's~~ commissioner's costs in administering the inspection. All fees shall be set pursuant
106.23 to the procedure of sections 14.001 to 14.69.

106.24 (c) If the inspector finds that the installation is not in compliance with accepted
106.25 standards of construction for safety to life and property as required by section 326.243, the
106.26 inspector shall by written order condemn the installation or noncomplying portion thereof,
106.27 or order service to the installation disconnected, and shall send a copy of the order to
106.28 the ~~board~~ commissioner. If the installation or the noncomplying part will seriously and
106.29 proximately endanger human life and property, the order of the inspector, when approved
106.30 by the inspector's superior, shall require immediate condemnation or disconnection. In
106.31 all other cases, the order of the inspector shall permit a reasonable opportunity for the
106.32 installation to be brought into compliance with accepted standards of construction for
106.33 safety to life and property prior to the effective time established for condemnation or
106.34 disconnection.

107.1 (d) Copies of each condemnation or disconnection order shall be served personally
107.2 or by mail upon the property owner, and the contractor, installer, or special electrician
107.3 making the installation, and other persons as the ~~board~~ commissioner by rule may direct.
107.4 An aggrieved party may appeal any condemnation or disconnection order by filing with the
107.5 ~~board~~ commissioner a notice of appeal within ten days after (1) service upon the aggrieved
107.6 party of the condemnation or disconnection order, if this service is required, or (2) filing
107.7 of the order with the ~~board~~ commissioner, whichever is later. The appeal shall proceed
107.8 and the order of the inspector shall have the effect the order, by its terms, and the rules of
107.9 the ~~board~~ commissioner provides. The ~~board~~ commissioner shall adopt rules providing
107.10 procedures for the conduct of appeals, including provisions for the stay of enforcement of
107.11 the order of the inspector pending such appeal when justified by the circumstances.

107.12 Sec. 22. Minnesota Statutes 2006, section 326.244, subdivision 3, is amended to read:

107.13 Subd. 3. **Duty of electrical utility.** No electrical installation subject to inspection
107.14 by the ~~board~~ commissioner shall be newly connected or reconnected for use until there
107.15 is filed with the electrical utility supplying power a certificate of the property owner or
107.16 licensed electrician, directing the work that inspection has been requested and that the
107.17 conditions of the installation are safe for energization, provided further, that in all cases
107.18 where an order of condemnation or disconnection has been issued against the installation
107.19 or any part thereof, prior to connection or reconnection there shall also first be filed with
107.20 the electrical utility supplying the power a copy of an order of the inspector or the ~~board~~
107.21 commissioner dismissing such prior order of condemnation or disconnection or approving
107.22 the installation as being in compliance with accepted standards of construction for safety
107.23 to life and property. With respect to transient projects, the aforesaid certificate shall also
107.24 contain a certification that the request for inspection has been or will be filed with the
107.25 ~~board~~ commissioner so as to be received by it at least five days prior to the date and time
107.26 energization of the installation by the utility is to occur, and that the request for inspection
107.27 states such date and time, and it shall be the responsibility of the ~~board~~ commissioner
107.28 to have inspection of such transient project occur prior to the date and time at which
107.29 the request states energization is to occur.

107.30 Sec. 23. Minnesota Statutes 2006, section 326.244, subdivision 4, is amended to read:

107.31 Subd. 4. **Powers of political subdivisions.** Any political subdivision or the
107.32 University of Minnesota may make provision for inspection of electrical installations
107.33 within its jurisdiction, in which case it shall keep on file with the ~~board~~ commissioner
107.34 copies of its current inspection ordinances and codes. No political subdivision or the

108.1 University of Minnesota shall require any individual, partnership, corporation or other
108.2 business association holding a license from the ~~board~~ commissioner under sections
108.3 ~~326.241 to 326.248~~ 326B.31 to 326B.399 to pay any license or registration fee, provided
108.4 however, that any such political subdivision or the University of Minnesota may provide
108.5 by ordinance a requirement that each individual, partnership, corporation or other business
108.6 association doing electrical work within the jurisdiction of such political subdivision or
108.7 the University of Minnesota have on file with said political subdivision a copy of the
108.8 current license issued by the ~~board~~ commissioner or such other evidence of such license as
108.9 may be provided by the ~~board~~ commissioner.

108.10 Each electrical inspector of any political subdivision or the University of Minnesota
108.11 shall be a licensed master or journeyman electrician under section 326.242, subdivision
108.12 1, paragraph (1), or 2, paragraph (b), and shall not otherwise engage or be employed in
108.13 the sale, installing, altering, or repairing of electrical wiring, apparatus, or equipment for
108.14 light, heat, power, and other purposes and shall have no financial interest in any concern
108.15 engaged in any such business.

108.16 Sec. 24. Minnesota Statutes 2006, section 326.244, subdivision 5, is amended to read:

108.17 Subd. 5. **Exemptions from inspections.** Installations, materials, or equipment shall
108.18 not be subject to inspection under sections ~~326.241 to 326.248~~ 326B.31 to 326B.399:

108.19 (1) when owned or leased, operated and maintained by any employer whose
108.20 maintenance electricians are exempt from licensing under sections ~~326.241 to 326.248~~
108.21 326B.31 to 326B.399, while performing electrical maintenance work only as defined by
108.22 ~~board~~ Department of Labor and Industry rule;

108.23 (2) when owned or leased, and operated and maintained by any ~~electric~~ electrical,
108.24 communications, or railway utility, cable communications company as defined in section
108.25 238.02, or telephone company as defined under section 237.01, in the exercise of its
108.26 utility, antenna, or telephone function; and

108.27 (i) are used exclusively for the generations, transformation, distribution,
108.28 transmission, or metering of electric current, or the operation of railway signals, or the
108.29 transmission of intelligence, and do not have as a principal function the consumption or
108.30 use of electric current by or for the benefit of any person other than such utility, cable
108.31 communications company, or telephone company; and

108.32 (ii) are generally accessible only to employees of such utility, cable communications
108.33 company, or telephone company or persons acting under its control or direction; and

108.34 (iii) are not on the load side of the service point or point of entrance for
108.35 communication systems;

109.1 (3) when used in the street lighting operations of an ~~electric~~ electrical utility;

109.2 (4) when used as outdoor area lights which are owned and operated by an ~~electric~~

109.3 electrical utility and which are connected directly to its distribution system and located

109.4 upon the utility's distribution poles, and which are generally accessible only to employees

109.5 of such utility or persons acting under its control or direction;

109.6 (5) when the installation, material, and equipment are in facilities subject to the

109.7 jurisdiction of the federal Mine Safety and Health Act; or

109.8 (6) when the installation, material, and equipment is part of an elevator installation

109.9 for which the elevator contractor, licensed under section 326.242, is required to obtain

109.10 a permit from the authority having jurisdiction as provided by section 16B.747, and

109.11 the inspection has been or will be performed by an elevator inspector certified ~~by the~~

109.12 ~~Department of Administration~~ and licensed by the ~~Board of Electricity~~ department.

109.13 This exemption shall apply only to installations, material, and equipment permitted

109.14 or required to be connected on the load side of the disconnecting means required for

109.15 elevator equipment under National ~~Electric~~ Electrical Code Article 620, and elevator

109.16 communications and alarm systems within the machine room, car, hoistway, or elevator

109.17 lobby.

109.18 Sec. 25. Minnesota Statutes 2006, section 326.2441, is amended to read:

109.19 **326.2441 INSPECTION FEE SCHEDULE.**

109.20 Subdivision 1. **Schedule.** State electrical inspection fees shall be ~~paid according~~

109.21 ~~to~~ calculated in accordance with subdivisions 2 to ~~13~~ 15.

109.22 Subd. 2. **Fee for each separate inspection.** The minimum fee for each separate

109.23 inspection of an installation, replacement, alteration, or repair is ~~\$20.~~ \$35. Except as

109.24 otherwise provided in this section, the maximum number of separate inspections allowed

109.25 without payment of an additional fee is the whole number resulting from dividing by

109.26 35 the total fee calculated in accordance with this section. Where additional separate

109.27 inspections are necessary, additional fees are required to result in a value equal to the total

109.28 number of separate inspections multiplied by 35. The fee for any inspections needed after

109.29 a "final inspection" is performed shall be calculated without consideration of any fee

109.30 paid before the final inspection.

109.31 Subd. 3. **Fee for services, generators, other power supply sources, or feeders to**

109.32 **separate structures.** The inspection fee for the installation, addition, alteration, or repair

109.33 of each service, change of service, temporary service, generator, other power supply

109.34 source, or feeder to a separate structure is:

109.35 (1) 0 ampere to and including 400 ampere capacity, ~~\$25~~ \$35;

110.1 (2) 401 ampere to and including 800 ampere capacity, ~~\$50~~ \$60; and

110.2 (3) ampere capacity above 800, ~~\$75~~ \$100.

110.3 Where multiple disconnects are grouped at a single location and are supplied by a
110.4 single set of supply conductors the cumulative rating of the overcurrent devices shall be
110.5 used to determine the supply ampere capacity.

110.6 Subd. 4. **Fee for circuits, feeders, feeder taps, or sets of transformer secondary**
110.7 **conductors.** The inspection fee for the installation, addition, alteration, or repair of
110.8 each circuit, feeder, feeder tap, or set of transformer secondary conductors, including
110.9 the equipment served, is:

110.10 (1) 0 ampere to and including 200 ampere capacity, ~~\$5~~ \$6; and

110.11 (2) ampere capacity above 200, ~~\$10~~ \$15.

110.12 Where existing feeders and circuits are reconnected to overcurrent devices installed
110.13 as part of the replacement of an existing disconnect, switchboard, motor control center, or
110.14 panelboard, the inspection fee for each circuit or feeder is \$2.

110.15 Subd. 5. ~~Limitations to fees of subdivisions 3 and 4~~ **Inspection fee for dwellings.**

110.16 (a) The inspection fee for a one-family dwelling and each dwelling unit of a two-family
110.17 dwelling ~~with a supply of up to 500 amperes where a combination of ten or more sources~~
110.18 ~~of supply, feeders, or circuits are installed, added, altered, repaired, or extended is \$80.~~ is
110.19 the following:

110.20 (1) the fee for each service or other source of power as provided in subdivision 3;

110.21 (2) \$100 for up to 30 feeders and circuits; and

110.22 (3) for each additional feeder or circuit, the fee as provided in subdivision 4.

110.23 This fee applies to each separate installation for new dwellings and ~~additions, alterations,~~
110.24 ~~or repairs to existing dwellings and includes not more than two inspections.~~ where 15

110.25 or more feeders or circuits are installed or extended in connection with any addition,

110.26 alteration, or repair to existing dwellings. Where existing feeders and circuits are

110.27 reconnected to overcurrent devices installed as part of the replacement of an existing

110.28 panelboard, the fee for each reconnected feeder or circuit is \$2. The maximum number

110.29 of separate inspections shall be determined in accordance with subdivision 2. The

110.30 fee for additional inspections or other installations is that specified in subdivisions 2

110.31 ~~to, 4, 6, and 8.~~ The installer may submit fees for additional inspections when filing the

110.32 request for electrical inspection. The fee for each detached accessory structure directly

110.33 associated with a dwelling unit shall be calculated in accordance with subdivisions 3 and

110.34 4. When included on the same request for electrical inspection form, inspection fees for

110.35 detached accessory structures directly associated with the dwelling unit may be combined

111.1 with the dwelling unit fees to determine the maximum number of separate inspections in
111.2 accordance with subdivision 2.

111.3 (b) The inspection fee for each dwelling unit of a multifamily dwelling with three
111.4 ~~to 12 or more dwelling units is \$50 and the fee for each additional dwelling unit is \$25.~~
111.5 \$70 for a combination of up to 20 feeders and circuits and \$6 for each additional feeder
111.6 or circuit. This fee applies to each separate installation for each new dwelling unit and
111.7 where ten or more feeders or circuits are installed or extended in connection with any
111.8 addition, alteration, or repair to existing dwelling units. Where existing feeders or circuits
111.9 are reconnected to overcurrent devices installed as part of the replacement of an existing
111.10 panelboard, the fee for each reconnected feeder or circuit is \$2. The maximum number
111.11 of separate inspections for each dwelling unit shall be determined in accordance with
111.12 subdivision 2. The fee for additional inspections or for inspection of other installations
111.13 is that specified in subdivisions 2, 4, 6, and 8. These fees include only inspection of the
111.14 wiring within individual dwelling units and the final feeder to that unit. This limitation is
111.15 ~~subject to the following conditions:~~

111.16 ~~(1) where the multifamily dwelling is provided with common service equipment~~
111.17 ~~and each dwelling unit is supplied by a separate feeder or feeders extended from common~~
111.18 ~~service or distribution equipment. The fee for multifamily dwelling services or other~~
111.19 ~~power source supplies and all other circuits is that specified in subdivisions 2 to 4, and.~~

111.20 ~~(2) this limitation applies only to new installations for multifamily dwellings where~~
111.21 ~~the majority of the individual dwelling units are available for inspection during each~~
111.22 ~~inspection trip.~~

111.23 (c) A separate request for electrical inspection form must be filed for each dwelling
111.24 unit that is supplied with an individual set of service entrance conductors. These fees are
111.25 the one-family dwelling rate specified in paragraph (a).

111.26 Subd. 6. **Additions to fees of subdivisions 3 to 5.** (a) The fee for the electrical
111.27 supply for each manufactured home park lot is ~~\$25~~ \$35. This fee includes the service or
111.28 feeder conductors up to and including the service equipment or disconnecting means.
111.29 The fee for feeders and circuits that extend from the service or disconnecting means is
111.30 that specified in subdivision 4.

111.31 (b) The fee for each recreational vehicle site electrical supply equipment is ~~\$5~~ \$6
111.32 for each circuit originating within the equipment. The fee for recreational vehicle park
111.33 services, feeders, and circuits is that specified in subdivisions 3 and 4.

111.34 (c) The fee for each street, parking lot, or outdoor area lighting standard is ~~\$1~~, and the
111.35 ~~fee for each traffic signal standard is \$5.~~ Circuits originating within the standard or traffic
111.36 signal controller shall not be used when ~~computing~~ calculating the fee for each standard.

112.1 (d) The fee for transformers for light, heat, and power is ~~\$10~~ \$15 for transformers
112.2 rated up to ten kilovolt-amperes and ~~\$20~~ \$30 for transformers rated in excess of ten
112.3 kilovolt-amperes. The previous sentence does not apply to Class 1 transformers or power
112.4 supplies for Class 1 power-limited circuits or to Class 2 or Class 3 transformers or power
112.5 supplies.

112.6 (e) The fee for transformers and electronic power supplies for electric signs and
112.7 outline lighting is \$5 per unit.

112.8 (f) The fee for ~~alarm, communication, remote control, and signaling technology~~
112.9 circuits or systems, and circuits of less than 50 volts, is ~~50~~ 75 cents for each system device
112.10 or apparatus.

112.11 (g) The fee for each separate inspection of the bonding for a swimming pool, spa,
112.12 fountain, an equipotential plane for an agricultural confinement area, or similar installation
112.13 ~~shall be \$20~~ is \$35. Bonding conductors and connections require an inspection before
112.14 being concealed.

112.15 (h) The fee for all wiring installed on center pivot irrigation booms is ~~\$40~~ \$35 plus
112.16 \$5 for each electrical drive unit.

112.17 (i) The fee for retrofit modifications to existing lighting fixtures is 25 cents per
112.18 ~~lighting fixture~~ luminaire.

112.19 (j) When a separate inspection of a concrete-encased grounding electrode is
112.20 performed, the fee is \$35.

112.21 (k) The fees required by subdivisions 3 and 4 are doubled for installations over
112.22 600 volts.

112.23 Subd. 7. **Investigation fees: work without a request for electrical inspection.**

112.24 (a) Whenever any work for which a request for electrical inspection is required ~~by the~~
112.25 ~~board~~ has begun without the request for electrical inspection form being filed with the
112.26 ~~board~~ commissioner, a special investigation shall be made before a request for electrical
112.27 inspection form is accepted ~~by the board.~~

112.28 (b) An investigation fee, in addition to the full fee required by subdivisions 1
112.29 to 6, shall be paid before an inspection is made. The investigation fee is two times the
112.30 ~~hourly rate~~ minimum fee specified in subdivision ~~10~~ 2 or the inspection fee required
112.31 by subdivisions 1 to 6, whichever is greater, not to exceed \$1,000. The payment of the
112.32 investigation fee does not exempt any person from compliance with all other provisions of
112.33 the ~~board~~ department rules or statutes nor from any penalty prescribed by law.

112.34 Subd. 8. **Reinspection fee.** Notwithstanding the provisions of subdivisions 2 and 5,
112.35 when reinspection is necessary to determine whether unsafe conditions identified during a
112.36 final inspection have been corrected and the conditions are not the subject of an appeal

113.1 pending before the ~~board~~ commissioner or any court, a reinspection fee of ~~\$20 may~~ \$35
113.2 shall be assessed in writing by the inspector.

113.3 Subd. 9. **Supplemental fee.** When inspections scheduled by the installer are
113.4 preempted, obstructed, prevented, or otherwise not able to be completed as scheduled due
113.5 to circumstances beyond the control of the inspector, a supplemental inspection fee of
113.6 ~~\$20 may~~ \$35 shall be assessed in writing by the inspector.

113.7 Subd. 10. **Special inspection.** For inspections not covered in this section, or for
113.8 requested special inspections or services, the fee ~~shall be \$30~~ is \$80 per hour, including
113.9 travel time, plus ~~34 cents~~ the standard mileage rate per mile traveled, plus the reasonable
113.10 cost of equipment or material consumed. This provision is applicable to inspection
113.11 of empty conduits and other jobs as may be determined by the ~~board~~ commissioner.
113.12 This fee may also be assessed when installations are not accessible by roadway and
113.13 require alternate forms of transportation; or are located in the Northwest Angle, or when
113.14 inspections are performed outside of Minnesota. For purposes of this subdivision,
113.15 the standard mileage rate is the standard mileage rate effective at the time of travel,
113.16 as established by the Internal Revenue Service for computing the deductible costs of
113.17 operating an automobile for business expense purposes.

113.18 Subd. 11. **Inspection of transitory projects.** (a) For inspection of transitory
113.19 projects including, but not limited to, festivals, fairs, carnivals, circuses, shows, production
113.20 sites, and portable road construction plants, the inspection procedures and fees are as
113.21 specified in paragraphs (b) to (i).

113.22 (b) The fee for inspection of each generator or other source of supply is that specified
113.23 in subdivision 3. A like fee is required at each engagement or setup.

113.24 (c) In addition to the fee for generators or other sources of supply, there must be an
113.25 inspection of all installed feeders, circuits, and equipment at each engagement or setup at
113.26 the hourly rate specified in subdivision 10, with a ~~two-hour~~ one-hour minimum.

113.27 (d) An owner, operator, or appointed representative of a transitory enterprise
113.28 including, but not limited to, festivals, fairs, carnivals, circuses, production companies,
113.29 shows, portable road construction plants, and similar enterprises shall notify the ~~board~~
113.30 commissioner of its itinerary or schedule and make application for initial inspection a
113.31 minimum of 14 days before its first engagement or setup. An owner, operator, or appointed
113.32 representative of a transitory enterprise who fails to notify the ~~board~~ commissioner 14
113.33 days before its first engagement or setup may be subject to the investigation fees specified
113.34 in subdivision 7. The owner, operator, or appointed representative shall request inspection
113.35 and pay the inspection fee for each subsequent engagement or setup at the time of the initial
113.36 inspection. For subsequent engagements or setups not listed on the itinerary or schedule

114.1 submitted to the ~~board~~ commissioner and where the ~~board~~ commissioner is not notified at
114.2 least 48 hours in advance, a charge of \$100 may be made in addition to all required fees.

114.3 (e) Amusement rides, devices, concessions, attractions, or other units must be
114.4 inspected at their first appearance of the year. The inspection fee is ~~\$20~~ \$35 per unit with a
114.5 supply of up to 60 amperes and ~~\$30~~ \$40 per unit with a supply above 60 amperes.

114.6 (f) An additional fee at the hourly rate specified in subdivision 10 must be charged
114.7 for additional time spent by each inspector if equipment is not ready or available for
114.8 inspection at the time and date specified on the application for initial inspection or the
114.9 request for electrical inspection form.

114.10 (g) In addition to the fees specified in paragraphs (a) and (b), a fee of ~~two hours~~ one
114.11 hour at the hourly rate specified in subdivision 10 must be charged for inspections required
114.12 to be performed on Saturdays, Sundays, holidays, or after regular business hours.

114.13 (h) The fee for reinspection of corrections or supplemental inspections where an
114.14 additional trip is necessary may be assessed as specified in subdivision 8.

114.15 (i) The ~~board may~~ commissioner shall retain the inspection fee when an owner,
114.16 operator, or appointed representative of a transitory enterprise fails to notify the ~~board~~
114.17 commissioner at least 48 hours in advance of a scheduled inspection that is canceled.

114.18 Subd. 11a. **Negotiated fee.** When the fee calculated in accordance with subdivisions
114.19 2 to 11 results in a total fee that unreasonably exceeds the cost of inspection, the
114.20 commissioner may negotiate a fee that more reasonably offsets the cost of inspection.

114.21 Subd. 12. **Handling fee.** The handling fee to pay the cost of printing and handling
114.22 of the paper form requesting an electrical inspection is up to \$1.

114.23 Subd. 13. **National Electrical Code used for interpretation of provisions.** For
114.24 purposes of interpretation of this section and Minnesota Rules, chapter 3800, the most
114.25 recently adopted edition of the National Electrical Code shall be prima facie evidence of
114.26 the definitions, interpretations, and scope of words and terms used.

114.27 **EFFECTIVE DATE.** This section is effective July 1, 2007.

114.28 Sec. 26. Minnesota Statutes 2006, section 326.245, is amended to read:

114.29 **326.245 MANUFACTURED ELECTRICAL PARTS; EXEMPTION.**

114.30 Subdivision 1. **Manufacturers.** Electrical components, apparatus, or appliances
114.31 being manufactured within the limits of property which is owned or leased by a
114.32 manufacturer and such manufacturer's production employees are not covered by sections
114.33 ~~326.241 to 326.248~~ 326B.31 to 326B.399.

115.1 Subd. 2. **Electrical appliance units.** Installation, alteration, or repair of electrical
115.2 appliance units are not covered by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399. For
115.3 the purposes of this section, "electrical appliance units" means all electrical and fossil
115.4 fuel appliances that use electricity including, but not limited to, furnaces, water heaters,
115.5 stoves, clothes washers, dryers, and dishwashers. The installation of electrical wiring to an
115.6 electrical appliance unit is covered by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399.

115.7 Subd. 3. **Other units.** Planning, laying out, and installation of heating, ventilating,
115.8 air conditioning, or refrigeration units are not covered by sections ~~326.241 to 326.248~~
115.9 326B.31 to 326B.399. For purposes of this section, heating, ventilating, air conditioning,
115.10 or refrigeration units include, but are not limited to, air conditioning units, air conditioning
115.11 evaporators, air conditioning condensers, air conditioning and refrigeration chillers,
115.12 boilers, furnaces, air handling units, rooftop units, humidifiers, ice makers, and
115.13 supermarket, ice arena, and bar/restaurant equipment. The installation of electrical wiring
115.14 to the unit is covered by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399.

115.15 Subd. 4. **Other equipment.** Planning, laying out, alteration, replacement, or
115.16 repair of heating, ventilating, air conditioning, or refrigeration equipment, and associated
115.17 devices, controls, and wiring including wiring in or on the equipment, are not covered
115.18 by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399 when the work is performed by an
115.19 employee of a heating, ventilating, air conditioning, or refrigeration contractor provided
115.20 that the employee performing the work has received a certificate of completion from a
115.21 heating, ventilating, air conditioning, or refrigeration apprenticeship program approved
115.22 by the state of Minnesota or any class of personal ~~electrical~~ license issued by the ~~board~~
115.23 commissioner. Employees registered in an approved heating, ventilating, air conditioning,
115.24 or refrigeration program may design, plan, alter, replace, or repair heating, ventilating, air
115.25 conditioning, or refrigeration equipment, devices, and controls including wiring in or on
115.26 the equipment, under the direction of an employee who has a certificate of completion
115.27 from an approved program or any class of personal ~~electrical~~ license issued by the ~~board~~
115.28 commissioner. The installation of electrical wiring to the unit is covered by sections
115.29 ~~326.241 to 326.248~~ 326B.31 to 326B.399.

115.30 Sec. 27. Minnesota Statutes 2006, section 326.247, is amended to read:

115.31 **326.247 CONTINUITY.**

115.32 ~~Persons~~ Individuals now members of the ~~board~~ advisory council shall remain
115.33 ~~in office on the advisory council~~ until the expiration of the terms to which they were
115.34 appointed. ~~Board rules, forms, policies and classifications of special electricians now in~~
115.35 ~~effect, and not in conflict herewith, shall continue until lawfully modified or repealed.~~

116.1 Sec. 28. Minnesota Statutes 2006, section 326.248, is amended to read:

116.2 **326.248 CITATION.**

116.3 Sections ~~326.241 to 326.248~~ 326B.31 to 326B.399 shall be known as the Minnesota
116.4 Electrical Act.

116.5 Sec. 29. **326B.31 DEFINITIONS.**

116.6 Subdivision 1. **Scope.** For purposes of sections 326B.31 to 326B.399, the terms
116.7 defined in this section have the meanings given them.

116.8 Subd. 2. **Advisory council.** "Advisory council" means the Electrical Licensing and
116.9 Inspection Advisory Council authorized by section 326B.32.

116.10 Subd. 3. **Class A electrical contractor.** "Class A electrical contractor" means a
116.11 licensed contractor whose responsible licensed individual is a licensed Class A master
116.12 electrician.

116.13 Subd. 7. **Class B electrical contractor.** "Class B electrical contractor" means a
116.14 licensed contractor whose responsible licensed individual is a licensed Class B master
116.15 electrician.

116.16 Subd. 11. **Complaint committee.** "Complaint committee" means the committee
116.17 of the advisory council that is described as the complaint committee in section 326B.32,
116.18 subdivision 1a.

116.19 Subd. 16. **Elevator constructor.** "Elevator constructor" means an individual who
116.20 has the necessary qualifications, training, experience, and technical knowledge to wire for,
116.21 install, and repair electrical wiring, apparatus, and equipment for elevators and escalators
116.22 and who is licensed as an elevator constructor by the commissioner.

116.23 Subd. 17. **Elevator contractor.** "Elevator contractor" means a licensed contractor
116.24 whose responsible licensed individual is a licensed master elevator constructor.

116.25 Subd. 18. **Licensed electrician.** "Licensed electrician" means an individual licensed
116.26 by the commissioner as a master electrician, journeyman electrician, installer, or power
116.27 limited technician.

116.28 Subd. 19. **Lineman.** "Lineman" means an individual who has the necessary
116.29 qualifications, training, experience, and technical knowledge to construct and maintain
116.30 transmission and distribution systems that are or will be owned or leased by an electrical
116.31 utility, and who is licensed as a lineman by the commissioner.

116.32 Subd. 20. **Maintenance electrician.** "Maintenance electrician" means an individual
116.33 having the necessary qualifications, training, experience, and technical knowledge to
116.34 properly maintain and repair electrical wiring, apparatus, and equipment, who is licensed

117.1 as a maintenance electrician by the commissioner, or who is exempt from licensing by
117.2 sections 326B.32 to 326B.399.

117.3 Subd. 21. **Master elevator constructor.** "Master elevator constructor" means
117.4 an individual who has the necessary qualifications, training, experience, and technical
117.5 knowledge to properly plan, lay out, and supervise the installation of wiring, apparatus,
117.6 and equipment for elevators and escalators, and who is licensed as a master elevator
117.7 constructor by the commissioner.

117.8 Subd. 23. **Personal license.** "Personal license" means any license issued by the
117.9 commissioner under section 326B.33 or the rules adopted under section 326B.33, except a
117.10 contractor's license.

117.11 Subd. 27. **Responsible licensed individual.** A contractor's "responsible licensed
117.12 individual" means the licensed Class A master electrician, Class B master electrician,
117.13 master elevator constructor, or power limited technician designated in writing by the
117.14 contractor in the contractor's license application, or in another manner acceptable to the
117.15 commissioner, as the individual responsible for the contractor's compliance with sections
117.16 326B.31 to 326B.399 and all rules and orders adopted or issued under these sections. The
117.17 terms "licensed responsible individual" and "licensed responsible master electrician or
117.18 power limited technician" are synonymous.

117.19 Subd. 29. **Technical committee.** "Technical committee" means the committee of
117.20 the advisory council that is described as the technical committee in section 326B.32,
117.21 subdivision 1a.

117.22 Subd. 30. **Technical program committee.** "Technical program committee" means
117.23 the committee of the advisory council that is described as the technical program committee
117.24 in section 326B.32, subdivision 1a.

117.25 Subd. 32. **Technology system contractor.** "Technology system contractor" means
117.26 a licensed contractor whose responsible licensed individual is a licensed power limited
117.27 technician.

117.28 **Sec. 30. REVISOR'S INSTRUCTION.**

117.29 The revisor of statutes shall renumber each section of Minnesota Statutes listed in
117.30 column A with the number listed in column B. The revisor shall also make necessary
117.31 cross-reference changes consistent with the renumbering.

117.32	<u>Column A</u>	<u>Column B</u>
117.33	<u>326.01, subd. 2</u>	<u>326B.31, subd. 6</u>
117.34	<u>326.01, subd. 3</u>	<u>326B.31, subd. 5</u>
117.35	<u>326.01, subd. 4</u>	<u>326B.31, subd. 28</u>
117.36	<u>326.01, subd. 5</u>	<u>326B.31, subd. 12</u>

118.1	<u>326.01, subd. 6</u>	<u>326B.31, subd. 10</u>
118.2	<u>326.01, subd. 6a</u>	<u>326B.31, subd. 9</u>
118.3	<u>326.01, subd. 6b</u>	<u>326B.31, subd. 4</u>
118.4	<u>326.01, subd. 6c</u>	<u>326B.31, subd. 8</u>
118.5	<u>326.01, subd. 6e</u>	<u>326B.31, subd. 22</u>
118.6	<u>326.01, subd. 6f</u>	<u>326B.31, subd. 15</u>
118.7	<u>326.01, subd. 6g</u>	<u>326B.31, subd. 14</u>
118.8	<u>326.01, subd. 6i</u>	<u>326B.31, subd. 13</u>
118.9	<u>326.01, subd. 6j</u>	<u>326B.31, subd. 26</u>
118.10	<u>326.01, subd. 6k</u>	<u>326B.31, subd. 24</u>
118.11	<u>326.01, subd. 6l</u>	<u>326B.31, subd. 31</u>
118.12	<u>326.01, subd. 6m</u>	<u>326B.31, subd. 25</u>
118.13	<u>326.241</u>	<u>326B.32</u>
118.14	<u>326.242</u>	<u>326B.33</u>
118.15	<u>326.2421</u>	<u>326B.34</u>
118.16	<u>326.243</u>	<u>326B.35</u>
118.17	<u>326.244</u>	<u>326B.36</u>
118.18	<u>326.2441</u>	<u>326B.37</u>
118.19	<u>326.245</u>	<u>326B.38</u>
118.20	<u>326.247</u>	<u>326B.39</u>
118.21	<u>326.248</u>	<u>326B.399</u>

118.22

118.23

ARTICLE 7

PLUMBING

118.24

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118.28

Section 1. Minnesota Statutes 2006, section 326.01, subdivision 7, is amended to read:

Subd. 7. **Journeyman plumber.** A "journeyman plumber" is ~~any person~~ an

individual, other than a master plumber, who, as a principal occupation, is engaged as an

employee of, or is otherwise working under the direction of, a master plumber in the

practical installation of plumbing.

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Sec. 2. Minnesota Statutes 2006, section 326.01, subdivision 8, is amended to read:

Subd. 8. **Master plumber.** A "master plumber" is ~~any person~~ an individual who is

skilled in the planning, superintending, and the practical installation of plumbing ~~and, who~~

is otherwise lawfully qualified to contract for plumbing and installations and to conduct

the business of plumbing and who is familiar with the laws and rules governing the same.

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118.36

Sec. 3. Minnesota Statutes 2006, section 326.01, subdivision 9, is amended to read:

Subd. 9. **Plumber's ~~apprentice~~ trainee.** A "plumber's ~~apprentice~~ trainee"

is ~~any person~~ an individual, other than a journeyman or master plumber, who, as a

119.1 principal occupation, is engaged in ~~working as an employee of a plumbing contractor~~
119.2 plumbing work under the ~~immediate and personal~~ direct supervision of either a master
119.3 or journeyman plumber ~~or plumbing contractor in learning~~ to learn and ~~assisting~~ assist
119.4 in the installation of plumbing.

119.5 **EFFECTIVE DATE.** This section is effective July 1, 2007.

119.6 Sec. 4. Minnesota Statutes 2006, section 326.37, is amended to read:

119.7 **326.37 RULES; AGREEMENTS WITH MUNICIPALITIES; CAPACITY**
119.8 **STANDARDS; LICENSE EXEMPTION.**

119.9 Subdivision 1. **Rules.** The ~~state~~ commissioner ~~of health~~ may, by rule, prescribe
119.10 minimum standards which shall be uniform; and which ~~standards~~ shall ~~thereafter~~ be
119.11 effective for all new plumbing installations, including additions, extensions, alterations,
119.12 and replacements connected with any water or sewage disposal system owned or operated
119.13 by or for any municipality, institution, factory, office building, hotel, apartment building,
119.14 or any other place of business regardless of location or the population of the city or town in
119.15 which the installation is to be located. Notwithstanding the provisions of Minnesota Rules,
119.16 part 4715.3130, as they apply to review of plans and specifications, the commissioner may
119.17 allow plumbing construction, alteration, or extension to proceed without approval of the
119.18 plans or specifications by the commissioner.

119.19 The commissioner shall administer the provisions of sections ~~326.37~~ 326.361 to
119.20 ~~326.45~~ 326.44 and for such purposes may employ plumbing inspectors and other assistants.

119.21 Subd. 1a. **Agreements with municipalities.** The commissioner may enter into an
119.22 agreement with a municipality, in which the municipality agrees to perform plan and
119.23 specification reviews required to be performed by the commissioner under Minnesota
119.24 Rules, part 4715.3130, if:

119.25 (a) the municipality has adopted:

119.26 (1) the plumbing code;

119.27 (2) an ordinance that requires plumbing plans and specifications to be submitted to,
119.28 reviewed, and approved by the municipality, except as provided in paragraph (h);

119.29 (3) an ordinance that authorizes the municipality to perform inspections required by
119.30 the plumbing code; and

119.31 (4) an ordinance that authorizes the municipality to enforce the plumbing code in its
119.32 entirety, except as provided in paragraph (p);

120.1 (b) the municipality agrees to review plumbing plans and specifications for all
120.2 construction for which the plumbing code requires the review of plumbing plans and
120.3 specifications, except as provided in paragraph (n);

120.4 (c) the municipality agrees that, when it reviews plumbing plans and specifications
120.5 under paragraph (b), the review will:

120.6 (1) reflect the degree to which the plans and specifications affect the public health
120.7 and conform to the provisions of the plumbing code;

120.8 (2) ensure that there is no physical connection between water supply systems that
120.9 are safe for domestic use and those that are unsafe for domestic use; and

120.10 (3) ensure that there is no apparatus through which unsafe water may be discharged
120.11 or drawn into a safe water supply system;

120.12 (d) the municipality agrees to perform all inspections required by the plumbing
120.13 code in connection with projects for which the municipality reviews plumbing plans and
120.14 specifications under paragraph (b);

120.15 (e) the commissioner determines that the individuals who will conduct the
120.16 inspections and the plumbing plan and specification reviews for the municipality do not
120.17 have any conflict of interest in conducting the inspections and the plan and specification
120.18 reviews;

120.19 (f) individuals who will conduct the plumbing plan and specification reviews for
120.20 the municipality are:

120.21 (1) licensed master plumbers;

120.22 (2) licensed professional engineers; or

120.23 (3) individuals who are working under the supervision of a licensed professional
120.24 engineer and who: are licensed plumbers; hold a postsecondary degree in engineering; or
120.25 are certified by a national model code organization on plumbing systems;

120.26 (g) individuals who will conduct the plumbing plan and specification reviews for
120.27 the municipality have passed a competency assessment required by the commissioner to
120.28 assess the individual's competency at reviewing plumbing plans and specifications;

120.29 (h) individuals who will conduct the plumbing inspections for the municipality
120.30 are licensed master or journeyman plumbers, or inspectors meeting the competency
120.31 requirements established in rules adopted under section 16B.655;

120.32 (i) the municipality agrees to enforce in its entirety the plumbing code on all
120.33 projects, except as provided in paragraph (p);

120.34 (j) the municipality agrees to keep official records of all documents received,
120.35 including plans, specifications, surveys, and plot plans, and of all plan reviews, permits

121.1 and certificates issued, reports of inspections, and notices issued in connection with
121.2 plumbing inspections and the review of plumbing plans and specifications;

121.3 (k) the municipality agrees to maintain the records described in paragraph (j) in the
121.4 official records of the municipality for the period required for the retention of public
121.5 records under section 138.17, and shall make these records readily available for review at
121.6 the request of the commissioner;

121.7 (l) the municipality and the commissioner agree that if at any time during the
121.8 agreement the municipality does not have in effect the plumbing code or any of ordinances
121.9 described in item (a), or if the commissioner determines that the municipality is not
121.10 properly administering and enforcing the plumbing code or is otherwise not complying
121.11 with the agreement;

121.12 (1) the commissioner may, effective 14 days after the municipality's receipt of
121.13 written notice, terminate the agreement;

121.14 (2) the municipality may challenge the termination in a contested case before the
121.15 commissioner pursuant to the Administrative Procedure Act; and

121.16 (3) while any challenge is pending under item (2), the commissioner shall perform
121.17 plan and specification reviews within the municipality under Minnesota Rules, part
121.18 4715.3130;

121.19 (m) the municipality and the commissioner agree that the municipality may terminate
121.20 the agreement with or without cause on 90 days' written notice to the commissioner;

121.21 (n) the municipality and the commissioner agree that the municipality shall forward
121.22 to the state for review all plumbing plans and specifications for the following types of
121.23 projects within the municipality:

121.24 (1) hospitals, nursing homes, supervised living facilities, and similar
121.25 health-care-related facilities regulated by the Minnesota Department of Health;

121.26 (2) buildings owned by the federal or state government; and

121.27 (3) projects of a special nature for which department review is requested by either
121.28 the municipality or the state;

121.29 (o) where the municipality forwards to the state for review plumbing plans and
121.30 specifications, as provided in paragraph (n), the municipality shall not collect any fee for
121.31 plan review, and the commissioner shall collect all applicable fees for plan review; and

121.32 (p) no municipality shall revoke, suspend, or place restrictions on any plumbing
121.33 license issued by the state.

121.34 Subd. 1b. **Existing agreements with municipalities.** Any agreement between the
121.35 commissioner and a municipality in which the municipality has agreed to perform plan
121.36 and specification reviews required to be performed by the commissioner under Minnesota

122.1 Rules, part 4715.3130, that is in effect on the effective date of subdivision 1a, shall
122.2 remain in effect and shall not be required to be in compliance with subdivision 1a. If any
122.3 agreement to perform plan and specification reviews required to be performed by the
122.4 commissioner under Minnesota Rules, part 4715.3130, in effect on the effective date of
122.5 subdivision 1a is later terminated by operation of the terms of the agreement or by either
122.6 the commissioner or the municipality, or expires, then any new agreement between the
122.7 commissioner and the municipality to perform plan and specification reviews required to
122.8 be performed by the commissioner under Minnesota Rules, part 4715.3130, shall comply
122.9 with subdivision 1a.

122.10 Subd. 2. **Standards for capacity.** ~~By January 1, 1993,~~ All new floor-mounted water
122.11 closets in areas under jurisdiction of the ~~State~~ plumbing code may not have a flush volume
122.12 of more than 1.6 gallons. The water closets must meet the standards ~~of the commissioner~~
122.13 ~~and in the plumbing code and the standards of the American National Standards Institute.~~

122.14 Subd. 3. **Exemption.** No license or registration authorized by ~~this section~~ sections
122.15 326.361 to 326.44 shall be required of any ~~contractor or employee~~ individual engaged
122.16 in or employed by a person engaged in the work or business of pipe laying outside of
122.17 buildings if such person individual or employer is engaged in a business or trade which
122.18 has traditionally performed such work within the state prior to January 1, 1994.

122.19 Sec. 5. Minnesota Statutes 2006, section 326.38, is amended to read:

122.20 **326.38 LOCAL REGULATIONS.**

122.21 ~~Any city having a system of waterworks or sewerage, or any town in which reside~~
122.22 ~~over 5,000 people exclusive of any statutory cities located therein, or the metropolitan~~
122.23 ~~airports commission, Any of the following entities~~ may, by ordinance, adopt local
122.24 regulations providing for plumbing permits, ~~bonds,~~ approval of plans and specifications,
122.25 and inspections of plumbing, which regulations are not in conflict with the plumbing
122.26 ~~standards on the same subject prescribed by the state commissioner of health. code: any~~
122.27 city having a system of waterworks or sewerage, regardless of population; any town
122.28 having a population of 5,000 or more according to the last federal census, exclusive of any
122.29 statutory cities located therein; and the Metropolitan Airports Commission. No city or
122.30 ~~such town~~ such entity shall prohibit plumbers licensed by the ~~state commissioner of health~~
122.31 from engaging in or working at the business of plumbing, except cities and statutory cities
122.32 which, prior to April 21, 1933, by ordinance required the licensing of plumbers. No such
122.33 entity shall require any person who engages in the business of plumbing to post a bond
122.34 as a prerequisite for engaging in the business of plumbing, except the bond to the state
122.35 required under section 326.40 and except any performance bond required under a contract

123.1 with the person for the performance of plumbing work for the entity. No such entity shall
123.2 require any person who engages in the business of plumbing to maintain public liability
123.3 insurance as a prerequisite for engaging in the business of plumbing, except the insurance
123.4 required under section 326.40 and except any public liability insurance required under
123.5 a contract with the person for the performance of plumbing work for the entity. Any
123.6 city by ordinance may prescribe regulations, reasonable standards, and inspections and
123.7 grant permits to any person, ~~firm, or corporation~~ engaged in the business of installing
123.8 water softeners, who is not licensed as a master plumber or journeyman plumber by the
123.9 ~~state~~ commissioner ~~of health~~, to connect water softening and water filtering equipment
123.10 to private residence water distribution systems, where provision has been previously
123.11 made therefor and openings left for that purpose or by use of cold water connections to
123.12 a domestic water heater; where it is not necessary to rearrange, make any extension or
123.13 alteration of, or addition to any pipe, fixture or plumbing connected with the water system
123.14 except to connect the water softener, and provided the connections so made comply with
123.15 minimum standards prescribed by the ~~state~~ commissioner ~~of health~~.

123.16 Sec. 6. Minnesota Statutes 2006, section 326.39, is amended to read:

123.17 **326.39 VIOLATIONS TO BE REPORTED TO ~~STATE~~ COMMISSIONER**
123.18 **~~OF HEALTH~~.**

123.19 Such local authority as may be designated by any such ordinance for the issuance of
123.20 such plumbing permits and approval of such plans shall report to the ~~state~~ commissioner
123.21 ~~of health~~ persistent or willful violation of the same and any incompetence of a licensed
123.22 plumber observed by the local authority.

123.23 Sec. 7. Minnesota Statutes 2006, section 326.40, is amended to read:

123.24 **326.40 LICENSING, BOND AND INSURANCE.**

123.25 Subdivision 1. ~~License required~~ **Plumbers must be licensed in certain cities;**
123.26 **master and journeyman plumbers; plumbing on one's own premises; rules for**
123.27 **examination.** In any city ~~now or hereafter having 5,000 or more population~~ having a
123.28 population of 5,000 or more, according to the last federal census, and having a system
123.29 of waterworks or sewerage, no ~~person, firm, or corporation~~ individual shall engage in or
123.30 work at the business of a master plumber or journeyman plumber unless licensed to do so
123.31 by the ~~state~~ commissioner ~~of health~~. A master plumber may also work as a journeyman
123.32 plumber. ~~Anyone~~ Any individual not so licensed may do plumbing work which complies
123.33 with the provisions of the minimum standard prescribed by the ~~state~~ commissioner ~~of~~

124.1 ~~health~~ on premises or that part of premises owned and actually occupied by the worker as
124.2 a residence, unless otherwise forbidden to do so by a local ordinance.

124.3 In any such city no person, ~~firm, or corporation~~ shall engage in the business of
124.4 planning, superintending, or installing plumbing ~~nor or shall~~ install plumbing in connection
124.5 with the dealing in and selling of plumbing material and supplies unless at all times a
124.6 licensed master plumber, who shall be responsible for proper planning, superintending,
124.7 and installation, is in charge of the plumbing work of the person, ~~firm, or corporation~~.

124.8 The department ~~of Health~~ shall prescribe rules, not inconsistent herewith, for the
124.9 examination and licensing of plumbers.

124.10 Subd. 2. **Bond; insurance.** Any person contracting to do plumbing work must give
124.11 bond to the state in the amount of \$25,000 for all work entered into within the state. The
124.12 bond shall be for the benefit of persons injured or suffering financial loss by reason of
124.13 failure to comply with the requirements of the State Plumbing Code. ~~A The bond given to~~
124.14 ~~the state~~ shall be filed with the commissioner ~~of health~~ and ~~shall be in lieu of all other~~
124.15 ~~bonds to any political subdivision required for plumbing work.~~ The bond shall be written
124.16 by a corporate surety licensed to do business in the state.

124.17 In addition, each applicant for a master plumber license or renewal thereof, ~~may~~
124.18 shall provide evidence of public liability insurance, including products liability insurance
124.19 with limits of at least \$50,000 per person and \$100,000 per occurrence and property
124.20 damage insurance with limits of at least \$10,000. The insurance shall be written by an
124.21 insurer licensed to do business in the state of Minnesota and each licensed master plumber
124.22 shall maintain on file with the ~~state~~ commissioner ~~of health~~ a certificate evidencing the
124.23 insurance providing that the insurance shall not be canceled without the insurer first giving
124.24 15 days written notice to the commissioner. The term of the insurance shall be concurrent
124.25 with the term of the license. ~~The certificate shall be in lieu of all other certificates required~~
124.26 ~~by any political subdivision for licensing purposes.~~

124.27 Subd. 3. **Bond and insurance exemption.** If a master plumber who is an employee
124.28 ~~of a master plumber or who is an employee engaged within the limits of property owned,~~
124.29 ~~leased and operated, or maintained by the employer, in the maintenance and repair of~~
124.30 ~~plumbing equipment, apparatus, or facilities owned or leased by the employer, who is in~~
124.31 compliance with the bond and insurance requirements of subdivision 2 employs another
124.32 master plumber, the employee master plumber shall not be required to meet the bond and
124.33 insurance requirements of subdivision 2. A master plumber who is an employee working
124.34 on the maintenance and repair of plumbing equipment, apparatus, or facilities owned or
124.35 leased by their employer and which is within the limits of property owned or leased, and

125.1 operated or maintained by their employer, shall not be required to meet the bond and
125.2 insurance requirements of subdivision 2.

125.3 ~~Subd. 4. **Alternative compliance.** Compliance with the local bond requirements of~~
125.4 ~~a locale within which work is to be performed shall be deemed to satisfy the bond and~~
125.5 ~~insurance requirements of subdivision 2, provided the local ordinance requires at least a~~
125.6 ~~\$25,000 bond.~~

125.7 Subd. 5. **Fee.** ~~The state commissioner of health may charge~~ Each person giving
125.8 bond to the state under subdivision 2 shall pay the department an annual bond filing
125.9 registration fee commensurate with the cost of administering the bond and insurance
125.10 requirements of subdivision 2 of \$40.

125.11 **EFFECTIVE DATE.** This section is effective December 1, 2007, except that the
125.12 amendments to subdivision 5 are effective July 1, 2007.

125.13 Sec. 8. Minnesota Statutes 2006, section 326.401, is amended to read:

125.14 **326.401 PLUMBER'S APPRENTICES TRAINEES.**

125.15 Subdivision 1. **Registration.** ~~A~~ All plumber's apprentice trainees must be registered.
125.16 To be a registered plumber's trainee, an individual must either:

125.17 (1) be an apprentice employed in the trade of plumbing under an apprenticeship
125.18 agreement approved by the department under Minnesota Rules, part 5200.0300; or

125.19 (2) be registered with the commissioner of health on a registration application form
125.20 supplied by the commissioner showing the date of beginning training, age, schooling,
125.21 previous experience, employer, and other information required by the commissioner.
125.22 under subdivision 3. A registered plumber's trainee is authorized to assist in the installation
125.23 of plumbing only while under the direct supervision of a master or journeyman plumber.
125.24 The master or journeyman plumber is responsible for ensuring that all plumbing work
125.25 performed by the registered plumber's trainee complies with the plumbing code.

125.26 Subd. 2. **Journeyman exam.** A registered plumber's apprentice trainee who has
125.27 completed four years of practical plumbing experience is eligible to take the journeyman
125.28 plumbing examination. Up to 24 months of practical plumbing experience prior to
125.29 registration as an apprentice becoming a registered plumber's trainee may be applied to the
125.30 four-year experience requirement. However, none of this practical plumbing experience
125.31 may be applied if the person individual did not have any practical plumbing experience in
125.32 the 12-month period immediately prior to registration becoming a registered plumber's
125.33 trainee. The commissioner may adopt rules to evaluate whether the person's individual's
125.34 past practical plumbing experience is applicable in preparing for the journeyman's

126.1 examination. If two years after completing the training the ~~person~~ individual has not taken
126.2 the examination, the four years of experience shall be forfeited.

126.3 The commissioner may allow an extension of the two-year period for taking the
126.4 exam for cases of hardship or other appropriate circumstances.

126.5 Subd. 3. **Registration, rules, applications, renewals, and fees.** ~~The Department of~~
126.6 ~~Health may assess fees to pay for the administration of the apprentice registration program.~~
126.7 A plumber's trainee may register by completing and submitting to the commissioner a
126.8 registration form provided by the commissioner. A completed registration form must state
126.9 the date the trainee began training, the trainee's age, schooling, previous experience, and
126.10 employer, and other information required by the commissioner. The department may
126.11 prescribe rules, not inconsistent with this section, for the registration of plumber's trainees.
126.12 Each applicant for initial registration as a plumber's trainee shall pay the department
126.13 an application fee of \$25. Applications for initial registration may be submitted at any
126.14 time. Registration must be renewed annually and shall be for the period from July 1 of
126.15 each year to June 30 of the following year. Applications for renewal registration must be
126.16 received by the commissioner by June 30 of each registration period on forms provided by
126.17 the commissioner, and must be accompanied by a fee of \$25. An application for renewal
126.18 registration received on or after July 1 in any year but no more than three months after
126.19 expiration of the previously issued registration must pay the past due renewal fee plus a
126.20 late fee of \$25. No applications for renewal registration will be accepted more than three
126.21 months after expiration of the previously issued registration.

126.22 **EFFECTIVE DATE.** This section is effective July 1, 2007.

126.23 Sec. 9. Minnesota Statutes 2006, section 326.405, is amended to read:

126.24 **326.405 RECIPROCITY WITH OTHER STATES.**

126.25 The commissioner ~~of health~~ may license without examination, upon payment of the
126.26 required fee, nonresident applicants who are licensed under the laws of a state having
126.27 standards for licensing plumbers which the commissioner determines are substantially
126.28 equivalent to the standards of this state if the other state grants similar privileges to
126.29 Minnesota residents duly licensed in this state.

126.30 Sec. 10. Minnesota Statutes 2006, section 326.42, is amended to read:

126.31 **326.42 APPLICATIONS, FEES.**

126.32 Subdivision 1. **Application.** Applications for plumber's license shall be made to
126.33 the ~~state~~ commissioner ~~of health~~, with fee. Unless the applicant is entitled to a renewal,

127.1 the applicant shall be licensed by the ~~state commissioner of health~~ only after passing a
127.2 satisfactory examination by the examiners showing fitness. Unless examination fees have
127.3 been set by a contract under section 326B.05, examination fees for both journeyman and
127.4 master plumbers shall be in an amount prescribed by the state commissioner of health
127.5 pursuant to section 144.122 \$50 for each examination. Upon being notified ~~that~~ of having
127.6 successfully passed the examination for original license the applicant shall submit an
127.7 application, with the license fee herein provided. ~~License fees shall be in an amount~~
127.8 ~~prescribed by the state commissioner of health pursuant to section 144.122. Licenses shall~~
127.9 ~~expire and be renewed as prescribed by the commissioner pursuant to section 144.122.~~
127.10 The license fee for each initial and renewal master plumber's license shall be \$120. The
127.11 license fee for each initial and renewal journeyman plumber's license shall be \$55. The
127.12 commissioner may by rule prescribe for the expiration and renewal of licenses. Any
127.13 licensee who does not renew a license within two years after the license expires is no
127.14 longer eligible for renewal. Such an individual must retake and pass the examination
127.15 before a new license will be issued. A journeyman or master plumber who submits a
127.16 license renewal application after the time specified in rule but within two years after the
127.17 license expired must pay all past due renewal fees plus a late fee of \$25.

127.18 Subd. 2. **Fees for plan reviews and audits.** Plumbing system plans and
127.19 specifications that are submitted to the commissioner for review shall be accompanied by
127.20 the appropriate plan examination fees. If the commissioner determines, upon review of
127.21 the plans, that inadequate fees were paid, the necessary additional fees shall be paid prior
127.22 to plan approval. The commissioner shall charge the following fees for plan reviews and
127.23 audits of plumbing installations for public, commercial, and industrial buildings:

127.24 (1) systems with both water distribution and drain, waste, and vent systems and
127.25 having:

127.26 (i) 25 or fewer drainage fixture units, \$150;

127.27 (ii) 26 to 50 drainage fixture units, \$250;

127.28 (iii) 51 to 150 drainage fixture units, \$350;

127.29 (iv) 151 to 249 drainage fixture units, \$500;

127.30 (v) 250 or more drainage fixture units, \$3 per drainage fixture unit to a maximum
127.31 of \$4,000; and

127.32 (vi) interceptors, separators, or catch basins, \$70 per interceptor, separator, or catch
127.33 basin design;

127.34 (2) building sewer service only, \$150;

127.35 (3) building water service only, \$150;

- 128.1 (4) building water distribution system only, no drainage system, \$5 per supply
- 128.2 fixture unit or \$150, whichever is greater;
- 128.3 (5) storm drainage system, a minimum fee of \$150 or:
- 128.4 (i) \$50 per drain opening, up to a maximum of \$500; and
- 128.5 (ii) \$70 per interceptor, separator, or catch basin design;
- 128.6 (6) manufactured home park or campground, one to 25 sites, \$300;
- 128.7 (7) manufactured home park or campground, 26 to 50 sites, \$350;
- 128.8 (8) manufactured home park or campground, 51 to 125 sites, \$400;
- 128.9 (9) manufactured home park or campground, more than 125 sites, \$500;
- 128.10 (10) accelerated review, double the regular fee, one-half to be refunded if no
- 128.11 response from the commissioner within 15 business days; and
- 128.12 (11) revision to previously reviewed or incomplete plans:
- 128.13 (i) review of plans for which the commissioner has issued two or more requests for
- 128.14 additional information, per review, \$100 or ten percent of the original fee, whichever
- 128.15 is greater;
- 128.16 (ii) proposer-requested revision with no increase in project scope, \$50 or ten percent
- 128.17 of original fee, whichever is greater; and
- 128.18 (iii) proposer-requested revision with an increase in project scope, \$50 plus the
- 128.19 difference between the original project fee and the revised project fee.

128.20 Subd. 3. **Inspection fees.** The commissioner shall charge the following fees for

128.21 inspections under sections 326.361 to 326.44:

128.22	<u>Residential inspection fee (each visit)</u>	<u>\$50</u>
128.23	<u>Public, commercial, and industrial</u>	
128.24	<u>inspections</u>	<u>Inspection fee</u>
128.25	<u>25 or fewer drainage fixture units</u>	<u>\$300</u>
128.26	<u>26 to 50 drainage fixture units</u>	<u>\$900</u>
128.27	<u>51 to 150 drainage fixture units</u>	<u>\$1,200</u>
128.28	<u>151 to 249 drainage fixture units</u>	<u>\$1,500</u>
128.29	<u>250 or more drainage fixture units</u>	<u>\$1,800</u>
128.30	<u>Callback fee (each visit)</u>	<u>\$100</u>

128.31 **EFFECTIVE DATE.** This section is effective July 1, 2007.

128.32 Sec. 11. **[326B.41] PURPOSE.**

128.33 The purpose of sections 326B.41 to 326B.49 is to promote the public health and

128.34 safety through properly designed, acceptably installed, and adequately maintained

128.35 plumbing systems.

Sec. 12. **[326B.42] DEFINITIONS.**

Subdivision 1. **Words, terms, and phrases.** For purposes of sections 326B.41 to 326B.49, the terms defined in this section have the meanings given to them.

Subd. 2. **Direct supervision.** The term "direct supervision," with respect to direct supervision of a plumber's trainee by a master or journeyman plumber, means that:

(1) at all times while the plumber's trainee is performing plumbing work, the master or journeyman plumber is present at the location where the plumber's trainee is working;

(2) the master or journeyman plumber is immediately available to the plumber's
trainee at all times for assistance and direction;

(3) the master or journeyman plumber actually reviews the plumbing work performed by the plumber's trainee before the plumbing is operated; and

(4) the master or journeyman plumber is able to and does determine that all plumbing work performed by the plumber's trainee is performed in compliance with the plumbing code.

Subd. 5. **Municipality.** The term "municipality" shall have the meaning given to it
in section 16B.60, subdivision 3.

Subd. 6. Plumbing code. "Plumbing code" means Minnesota Rules, chapter 4715.

Sec. 13. REVISOR'S INSTRUCTION.

The revisor of statutes shall renumber each section of Minnesota Statutes listed in column A with the number listed in column B. The revisor shall also make necessary cross-referenced changes consistent with the renumbering.

<u>Column A</u>	<u>Column B</u>
<u>326.01, subd. 7</u>	<u>326B.42, subd. 3</u>
<u>326.01, subd. 8</u>	<u>326B.42, subd. 4</u>
<u>326.01, subd. 9</u>	<u>326B.42, subd. 7</u>
<u>326.37</u>	<u>326B.43</u>
<u>326.38</u>	<u>326B.44</u>
<u>326.39</u>	<u>326B.45</u>
<u>326.40</u>	<u>326B.46</u>
<u>326.401</u>	<u>326B.47</u>
<u>326.405</u>	<u>326B.48</u>
<u>326.42</u>	<u>326B.49</u>

ARTICLE 8

WATER CONDITIONING CONTRACTORS AND INSTALLERS

Section 1. Minnesota Statutes 2006, section 326.57, subdivision 1, is amended to read:

130.1 Subdivision 1. **Rulemaking by commissioner of health.** The state commissioner
130.2 of health shall, by rule, prescribe minimum standards which shall be uniform, and
130.3 which standards shall thereafter be effective for all new water conditioning servicing
130.4 and water conditioning installations, including additions, extensions, alterations, and
130.5 replacements connected with any water or sewage disposal system owned or operated by
130.6 or for any municipality, institution, factory, office building, hotel, apartment building or
130.7 any other place of business, regardless of location or the population of the city, county
130.8 or town in which located. ~~Such rules, upon approval of the attorney general and their~~
130.9 ~~legal publication, shall have the force of law, and the violation of any part thereof shall~~
130.10 ~~constitute a misdemeanor and may be enjoined by the attorney general.~~

130.11 Sec. 2. Minnesota Statutes 2006, section 326.58, is amended to read:

130.12 **326.58 LOCAL REGULATIONS.**

130.13 Any city or town with a population of 5,000 or more ~~persons~~ according to the last
130.14 federal census may, by ordinance, adopt local regulations providing for water conditioning
130.15 permits, bonds, approval of plans, and inspections of water conditioning installations and
130.16 servicing, which regulations shall not be in conflict with the water conditioning standards
130.17 on the same subject prescribed by the state commissioner of health. No such city or
130.18 town shall prohibit water conditioning contractors or installers licensed by the state
130.19 commissioner of health from engaging in or working at the business.

130.20 Sec. 3. Minnesota Statutes 2006, section 326.59, is amended to read:

130.21 **326.59 VIOLATIONS TO BE REPORTED TO ~~STATE~~ COMMISSIONER**
130.22 **~~OF HEALTH.~~**

130.23 Such local authority as may be designated by any such ordinance for the issuance
130.24 of such water conditioning installation and servicing permits and approval of such plans
130.25 shall report to the state commissioner of health persistent or willful violations of the
130.26 same and any incompetence of a licensed water conditioning contractor or licensed water
130.27 conditioning installer observed by the local authority.

130.28 Sec. 4. Minnesota Statutes 2006, section 326.60, is amended to read:

130.29 **326.60 LICENSING IN CERTAIN CITIES; QUALIFICATIONS; RULES.**

130.30 Subdivision 1. **Licensing in certain cities.** In any city or town ~~now or hereafter~~
130.31 having a population of 5,000 or more according to the last federal census, no person, ~~firm,~~
130.32 ~~or corporation~~ shall engage in or work at the business of water conditioning installation or

131.1 servicing after January 1, 1970, unless ~~(a) (1)~~ at all times ~~a person~~ an individual licensed
131.2 as a water conditioning contractor by the ~~state commissioner of health~~ shall be responsible
131.3 for the proper water conditioning installation and servicing work of such person, ~~firm, or~~
131.4 ~~corporation~~, and ~~(b) (2)~~ all installations, other than exchanges of portable equipment, are
131.5 ~~actually made~~ performed by a licensed water conditioning contractor or licensed water
131.6 conditioning installer. ~~Anyone~~ Any individual not so licensed may ~~do~~ perform water
131.7 conditioning work ~~which~~ that complies with ~~the provisions of~~ the minimum standard
131.8 prescribed by the ~~state commissioner of health~~ on premises or that part of premises owned
131.9 and ~~actually~~ occupied by the worker as a residence, unless otherwise ~~forbidden to do so~~
131.10 prohibited by a local ordinance.

131.11 Subd. 2. **Qualifications for licensing.** A water conditioning contractor license
131.12 shall be issued only to ~~a person~~ an individual who has demonstrated skill in planning,
131.13 superintending, and servicing water conditioning installations. A water conditioning
131.14 installer license shall only be issued to ~~a person~~ an individual other than a water
131.15 conditioning contractor who has demonstrated practical knowledge of water conditioning
131.16 installation.

131.17 Subd. 3. **Rules.** The ~~state commissioner of health~~ shall:

131.18 ~~(a) (1)~~ prescribe rules, not inconsistent herewith, for the licensing of water
131.19 conditioning contractors and installers;

131.20 ~~(b) (2)~~ license water conditioning contractors and installers;

131.21 ~~(c) (3)~~ prescribe rules not inconsistent herewith for the examining of water
131.22 conditioning contractors and installers prior to first granting a license as a water
131.23 conditioning contractor or water conditioning installer; and

131.24 ~~(d) (4)~~ collect an examination fee from each examinee for a license as a water
131.25 conditioning contractor and ~~a~~ an examination fee from each examinee for a license
131.26 as a water conditioning installer in an amount ~~prescribed by the state commissioner of~~
131.27 ~~health pursuant to set forth in~~ section ~~144.122~~ 326.62. A water conditioning installer
131.28 must successfully pass the examination for water conditioning contractors before being
131.29 licensed as a water conditioning contractor.

131.30 Sec. 5. Minnesota Statutes 2006, section 326.601, is amended to read:

131.31 **326.601 ALTERNATIVE STATE BONDING AND INSURANCE**
131.32 **REGULATION.**

131.33 Subdivision 1. **Bonds.** (a) An applicant for a water conditioning contractor or
131.34 installer license or renewal thereof who is required by any political subdivision to give a
131.35 bond to obtain or maintain the license, may comply with any political subdivision bonding

requirement by giving a bond to the state as described in paragraph (b). No applicant for a water conditioning contractor or installer license who maintains the bond under paragraph (b) shall be otherwise required to meet the bond requirements of any political subdivision.

(b) Each bond given to the state under this subdivision shall be in the total ~~penal~~ sum of \$3,000 conditioned upon the faithful and lawful performance of all water conditioning contracting or installing work done within the state. The bond shall be for the benefit of persons suffering injuries or damages due to the work. The bond shall be filed with the commissioner of health and shall be written by a corporate surety licensed to do business in this state. No applicant for a water conditioning contractor or installer license who maintains the bond under this subdivision shall be otherwise required to meet the bond requirements of any political subdivision. The bond must remain in effect at all times while the application is pending and while the license is in effect.

Subd. 2. **Insurance.** (a) Each applicant for a water conditioning contractor or installer license or renewal thereof may, in lieu of all other insurance requirements of any political subdivision for said licensing purposes, maintain the insurance specified by this subdivision, who is required by any political subdivision to maintain insurance to obtain or maintain the license may comply with any political subdivision's insurance requirement by maintaining the insurance described in paragraph (b). No applicant for a water conditioning contractor or installer license who maintains the insurance described in paragraph (b) shall be otherwise required to meet the insurance requirements of any political subdivision.

(b) The insurance shall provide coverage, including products liability coverage, for all damages in connection with licensed work for which the licensee is liable, with personal damage limits of at least \$50,000 per person and \$100,000 per occurrence and property damage insurance with limits of at least \$10,000. The insurance shall be written by an insurer licensed to do business in this state and each licensed water conditioning contractor or installer shall maintain on file with the commissioner of health a certificate evidencing the insurance shall be filed with the commissioner. The insurance must remain in effect at all times while the application is pending and while the license is in effect. The insurance shall not be canceled without the insurer first giving 15 days' written notice to the commissioner.

Subd. 3. **Bond and insurance exemption.** A water conditioning contractor or installer who is an employee of a water conditioning contractor or installer, including an employee engaged in the maintenance and repair of water conditioning equipment, apparatus, or facilities owned, leased and operated, or maintained by the employer, is

133.1 not required to meet the bond and insurance requirements of subdivisions 1 and 2 or of
133.2 any political subdivision.

133.3 Subd. 4. **Fee.** The commissioner of health ~~may establish by rule an additional~~
133.4 ~~fee commensurate with the cost of administering the bond and insurance requirements~~
133.5 ~~of subdivisions 1 and 2, which may be charged~~ shall collect a \$40 bond registration fee
133.6 from each applicant for issuance or renewal of a water conditioning contractor or installer
133.7 license who elects to proceed under subdivisions 1 and 2.

133.8 **EFFECTIVE DATE.** This section is effective December 1, 2007, except that the
133.9 amendments to subdivision 4 are effective July 1, 2007.

133.10 Sec. 6. Minnesota Statutes 2006, section 326.61, subdivision 1, is amended to read:

133.11 Subdivision 1. **Water conditioning installation.** "Water conditioning installation"
133.12 ~~as used in sections 326.57 to 326.65~~ means the installation of appliances, appurtenances,
133.13 and fixtures designed to treat water so as to alter, modify, add or remove mineral, chemical
133.14 or bacterial content, said installation to be made in a water distribution system serving a
133.15 single family residential unit, which has been initially established by a licensed plumber,
133.16 and does not involve a direct connection without an air gap to a soil or waste pipe.

133.17 Sec. 7. Minnesota Statutes 2006, section 326.61, subdivision 2, is amended to read:

133.18 Subd. 2. **Water conditioning servicing.** "Water conditioning servicing" ~~as used in~~
133.19 ~~sections 326.57 to 326.65~~ means the servicing (including servicing prior to installation) of
133.20 a water conditioning installation.

133.21 Sec. 8. Minnesota Statutes 2006, section 326.61, subdivision 3, is amended to read:

133.22 Subd. 3. **Rules.** In order to provide effective protection of the public health, the
133.23 ~~state~~ commissioner of health may by rule prescribe limitations on the nature of alteration
133.24 to, extension of, or connection with, the said water distribution system initially established
133.25 by a licensed plumber which may be performed by a person licensed hereunder, and may
133.26 by rule in appropriate instances require filing of plans, blueprints and specifications prior
133.27 to commencement of installation. ~~Such rules, upon approval of the attorney general and~~
133.28 ~~their legal publication, shall have the force of law, and the violation of any part thereof~~
133.29 ~~shall constitute a misdemeanor.~~ The installation of water heaters shall not constitute water
133.30 conditioning installation and consequently such work shall be accomplished in accordance
133.31 with the provisions of sections ~~326.37~~ 326.361 to ~~326.45~~ 326.44.

133.32 Sec. 9. Minnesota Statutes 2006, section 326.61, subdivision 4, is amended to read:

Subd. 4. **Single family residential unit.** "Single family residential unit" ~~as used in sections 326.57 to 326.65~~ means a building or portion thereof which is arranged, designed, used or intended to be used for residential occupancy by one family, but not including a motel, hotel or rooming house.

Sec. 10. Minnesota Statutes 2006, section 326.62, is amended to read:

326.62 APPLICATIONS; FEES.

~~Applications for water conditioning contractor's or installer's licenses shall be made to the state commissioner of health with the fee prescribed by the commissioner pursuant to section 144.122. Licenses shall expire and be renewed as prescribed by the commissioner pursuant to section 144.122. Unless examination fees have been set by a contract under section 326B.05, examination fees for both water conditioning contractors and water conditioning installers shall be \$50 for each examination. Each water conditioning contractor and installer license shall expire on December 31 of the year for which it was issued. The license fee for each initial water conditioning contractor's license shall be \$70, except that the license fee shall be \$35 if the application is submitted during the last three months of the calendar year. The license fee for each renewal water conditioning contractor's license shall be \$70. The license fee for each initial water conditioning installer license shall be \$35, except that the license fee shall be \$17.50 if the application is submitted during the last three months of the calendar year. The license fee for each renewal water conditioning installer license shall be \$35. The commissioner may by rule prescribe for the expiration and renewal of licenses. Any licensee who does not renew a license within two years after the license expires is no longer eligible for renewal. Such an individual must retake and pass the examination before a new license will be issued. A water conditioning contractor or water conditioning installer who submits a license renewal application after the time specified in rule but within two years after the license expired must pay all past due renewal fees plus a late fee of \$25.~~

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 11. Minnesota Statutes 2006, section 326.65, is amended to read:

326.65 STATE LICENSE; EXAMINATION; APPLICATION; EXEMPTION.

The provisions of sections 326.57 to 326.65 ~~which that~~ require the obtaining of licenses to engage in the work or business of water conditioning installation, and the provisions ~~which that~~ provide for the examination of applicants for such licenses, shall only apply to work accomplished in cities or towns having populations of 5,000 or more

135.1 according to the last federal census, and shall not apply to master plumbers and journeymen

135.2 plumbers licensed under the provisions of sections ~~326.37~~ 326.361 to ~~326.45~~ 326.44.

135.3 **Sec. 12. [326B.50] DEFINITIONS.**

135.4 Subdivision 1. Words, terms, and phrases. For the purposes of sections 326B.50

135.5 to 326B.59, the terms defined in this section have the meanings given them.

135.6 **Sec. 13. REVISOR'S INSTRUCTION.**

135.7 The revisor of statutes shall renumber each section of Minnesota Statutes listed in
135.8 column A with the number listed in column B. The revisor shall also make necessary
135.9 cross-reference changes consistent with the renumbering.

	<u>Column A</u>	<u>Column B</u>
135.10	<u>326.57</u>	<u>326B.52</u>
135.11	<u>326.58</u>	<u>326B.53</u>
135.12	<u>326.59</u>	<u>326B.54</u>
135.13	<u>326.60</u>	<u>326B.55</u>
135.14	<u>326.601</u>	<u>326B.56</u>
135.15	<u>326.61, subd. 1</u>	<u>326B.50, subd. 3</u>
135.16	<u>326.61, subd. 2</u>	<u>326B.50, subd. 4</u>
135.17	<u>326.61, subd. 3</u>	<u>326B.57</u>
135.18	<u>326.61, subd. 4</u>	<u>326B.50, subd. 2</u>
135.19	<u>326.62</u>	<u>326B.58</u>
135.20	<u>326.65</u>	<u>326B.59</u>

135.22 ARTICLE 9

135.23 **RESIDENTIAL BUILDING CONTRACTOR AND REMODELER STATUTES**

135.24 Section 1. Minnesota Statutes 2006, section 325E.58, is amended to read:

135.25 **325E.58 SIGN CONTRACTOR; BOND.**

135.26 (a) A sign contractor may post a compliance bond with the commissioner,
135.27 conditioned that the sign contractor shall faithfully perform duties and comply with laws,
135.28 ordinances, rules, and contracts entered into for the installation of signs. The bond must
135.29 be renewed annually and maintained for so long as determined by the commissioner. The
135.30 aggregate liability of the surety on the bond to any and all persons, regardless of the
135.31 number of claims made against the bond, may not exceed the annual amount of the bond.
135.32 The bond may be canceled as to future liability by the surety upon 30 days' written notice
135.33 mailed to the commissioner by United States mail.

136.1 (b) The amount of the bond shall be \$8,000. The bond may be drawn upon only by
136.2 a local unit of government that requires sign ~~installers~~ contractors to post a compliance
136.3 bond. The bond is in lieu of any compliance bond required by a local unit of government.

136.4 (c) For purposes of this section, "sign" means a device, structure, fixture, or
136.5 placard using graphics, symbols, or written copy that is erected on the premises of an
136.6 establishment including the name of the establishment or identifying the merchandise,
136.7 services, activities, or entertainment available on the premises.

136.8 Sec. 2. Minnesota Statutes 2006, section 326.83, subdivision 6, is amended to read:

136.9 Subd. 6. **Lessee.** "Lessee" means one who rents or leases residential real estate
136.10 pursuant to a written lease agreement of at least one year's duration.

136.11 Sec. 3. Minnesota Statutes 2006, section 326.83, subdivision 7, is amended to read:

136.12 Subd. 7. **Licensee.** "Licensee" means a residential building contractor, residential
136.13 remodeler, manufactured home installer, or residential roofer licensed under sections
136.14 326.83 to ~~326.991~~ 326.98.

136.15 Sec. 4. Minnesota Statutes 2006, section 326.83, subdivision 11, is amended to read:

136.16 Subd. 11. **Owner.** ~~Except in section 326.91, subdivision 1, "owner" means a person~~
136.17 ~~who has any legal or equitable interest in real property. For purposes of sections 326.83~~
136.18 ~~to 326.991, "owner" does not include a residential building contractor or residential~~
136.19 ~~remodeler who constructs or improves its own property for purposes of speculation. A~~
136.20 ~~residential building contractor or residential remodeler will be presumed to be building or~~
136.21 ~~improving for purposes of speculation if it constructs or improves more than one property~~
136.22 ~~within any 24-month period. "Owner," when used in connection with real property, means~~
136.23 a person who has any legal or equitable interest in the real property.

136.24 Sec. 5. Minnesota Statutes 2006, section 326.83, subdivision 18, is amended to read:

136.25 Subd. 18. **Residential roofer.** "Residential roofer" means a person in the business
136.26 of contracting, or offering to contract with an owner, to complete work on residential real
136.27 estate in roof coverings, roof sheathing, roof weatherproofing and insulation, and repair of
136.28 roof systems, but not construction of new roof systems.

136.29 Sec. 6. Minnesota Statutes 2006, section 326.83, subdivision 19, is amended to read:

136.30 Subd. 19. **Special skill.** "Special skill" means one of the following eight categories:

136.31 (a) **Excavation.** Excavation includes work in any of the following areas:

- 137.1 (1) excavation;
- 137.2 (2) trenching;
- 137.3 (3) grading; and
- 137.4 (4) site grading.
- 137.5 (b) **Masonry and concrete.** Masonry and concrete includes work in any of the
- 137.6 following areas:
 - 137.7 (1) drain systems;
 - 137.8 (2) poured walls;
 - 137.9 (3) slabs and poured-in-place footings;
 - 137.10 (4) masonry walls;
 - 137.11 (5) masonry fireplaces;
 - 137.12 (6) masonry veneer; and
 - 137.13 (7) water resistance and waterproofing.
- 137.14 (c) **Carpentry.** Carpentry includes work in any of the following areas:
 - 137.15 (1) rough framing;
 - 137.16 (2) finish carpentry;
 - 137.17 (3) doors, windows, and skylights;
 - 137.18 (4) porches and decks, excluding footings;
 - 137.19 (5) wood foundations; and
 - 137.20 (6) drywall installation, excluding taping and finishing.
- 137.21 (d) **Interior finishing.** Interior finishing includes work in any of the following areas:
 - 137.22 (1) floor covering;
 - 137.23 (2) wood floors;
 - 137.24 (3) cabinet and counter top installation;
 - 137.25 (4) insulation and vapor barriers;
 - 137.26 (5) interior or exterior painting;
 - 137.27 (6) ceramic, marble, and quarry tile;
 - 137.28 (7) ornamental guardrail and installation of prefabricated stairs; and
 - 137.29 (8) wallpapering.
- 137.30 (e) **Exterior finishing.** Exterior finishing includes work in any of the following
- 137.31 areas:
 - 137.32 (1) siding;
 - 137.33 (2) soffit, fascia, and trim;
 - 137.34 (3) exterior plaster and stucco;
 - 137.35 (4) painting; and
 - 137.36 (5) rain carrying systems, including gutters and down spouts.

138.1 (f) **Drywall and plaster.** Drywall and plaster includes work in any of the following
138.2 areas:

- 138.3 (1) installation;
- 138.4 (2) taping;
- 138.5 (3) finishing;
- 138.6 (4) interior plaster;
- 138.7 (5) painting; and
- 138.8 (6) wallpapering.

138.9 (g) **Residential roofing.** Residential roofing includes work in any of the following
138.10 areas:

- 138.11 (1) roof coverings;
- 138.12 (2) roof sheathing;
- 138.13 (3) roof weatherproofing and insulation; and
- 138.14 (4) repair of roof support system, but not construction of new roof support system.

138.15 (h) **General installation specialties.** Installation includes work in any of the
138.16 following areas:

- 138.17 (1) garage doors and openers;
- 138.18 (2) pools, spas, and hot tubs;
- 138.19 (3) fireplaces and wood stoves;
- 138.20 (4) asphalt paving and seal coating; and
- 138.21 (5) ~~exterior plaster and stucco; and~~
- 138.22 ~~(6)~~ ornamental guardrail and prefabricated stairs.

138.23 Sec. 7. Minnesota Statutes 2006, section 326.83, subdivision 20, is amended to read:

138.24 Subd. 20. **Specialty contractor.** "Specialty contractor" means a person in the
138.25 business of contracting or offering to contract to build or improve residential real estate by
138.26 providing only one special skill as defined in this section.

138.27 Sec. 8. Minnesota Statutes 2006, section 326.84, is amended to read:

138.28 **326.84 LICENSING REQUIREMENTS.**

138.29 Subdivision 1. **Persons required to be licensed.** A person who meets the definition
138.30 of a residential building contractor as defined in section 326.83, subdivision 15, must be
138.31 licensed as a residential building contractor by the commissioner. A person who meets
138.32 the definition of a residential remodeler as defined in section 326.83, subdivision ~~16,~~
138.33 ~~or a residential building contractor as defined in section 326.83, subdivision 15, must~~
138.34 ~~be licensed as a residential building contractor or residential remodeler. 16, must be~~

139.1 licensed by the commissioner as a residential remodeler or residential building contractor.
139.2 A person who meets the definition of a residential roofer as defined in section 18 must
139.3 be licensed by the commissioner as a residential roofer, residential building contractor,
139.4 or residential remodeler. A person who meets the definition of a manufactured home
139.5 installer as defined in section 327.31, subdivision 6, must be licensed as a manufactured
139.6 home installer by the commissioner.

139.7 Subd. 1a. **Persons who may be licensed.** A person who meets the definition of
139.8 a specialty contractor as defined in section 326.83, subdivision ~~20~~ 19, may be licensed
139.9 by the commissioner as a residential building contractor or residential remodeler unless
139.10 ~~required to be licensed by the state as a specialty contractor.~~

139.11 Subd. 1b. **Prohibition.** Except as provided in subdivision 3, no persons required
139.12 to be licensed by subdivision 1 may act or hold themselves out as a residential building
139.13 ~~contractors or~~ contractor, residential remodelers remodeler, residential roofer, or
139.14 manufactured home installer for compensation without a ~~valid~~ license issued by the
139.15 commissioner.

139.16 Subd. 1c. **Licensing criteria.** The examination and education requirements for
139.17 licensure under sections 326.84 to ~~326.991~~ 326.98 must be fulfilled by a qualifying person
139.18 designated by the potential licensee. If the qualifying person is a managing employee, the
139.19 qualifying person must be an employee who is regularly employed by the licensee and
139.20 is actively engaged in the business of residential contracting or residential remodeling
139.21 on behalf of the licensee. For a sole proprietorship, the qualifying person must be the
139.22 proprietor or managing employee. For a partnership, the qualifying person must be a
139.23 general partner or managing employee. For a limited liability company, the qualifying
139.24 person must be a chief manager or managing employee. For a corporation, the qualifying
139.25 person must be ~~a chief executive officer~~ an owner, officer, or managing employee. A
139.26 qualifying person for a corporation or limited liability company may act as ~~a~~ the qualifying
139.27 person for ~~one additional corporation if one of the following conditions exists:~~

139.28 ~~(1) there is a common ownership of at least 25 percent of each licensed corporation~~
139.29 ~~for which the person acts in a qualifying capacity; or~~

139.30 ~~(2) one corporation is a subsidiary of another corporation for which the same person~~
139.31 ~~acts in a qualifying capacity. "Subsidiary," as used in this section, means a corporation of~~
139.32 ~~which at least 25 percent is owned by the parent corporation. more than one corporation~~
139.33 or limited liability company if there is common ownership of at least 25 percent among
139.34 each of the licensed corporations or limited liability companies for which the person
139.35 acts in the capacity of qualifying person.

140.1 Subd. 1d. **Required information.** (a) Each licensee or applicant for licensure shall
140.2 provide to the commissioner a current street address and telephone number where the
140.3 licensee resides, and a street address and telephone number where the licensee's business
140.4 is physically located. A post office box address is not sufficient to satisfy this requirement.
140.5 Each licensee or applicant for licensure must notify the commissioner in writing of any
140.6 change in the required information within 15 days of the change.

140.7 (b) Each licensee or applicant for licensure must notify the commissioner in writing
140.8 upon any change in control, ownership, officers or directors, personal name, business
140.9 name, license name, or qualifying person, within 15 days of the change.

140.10 (c) Each licensee or applicant for licensure must notify the commissioner in writing if
140.11 the licensee or applicant for licensure is found to be a judgment debtor based upon conduct
140.12 requiring licensure pursuant to sections 326.83 to 326.98 within 15 days of the finding.

140.13 (d) Each licensee or applicant for licensure must notify the commissioner in writing
140.14 within 15 days of filing a petition for bankruptcy.

140.15 (e) Each licensee or applicant for licensure must notify the commissioner in writing
140.16 within ten days if the licensee or applicant for licensure has been found guilty of a felony,
140.17 gross misdemeanor, misdemeanor, or any comparable offense related to residential
140.18 contracting, including convictions of fraud, misrepresentation, misuse of funds, theft,
140.19 criminal sexual conduct, assault, burglary, conversion of funds, or theft of proceeds in this
140.20 or any other state or any other United States jurisdiction.

140.21 Subd. 3. **Exemptions.** The license requirement does not apply to:

140.22 (1) an employee of a licensee performing work for the licensee;

140.23 (2) a material person, manufacturer, or retailer furnishing finished products,
140.24 materials, or articles of merchandise who does not install or attach the items;

140.25 (3) an owner ~~or owners~~ of residential real estate who ~~build or improve~~ builds or
140.26 improves any structure on residential real estate ~~and who do the work themselves or~~
140.27 ~~jointly with the owner's own,~~ if the building or improving is performed by the owner's
140.28 bona fide employees or by individual owners personally. This exemption does not apply
140.29 ~~to a person who engages in a pattern of building or improving real estate for purposes of~~
140.30 ~~resale. Such a pattern is presumed to exist if the person constructs or improves more~~
140.31 ~~than one property within any 24-month period;~~ an owner who constructs or improves
140.32 property for purposes of speculation if the building or improving is performed by the
140.33 owner's bona fide employees or by individual owners personally. A residential building
140.34 contractor or residential remodeler will be presumed to be building or improving for
140.35 purposes of speculation if the contractor or remodeler constructs or improves more than
140.36 one property within any 24-month period.

141.1 (4) an architect or professional engineer engaging in professional practice as defined
141.2 ~~in this chapter~~ by section 326.02, subdivisions 2 and 3;

141.3 (5) a person whose total gross annual receipts ~~from projects regulated under this~~
141.4 ~~section~~ for performing specialty skills for which licensure would be required under this
141.5 section do not exceed \$15,000;

141.6 (6) a mechanical contractor;

141.7 (7) a plumber, electrician, or other person whose profession is otherwise subject to
141.8 statewide licensing, when engaged in the activity which is the subject of that licensure;

141.9 (8) specialty contractors who provide only one special skill as defined in section
141.10 326.83;

141.11 (9) a school district, or a technical college governed under chapter 136F; and

141.12 ~~(10) manufactured housing installers; and~~

141.13 ~~(11)~~ (10) Habitat for Humanity and Builders Outreach Foundation, and their
141.14 individual volunteers when engaged in activities on their behalf.

141.15 To qualify for the exemption in clause (5), a person must obtain a certificate of
141.16 exemption from ~~licensing~~ licensure from the commissioner.

141.17 A certificate of exemption will be issued upon the applicant's filing with the
141.18 commissioner, an affidavit stating that the applicant does not expect to exceed \$15,000 in
141.19 gross annual receipts derived from ~~contracting activities during the calendar year for which~~
141.20 ~~the exemption is requested~~ performing services which require licensure under this section.

141.21 To renew the exemption in clause (5), the applicant must file an affidavit stating that
141.22 the applicant did not exceed \$15,000 in gross annual receipts during the past calendar
141.23 year, ~~and the applicant does not expect to exceed \$15,000 in gross annual receipts during~~
141.24 ~~the calendar year for which the exemption is requested.~~

141.25 If a person, operating under the exemption in clause (5), exceeds \$15,000 in gross
141.26 receipts during any calendar year, the person must immediately surrender the exemption
141.27 certificate and apply for the appropriate license. The person must remain licensed until
141.28 such time as the person's gross annual receipts during a calendar year fall below \$15,000.
141.29 The person may then apply for ~~this~~ an exemption for the next calendar year.

141.30 Sec. 9. Minnesota Statutes 2006, section 326.841, is amended to read:

141.31 **326.841 MANUFACTURED HOME INSTALLERS.**

141.32 (a) Manufactured home installers are subject to all of the requirements of sections
141.33 326.83 to 326.98, except for the following:

141.34 ~~(1) manufactured home installers are not members of the advisory council under~~
141.35 ~~section 326.85;~~

142.1 ~~(2)~~ (1) manufactured home installers are not subject to the continuing education
142.2 requirements of section 326.87, but are subject to the continuing education requirements
142.3 established in rules adopted under section 327B.10;

142.4 ~~(3)~~ (2) the examination requirement of section 326.89, subdivision 3, for
142.5 manufactured home installers shall be satisfied by successful completion of a written
142.6 examination ~~designed~~ administered and developed specifically for the examination of
142.7 manufactured home installers. The examination must be designed administered and
142.8 developed by the commissioner in conjunction with the state building code division. The
142.9 commissioner and State Building Code Division the state building official shall seek
142.10 advice on the grading, monitoring, and updating of examinations from the Minnesota
142.11 Manufactured Housing Association;

142.12 ~~(4) the amount of the bond required by section 326.94 shall be \$2,500 for~~
142.13 ~~manufactured home installers;~~

142.14 ~~(5)~~ (3) a local government unit may not place a surcharge on a license fee, and
142.15 may not charge a separate fee to installers;

142.16 ~~(6)~~ (4) a dealer or distributor who does not install or repair manufactured homes is
142.17 exempt from licensure under sections 326.83 to 326.98; ~~and~~

142.18 ~~(7)~~ (5) the exemption under section 326.84, subdivision 3, clause (5), does not
142.19 apply; and

142.20 (6) manufactured home installers are not subject to the contractor recovery fund
142.21 in section 326.975.

142.22 (b) The commissioner may waive all or part of the requirements for licensure
142.23 as a manufactured home installer for any individual who holds an unexpired license or
142.24 certificate issued by any other state or other United States jurisdiction if the licensing
142.25 requirements of that jurisdiction meet or exceed the corresponding licensing requirements
142.26 of the department.

142.27 Sec. 10. Minnesota Statutes 2006, section 326.842, is amended to read:

142.28 **326.842 RESIDENTIAL ROOFERS.**

142.29 Residential roofers are subject to all of the requirements of sections 326.83 to 326.98
142.30 ~~and 326.991~~, except the recovery fund in section 326.975.

142.31 Sec. 11. Minnesota Statutes 2006, section 326.86, is amended to read:

142.32 **326.86 FEES.**

142.33 Subdivision 1. **Licensing fee.** The licensing fee for persons licensed pursuant to
142.34 sections 326.83 to ~~326.991~~ 326.98 is ~~\$100~~ \$70 per year.

143.1 Subd. 2. **Local surcharge.** A local government unit may place a surcharge in an
143.2 amount no greater than \$5 on each land use, zoning, or building permit that requires a
143.3 licensed residential building contractor, residential remodeler, ~~or specialty contractor~~
143.4 residential roofer, or manufactured home installer for the purpose of license verification.
143.5 The local government may verify a license by telephone ~~or~~, facsimile machine or
143.6 electronic communication. A local government unit shall not issue a land use, zoning, or
143.7 building permit unless the required license has been verified and is current.

143.8 **EFFECTIVE DATE.** The amendments to subdivision 1 are effective July 1, 2007.
143.9 The amendments to subdivision 2 are effective December 1, 2007.

143.10 Sec. 12. Minnesota Statutes 2006, section 326.87, is amended to read:

143.11 **326.87 CONTINUING EDUCATION.**

143.12 Subdivision 1. **Standards.** The commissioner, ~~in consultation with the council,~~ may
143.13 by rule adopt standards for continuing education requirements and course and instructor
143.14 approval. The standards must include requirements for continuing education in the
143.15 implementation of energy codes applicable to buildings and other building codes designed
143.16 to conserve energy. ~~Except for the course content, the standards must be consistent~~
143.17 ~~with the standards established for real estate agents and other professions licensed by~~
143.18 ~~the Department of Commerce. At a minimum, the content of one hour of any required~~
143.19 ~~continuing education must contain information on lead abatement rules and safe lead~~
143.20 ~~abatement procedures.~~

143.21 Subd. 2. **Hours.** A qualifying person of a licensee must provide proof of completion
143.22 of seven hours of continuing education per year in the regulated industry in which the
143.23 licensee is licensed. ~~To the extent the commissioner considers it appropriate, courses or~~
143.24 ~~parts of courses may be considered to satisfy both continuing education requirements~~
143.25 ~~under this section and continuing real estate education requirements.~~

143.26 Credit may not be earned if the licensee has previously obtained credit for the same
143.27 course as either a student or instructor during the same licensing period.

143.28 Subd. 3. **Accessibility.** To the extent possible, the commissioner shall ensure that
143.29 continuing education courses are offered throughout the state and are easily accessible
143.30 to all licensees.

143.31 Subd. 4. **Renewal of ~~accreditation~~ approval.** The commissioner is authorized to
143.32 establish a procedure for renewal of course ~~accreditation~~ approval.

143.33 Subd. 5. **Content.** (a) Continuing education consists of approved courses that
143.34 impart appropriate and related knowledge in the regulated industries pursuant to sections

144.1 326.83 to 326.98. The burden of demonstrating that courses impart appropriate and related
144.2 knowledge is upon the person seeking approval or credit.

144.3 (b) Course examinations will not be required for continuing education courses
144.4 unless they are required by the sponsor.

144.5 (c) Textbooks are not required to be used for continuing education courses. If
144.6 textbooks are not used, the coordinator must provide students with a syllabus containing,
144.7 at a minimum, the course title, the times and dates of the course offering, the names and
144.8 addresses or telephone numbers of the course coordinator and instructor, and a detailed
144.9 outline of the subject materials to be covered. Any written or printed material given to
144.10 students must be of readable quality and contain accurate and current information.

144.11 (d) Upon completion of an approved course, licensees shall earn one hour of
144.12 continuing education credit for each hour approved by the commissioner. Each continuing
144.13 education course must be attended in its entirety in order to receive credit for the number
144.14 of approved hours. Courses may be approved for full or partial credit, and for more than
144.15 one regulated industry.

144.16 Continuing education credit in an approved course shall be awarded to presenting
144.17 instructors on the basis of one credit for each hour of preparation for the initial presentation,
144.18 which may not exceed three hours total credit for each approved course. Continuing
144.19 education credit may not be earned if the licensee has previously obtained credit for the
144.20 same course as a licensee or as an instructor within the three years immediately prior.

144.21 (e) The following courses will not be approved for credit:

144.22 (1) courses designed solely to prepare students for a license examination;

144.23 (2) courses in mechanical office or business skills, including typing, speed reading,
144.24 or other machines or equipment. Computer courses are allowed, if appropriate and related
144.25 to the regulated industry of the licensee;

144.26 (3) courses in sales promotion, including meetings held in conjunction with the
144.27 general business of the licensee;

144.28 (4) courses in motivation, salesmanship, psychology, time management, or
144.29 communication; or

144.30 (5) courses that are primarily intended to impart knowledge of specific products of
144.31 specific companies, if the use of the product or products relates to the sales promotion or
144.32 marketing of one or more of the products discussed.

144.33 Subd. 6. **Course approval.** (a) Courses must be approved by the commissioner
144.34 in advance and will be approved on the basis of the applicant's compliance with the
144.35 provisions of this section relating to continuing education in the regulated industries. The

145.1 commissioner shall make the final determination as to the approval and assignment of
145.2 credit hours for courses. Courses must be at least one hour in length.

145.3 Individuals requesting credit for continuing education courses that have not
145.4 been previously approved shall, on a form prescribed by the commissioner, submit an
145.5 application for approval of continuing education credit accompanied by a nonrefundable
145.6 fee of \$10 for each course to be reviewed. To be approved, courses must be in compliance
145.7 with the provisions of this section governing the types of courses that will and will not
145.8 be approved.

145.9 Approval will not be granted for time spent on meals or other unrelated activities.
145.10 Breaks may not be accumulated in order to dismiss the class early. Classes shall not be
145.11 offered by a provider to any one student for longer than eight hours in one day, excluding
145.12 meal breaks.

145.13 (b) Application for course approval must be submitted 30 days before the course
145.14 offering.

145.15 (c) Approval must be granted for a subsequent offering of identical continuing
145.16 education courses without requiring a new application if a notice of the subsequent
145.17 offering is filed with the commissioner at least 30 days in advance of the date the course is
145.18 to be held. The commissioner shall deny future offerings of courses if they are found not
145.19 to be in compliance with the laws relating to course approval.

145.20 Subd. 7. **Courses open to all.** All course offerings must be open to any interested
145.21 individuals. Access may be restricted by the sponsor based on class size only. Courses
145.22 must not be approved if attendance is restricted to any particular group of people, except
145.23 for company-sponsored courses allowed by applicable law.

145.24 Subd. 8. **Course coordinator.** (a) Each course of study shall have at least one
145.25 coordinator, approved by the commissioner, who is responsible for supervising the
145.26 program and ensuring compliance with all relevant law. Sponsors may engage an
145.27 additional approved coordinator in order to assist the coordinator or to act as a substitute
145.28 for the coordinator in the event of an emergency or illness.

145.29 (b) The commissioner shall approve as a coordinator a person meeting one or more
145.30 of the following criteria:

145.31 (1) at least three years of full-time experience in the administration of an education
145.32 program during the five-year period immediately before the date of application;

145.33 (2) a degree in education plus two years' experience during the immediately
145.34 preceding five-year period in one of the regulated industries for which courses are being
145.35 approved; or

146.1 (3) a minimum of five years' experience within the previous six years in the regulated
146.2 industry for which courses are held.

146.3 Subd. 9. **Responsibilities.** A coordinator is responsible for:

146.4 (1) ensuring compliance with all laws and rules relating to continuing educational
146.5 offerings governed by the commissioner;

146.6 (2) ensuring that students are provided with current and accurate information relating
146.7 to the laws and rules governing their licensed activity;

146.8 (3) supervising and evaluating courses and instructors. Supervision includes
146.9 ensuring that all areas of the curriculum are addressed without redundancy and that
146.10 continuity is present throughout the entire course;

146.11 (4) ensuring that instructors are qualified to teach the course offering;

146.12 (5) furnishing the commissioner, upon request, with copies of course and instructor
146.13 evaluations and qualifications of instructors. Evaluations must be completed by students at
146.14 the time the course is offered and by coordinators within five days after the course offering;

146.15 (6) investigating complaints related to course offerings or instructors. A copy of
146.16 the written complaint must be sent to the commissioner within ten days of receipt of
146.17 the complaint and a copy of the complaint resolution must be sent not more than ten
146.18 days after resolution is reached;

146.19 (7) maintaining accurate records relating to course offerings, instructors, tests
146.20 taken by students if required, and student attendance for a period of three years from the
146.21 date on which the course was completed. These records must be made available to the
146.22 commissioner upon request. In the event that a sponsor ceases operation for any reason,
146.23 the coordinator is responsible for maintaining the records or providing a custodian for the
146.24 records acceptable to the commissioner. The coordinator must notify the commissioner
146.25 of the name and address of that person. In order to be acceptable to the commissioner,
146.26 custodians must agree to make copies of acknowledgments available to students at a
146.27 reasonable fee. Under no circumstances will the commissioner act as custodian of the
146.28 records;

146.29 (8) ensuring that the coordinator is available to instructors and students throughout
146.30 course offerings and providing to the students and instructor the name of the coordinator
146.31 and a telephone number at which the coordinator can be reached;

146.32 (9) attending workshops or instructional programs as reasonably required by the
146.33 commissioner;

146.34 (10) providing course completion certificates within ten days of, but not before,
146.35 completion of the entire course. Course completion certificates must be completed in
146.36 their entirety. Course completion certificates must contain the following statement: "If

147.1 you have any comments about this course offering, please mail them to the Minnesota
147.2 Department of Labor and Industry." The current address of the department must be
147.3 included. A coordinator may require payment of the course tuition as a condition for
147.4 receiving the course completion certificate; and

147.5 (11) notifying the commissioner in writing within ten days of any change in the
147.6 information in an application for approval on file with the commissioner.

147.7 Subd. 10. **Instructors.** (a) Each continuing education course shall have an instructor
147.8 who is qualified by education, training, or experience to ensure competent instruction.
147.9 Failure to have only qualified instructors teach at an approved course offering will result
147.10 in loss of course approval. Coordinators are responsible to ensure that an instructor is
147.11 qualified to teach the course offering.

147.12 (b) Qualified continuing education instructors must have one of the following
147.13 qualifications:

147.14 (1) a four-year degree in any area plus two years' practical experience in the subject
147.15 area being taught;

147.16 (2) five years' practical experience in the subject area being taught; or

147.17 (3) a college or graduate degree in the subject area being taught.

147.18 (c) Approved instructors are responsible for:

147.19 (1) compliance with all laws and rules relating to continuing education;

147.20 (2) providing students with current and accurate information;

147.21 (3) maintaining an atmosphere conducive to learning in the classroom;

147.22 (4) verifying attendance of students, and certifying course completion;

147.23 (5) providing assistance to students and responding to questions relating to course
147.24 materials; and

147.25 (6) attending the workshops or instructional programs that are required by the
147.26 commissioner.

147.27 Subd. 11. **Prohibited practices for coordinators and instructors.** (a) In
147.28 connection with an approved continuing education course, coordinators and instructors
147.29 shall not:

147.30 (1) recommend or promote the services or practices of a particular business;

147.31 (2) encourage or recruit individuals to engage the services of, or become associated
147.32 with, a particular business;

147.33 (3) use materials, clothing, or other evidences of affiliation with a particular entity;

147.34 (4) require students to participate in other programs or services offered by the
147.35 instructor, coordinator, or sponsor;

148.1 (5) attempt, either directly or indirectly, to discover questions or answers on an
148.2 examination for a license;

148.3 (6) disseminate to any other person specific questions, problems, or information
148.4 known or believed to be included in licensing examinations;

148.5 (7) misrepresent any information submitted to the commissioner;

148.6 (8) fail to cover, or ensure coverage of, all points, issues, and concepts contained in
148.7 the course outline approved by the commissioner during the approved instruction; or

148.8 (9) issue inaccurate course completion certificates.

148.9 (b) Coordinators shall notify the commissioner within ten days of a felony or
148.10 gross misdemeanor conviction or of disciplinary action taken against an occupational or
148.11 professional license held by the coordinator or an instructor teaching an approved course.
148.12 The notification shall be grounds for the commissioner to withdraw the approval of the
148.13 coordinator and to disallow the use of the instructor.

148.14 Subd. 12. **Fees.** Fees for an approved course of study and related materials must
148.15 be clearly identified to students. In the event that a course is canceled for any reason, all
148.16 fees must be returned within 15 days from the date of cancellation. In the event that a
148.17 course is postponed for any reason, students shall be given the choice of attending the
148.18 course at a later date or having their fees refunded in full within 15 days from the date
148.19 of postponement. If a student is unable to attend a course or cancels the registration in a
148.20 course, sponsor policies regarding refunds shall govern.

148.21 Subd. 13. **Facilities.** Each course of study must be conducted in a classroom
148.22 or other facility that is adequate to comfortably accommodate the instructors and the
148.23 number of students enrolled. The sponsor may limit the number of students enrolled in a
148.24 course. Approved courses may be held on the premises of a company doing business in
148.25 the regulated area only when the company is sponsoring the course offering, or where
148.26 product application is appropriate and related.

148.27 Subd. 14. **Supplementary materials.** An adequate supply of supplementary
148.28 materials to be used or distributed in connection with an approved course must be available
148.29 at the time and place of the course offering in order to ensure that each student receives all
148.30 of the necessary materials. Outlines and any other materials that are reproduced must be
148.31 of readable quality.

148.32 Subd. 15. **Advertising courses.** (a) Paragraphs (b) to (g) govern the advertising
148.33 of continuing education courses.

148.34 (b) Advertising must be truthful and not deceptive or misleading. Courses may not
148.35 be advertised in any manner as approved unless approval has been granted in writing by
148.36 the commissioner.

149.1 (c) No advertisement, pamphlet, circular, or other similar materials pertaining to
149.2 an approved offering may be circulated or distributed in this state, unless the following
149.3 statement is prominently displayed:

149.4 "This course has been approved by the Minnesota Department of Labor and Industry
149.5 for (approved number of hours) hours for continuing (relevant industry)
149.6 education."

149.7 (d) Advertising of approved courses must be clearly distinguishable from the
149.8 advertisement of other nonapproved courses and services.

149.9 (e) Continuing education courses may not be advertised before approval unless the
149.10 course is described in the advertising as "approval pending" and an application for approval
149.11 has been timely submitted to the commissioner and a denial has not been received.

149.12 (f) The number of hours for which a course has been approved must be prominently
149.13 displayed on an advertisement for the course. If the course offering is longer than the
149.14 number of hours of credit to be given, it must be clear that credit is not earned for the
149.15 entire course.

149.16 (g) The course approval number must not be included in any advertisement.

149.17 Subd. 16. **Notice to students.** At the beginning of each approved offering, the
149.18 following notice must be handed out in printed form or must be read to students:

149.19 "This educational offering is recognized by the Minnesota Department of Labor and
149.20 Industry as satisfying (insert number of hours approved) hours of credit toward
149.21 continuing (insert appropriate industry) education requirements."

149.22 Subd. 17. **Audits.** The commissioner reserves the right to audit subject offerings
149.23 with or without notice to the sponsor.

149.24 Subd. 18. **Falsification of reports.** A licensee, its qualified person, or an applicant
149.25 found to have falsified an education report to the commissioner shall be considered to
149.26 have violated the laws relating to the industry for which the person has a license and
149.27 shall be subject to censure, limitation, condition, suspension, or revocation of the license
149.28 or denial of the application for licensure.

149.29 The commissioner reserves the right to audit a licensee's continuing education
149.30 records.

149.31 Subd. 19. **Waivers and extensions.** If a licensee provides documentation to the
149.32 commissioner that the licensee or its qualifying person is unable, and will continue to be
149.33 unable, to attend actual classroom course work because of a physical disability, medical
149.34 condition, or similar reason, attendance at continuing education courses shall be waived
149.35 for a period not to exceed one year. The commissioner shall require that the licensee or
149.36 its qualifying person satisfactorily complete a self-study program to include reading a

150.1 sufficient number of textbooks, or listening to a sufficient number of tapes, related to the
150.2 regulated industry, as would be necessary for the licensee to satisfy continuing educational
150.3 credit hour needs. The commissioner shall award the licensee credit hours for a self-study
150.4 program by determining how many credit hours would be granted to a classroom course
150.5 involving the same material and giving the licensee the same number of credit hours under
150.6 this part. The licensee may apply each year for a new waiver upon the same terms and
150.7 conditions as were necessary to secure the original waiver, and must demonstrate that in
150.8 subsequent years, the licensee was unable to complete actual classroom course work.
150.9 The commissioner may request documentation of the condition upon which the request
150.10 for waiver is based as is necessary to satisfy the commissioner of the existence of the
150.11 condition and that the condition does preclude attendance at continuing education courses.

150.12 Upon written proof demonstrating a medical hardship, the commissioner shall
150.13 extend, for up to 90 days, the time period during which the continuing education must be
150.14 successfully completed. Loss of income from either attendance at courses or cancellation
150.15 of a license is not a bona fide financial hardship. Requests for extensions must be
150.16 submitted to the commissioner in writing no later than 60 days before the education is
150.17 due and must include an explanation with verification of the hardship, plus verification of
150.18 enrollment at an approved course of study on or before the extension period expires.

150.19 Subd. 20. **Reporting requirements.** Required continuing education must be
150.20 reported in a manner prescribed by the commissioner. Licensees are responsible for
150.21 maintaining copies of course completion certificates.

150.22 Subd. 21. **Residential building contractor, residential remodeler, and residential**
150.23 **roofer education.** (a) Each licensee must, during the licensee's first complete continuing
150.24 education reporting period, complete and report one hour of continuing education relating
150.25 to lead abatement rules in safe lead abatement procedures.

150.26 (b) Each licensee must, during each continuing education reporting period, complete
150.27 and report one hour of continuing education relating to energy codes for buildings and
150.28 other building codes designed to conserve energy.

150.29 Subd. 22. **Continuing education approval.** (a) Continuing education courses must
150.30 be approved in advance by the commissioner of labor and industry. "Sponsor" means any
150.31 person or entity offering approved education.

150.32 (b) For coordinators with an initial approval date before August 1, 2005, approval
150.33 will expire on December 31, 2005. For courses with an initial approval date on or before
150.34 December 31, 2000, approval will expire on April 30, 2006. For courses with an initial
150.35 approval date after January 1, 2001, but before August 1, 2005, approval will expire
150.36 on April 30, 2007.

151.1 Subd. 23. **Continuing education fees.** The following fees shall be paid to the
151.2 commissioner:

151.3 (1) initial course approval, \$10 for each hour or fraction of one hour of continuing
151.4 education course approval sought. Initial course approval expires on the last day of the
151.5 24th month after the course is approved;

151.6 (2) renewal of course approval, \$10 per course. Renewal of course approval expires
151.7 on the last day of the 24th month after the course is renewed;

151.8 (3) initial coordinator approval, \$100. Initial coordinator approval expires on the last
151.9 day of the 24th month after the coordinator is approved; and

151.10 (4) renewal of coordinator approval, \$10. Renewal of coordinator approval expires
151.11 on the last day of the 24th month after the coordinator is renewed.

151.12 Subd. 24. **Refunds.** All fees paid to the commissioner under this section are
151.13 nonrefundable, except that an overpayment of a fee shall be returned upon proper
151.14 application.

151.15 Sec. 13. Minnesota Statutes 2006, section 326.88, is amended to read:

151.16 **326.88 LOSS OF QUALIFYING PERSON.**

151.17 Upon the departure or disqualification of a licensee's qualifying person because of
151.18 death, disability, retirement, position change, or other reason, the licensee must notify
151.19 the commissioner within 15 business days. The licensee shall have 120 days from the
151.20 departure of the qualifying person to obtain a new qualifying person. Failure to secure a
151.21 new qualifying person within 120 days will, with or without notice, result in the automatic
151.22 termination of the license.

151.23 Sec. 14. Minnesota Statutes 2006, section 326.89, is amended to read:

151.24 **326.89 APPLICATION AND EXAMINATION.**

151.25 Subdivision 1. **Form.** An applicant for a license under sections 326.83 to 326.98
151.26 must submit an application ~~to the commissioner~~, under oath and accompanied by the
151.27 license fee required by section 326.86, on a form prescribed by the commissioner.
151.28 Within 30 business days of receiving all required information, the commissioner must
151.29 act on the license request. If one of the categories in the application does not apply, the
151.30 applicant must identify the category and state the reason the category does not apply. The
151.31 commissioner may refuse to issue a license if the application is not complete or contains
151.32 unsatisfactory information.

151.33 Subd. 2. **Contents.** ~~The~~ Each application must include the following information
151.34 regarding the applicant:

152.1 (1) Minnesota workers' compensation insurance certificate;

152.2 (2) employment insurance account number;

152.3 (3) certificate of liability insurance;

152.4 (4) type of license requested;

152.5 (5) ~~name and~~ current address of the applicant, and telephone number where the

152.6 applicant resides;

152.7 ~~(i)~~ (6) name and address of the applicant's qualifying person, if other than applicant;

152.8 and

152.9 ~~(ii)~~ (7) if the applicant is a sole proprietorship, the name and address of the sole

152.10 proprietor; if the applicant is a partnership, the name and address of each partner; if the

152.11 applicant is a limited liability company, the name and address of each governor and

152.12 manager; if the applicant is a corporation, the name and address of each of the corporate

152.13 officers, directors, and all shareholders holding more than ten percent of the outstanding

152.14 stock in the corporation;

152.15 (8) name and address of the applicant's agent in this state authorized to receive

152.16 service of process, and a consent to service of process as required by section 326.93;

152.17 (9) current street address and telephone number where the business is physically

152.18 located;

152.19 ~~(6)~~ (10) whether the applicant, any employee, or qualifying person has ever been

152.20 licensed in this or any other state and has had a professional or vocational license

152.21 reprimanded, censured, limited, conditioned, refused, suspended, or revoked, or has been

152.22 the subject of any administrative action;

152.23 ~~(7)~~ (11) whether the applicant, qualifying person, or any of the applicant's corporate

152.24 or partnership directors, limited liability company governors, officers, limited or general

152.25 partners, managers, all shareholders holding more than ten percent of the share of the

152.26 corporation that have been issued, or all members holding more than ten percent of the

152.27 voting power of the membership interests that have been issued, has been convicted

152.28 of a crime that either related directly to the business for which the license is sought or

152.29 involved fraud, misrepresentation, or misuse of funds; has suffered a judgment in a civil

152.30 action involving fraud, misrepresentation, construction defect, negligence, ~~or~~ breach

152.31 of contract, or conversion of funds within the ten years prior to the submission of the

152.32 application; or has had any government license or permit reprimanded, censured, limited,

152.33 conditioned, suspended, or revoked as a result of an action brought by a federal, state, or

152.34 local governmental unit or agency in this or any other state;

152.35 ~~(8)~~ (12) the applicant's and qualifying person's business history for the past five

152.36 years and whether the applicant, ~~any~~ a managing employee, or qualifying person has ever

153.1 filed for bankruptcy or protection from creditors or has any unsatisfied judgments against
153.2 the applicant, employee, or qualifying person;

153.3 ~~(9)~~ (13) where the applicant is a firm, partnership, sole proprietorship, limited
153.4 liability company, corporation, or association, whether there has been a sale or transfer of
153.5 the business or other change in ownership, control, or name in the last five years and the
153.6 details thereof, and the names and addresses of all prior, predecessor, subsidiary, affiliated,
153.7 parent, or related entities, and whether each such entity, or its owners, officers, directors,
153.8 members or shareholders holding more than ten percent of the stock, or an employee has
153.9 ever taken or been subject to an action that is subject to clause ~~(6), (7), or (8)~~ (10), (11),
153.10 or (12) in the last ten years; and

153.11 ~~(10)~~ (14) whether the qualifying person is the qualifying person for more than one
153.12 licensee.

153.13 For purposes of this subdivision, "applicant" includes employees who exercise
153.14 management or policy control over the residential contracting ~~and remodeling~~, residential
153.15 remodeling, residential roofing, or manufactured home installation activities in the state
153.16 of Minnesota, including affiliates, partners, directors, governors, officers, limited or
153.17 general partners, managers, all shareholders holding more than ten percent of the shares
153.18 that have been issued, a shareholder holding more than ten percent of the voting power
153.19 of the shares that have been issued, or all members holding more than ten percent of the
153.20 membership interests that have been issued or more than ten percent of the voting power
153.21 of the membership interests that have been issued.

153.22 The commissioner may require further information as the commissioner deems
153.23 appropriate to administer the provisions and further the purposes of this chapter.

153.24 Subd. 3. **Examination.** (a) Each qualifying person must satisfactorily complete a
153.25 written examination for the type of license requested. The commissioner may establish
153.26 the examination qualifications, including related education experience and education, the
153.27 examination procedure, and the examination for each licensing group. The examination
153.28 must include at a minimum the following areas:

153.29 (1) appropriate knowledge of technical terms commonly used and the knowledge of
153.30 reference materials and code books to be used for technical information; and

153.31 (2) understanding of the general principles of business management and other
153.32 pertinent state laws.

153.33 (b) Each examination must be designed for the specified type of license requested.

153.34 ~~The council shall advise the commissioner on the grading, monitoring, and updating of~~
153.35 ~~examinations.~~

(c) ~~A person's~~ An individual's passing examination results expire two years from the examination date. ~~A person~~ An individual who passes the examination but does not choose to apply to act as a qualifying person for a licensee within two years from the examination date, must, upon application provide:

(1) passing examination results within two years from the date of application; or

(2) proof that the person has fulfilled the continuing education requirements in section 326.87 in the manner required for a qualifying person of a licensee for each license period after the expiration of the examination results.

~~Subd. 4. **Competency skills.** The commissioner shall, in consultation with the council, determine the competency skills and installation knowledge required for the licensing of specialty contractors.~~

Subd. 5. **Exemption.** A general retailer whose primary business is not being a residential building contractor, residential remodeler, ~~or specialty contractor~~ residential roofer, or manufactured home installer, and who has completed a ~~comparable~~ license examination meeting or exceeding Minnesota's examination requirements in another state is exempt from ~~subdivisions~~ subdivision 3 and 4 and sections 326.87 and 326.88.

Subd. 6. **Additional licensing requirements.** As an alternative to denying an application for licensure pursuant to section 326.91, subdivision 1, the commissioner may, as a condition of licensure and based upon information received pursuant to section 326.89, subdivision 2, clauses (6) to (8), or a finding pursuant to section 326.91, subdivision 1, clauses (1) to (9), impose additional insurance, bonding, reporting, record keeping, and other requirements on the applicant as are reasonable to protect the public.

Subd. 7. **License.** A nonresident of Minnesota may be licensed as a residential building contractor, residential remodeler, residential roofer, or manufactured home installer upon compliance with all the provisions of sections 326.83 to 326.98.

Sec. 15. Minnesota Statutes 2006, section 326.90, subdivision 1, is amended to read:

Subdivision 1. **Local license prohibited.** Except as provided in sections 326.90, subdivision 2, ~~and 326.991~~, a political subdivision may not require a person licensed under sections 326.83 to ~~326.991~~ 326.98 to also be licensed or pay a registration or other fee related to licensure under any ordinance, law, rule, or regulation of the political subdivision. This section does not prohibit charges for building permits or other charges not directly related to licensure.

Sec. 16. Minnesota Statutes 2006, section 326.91, subdivision 1, is amended to read:

155.1 Subdivision 1. **Cause Grounds.** ~~The commissioner may by order deny, suspend, or~~
155.2 ~~revoke any license or may censure a licensee, and may impose a civil penalty as provided~~
155.3 ~~for in section 45.027, subdivision 6, if the commissioner finds that the order is in the~~
155.4 ~~public interest, and that the applicant, licensee, or affiliate of an applicant or licensee, or~~
155.5 ~~other agent, owner, partner, director, governor, shareholder, member, officer, qualifying~~
155.6 ~~person, or managing employee of the applicant or licensee or any person occupying a~~
155.7 ~~similar status or performing similar functions.~~ In addition to the grounds set forth in
155.8 section 326B.082, subdivision 11, the commissioner may deny, suspend, limit, place
155.9 conditions on, or revoke a license or certificate of exemption, or may censure the person
155.10 holding the license or certificate of exemption, if the applicant, licensee, certificate of
155.11 exemption holder, qualifying person, or affiliate of an applicant, licensee, or certificate of
155.12 exemption holder, or other agent owner has:

155.13 (1) has filed an application for ~~a license~~ licensure or a certificate of exemption
155.14 which is incomplete in any material respect or contains any statement which, in light
155.15 of the circumstances under which it is made, is false or misleading with respect to any
155.16 material fact;

155.17 (2) has engaged in a fraudulent, deceptive, or dishonest practice;

155.18 (3) is permanently or temporarily enjoined by any court of competent jurisdiction
155.19 from engaging in or continuing any conduct or practice involving any aspect of the
155.20 business;

155.21 (4) has failed to reasonably supervise employees, agents, subcontractors, or
155.22 salespersons, or has performed negligently or in breach of contract, so as to cause injury
155.23 or harm to the public;

155.24 (5) has violated or failed to comply with any provision of sections 326.83 to 326.98
155.25 ~~or~~, any rule or order under sections 326.83 to 326.98 or any other law, rule, or order related
155.26 to the duties and responsibilities entrusted to the commissioner;

155.27 ~~(6) has been shown to be incompetent, untrustworthy, or financially irresponsible;~~

155.28 ~~(7)~~ (6) has been convicted of a violation of the State Building Code or, ~~in~~
155.29 ~~jurisdictions that do not enforce the State Building Code,~~ has refused to comply with
155.30 a notice of violation or stop order issued by a certified building official, or in local
155.31 jurisdictions that have not adopted the State Building Code has refused to correct a
155.32 violation of the State Building Code when the violation has been certified documented
155.33 or a notice of violation or stop order issued by a Minnesota licensed structural engineer
155.34 certified building official has been received;

155.35 ~~(8)~~ (7) has failed to use the proceeds of any payment made to the licensee for the
155.36 construction of, or any improvement to, residential real estate, as defined in section 326.83,

156.1 subdivision 17, for the payment of labor, skill, material, and machinery contributed to the
156.2 construction or improvement, knowing that the cost of any labor performed, or skill,
156.3 material, or machinery furnished for the improvement remains unpaid;

156.4 ~~(9)~~ (8) has not furnished to the person making payment either a valid lien waiver as to
156.5 any unpaid labor performed, or skill, material, or machinery furnished for an improvement,
156.6 or a payment bond in the basic amount of the contract price for the improvement
156.7 conditioned for the prompt payment to any person or persons entitled to payment;

156.8 ~~(10) has engaged in conduct which was the basis for a contractor's recovery fund~~
156.9 ~~payment pursuant to section 326.975, which payment has not been reimbursed;~~ (9) has
156.10 engaged in an act or practice that results in compensation to an aggrieved owner or lessee
156.11 from the contractor recovery fund pursuant to section 36B.825, unless:

156.12 (i) the applicant or licensee has repaid the fund twice the amount paid from the fund,
156.13 plus interest at the rate of 12 percent per year; and

156.14 (ii) the applicant or licensee has obtained a surety bond in the amount of at least
156.15 \$40,000, issued by an insurer authorized to transact business in this state.

156.16 ~~(11)~~ (10) has engaged in bad faith, unreasonable delays, or frivolous claims in
156.17 defense of a civil lawsuit or arbitration arising out of their activities as a licensee or
156.18 certificate of exemption holder under this chapter;

156.19 ~~(12)~~ (11) has had a judgment entered against them for failure to make payments to
156.20 employees ~~or~~ subcontractors, or suppliers, that the licensee has failed to satisfy and all
156.21 appeals of the judgment have been exhausted or the period for appeal has expired;

156.22 ~~(13)~~ (12) if unlicensed, has obtained a building permit by the fraudulent use of a
156.23 fictitious license number or the license number of another, or, if licensed, has knowingly
156.24 allowed an unlicensed person to use the licensee's license number for the purpose of
156.25 fraudulently obtaining a building permit; or has applied for or obtained a building permit
156.26 for an unlicensed person.

156.27 ~~(14)~~ (13) has made use of a forged ~~mechanics'~~ mechanic's lien ~~waivers~~ waiver under
156.28 chapter 514-;

156.29 (14) has provided false, misleading or incomplete information to the commissioner
156.30 or has refused to allow a reasonable inspection of records or premises;

156.31 (15) has engaged in an act or practice whether or not the act or practice directly
156.32 involves the business for which the person is licensed, that demonstrates that the applicant
156.33 or licensee is untrustworthy, financially irresponsible, or otherwise incompetent or
156.34 unqualified to act under the license granted by the commissioner; or

157.1 (16) has failed to comply with requests for information, documents, or other requests
157.2 from the department within the time specified in the request or, if no time is specified,
157.3 within 30 days of the mailing of the request by the department.

157.4 Sec. 17. Minnesota Statutes 2006, section 326.92, is amended to read:

157.5 **326.92 PENALTIES.**

157.6 ~~Subdivision 1. **Misdemeanor.** A person required to be licensed under sections~~
157.7 ~~326.83 to 326.991 who performs unlicensed work is guilty of a misdemeanor.~~

157.8 Subd. 1a. **Gross misdemeanor.** ~~A person required to be licensed under sections~~
157.9 ~~326.84 to 326.991 who violates an order under subdivision 3~~ An individual who violates
157.10 an order of the commissioner or is the manager, officer, or director of a person who
157.11 violates an order issued by the commissioner is guilty of a gross misdemeanor.

157.12 Subd. 2. **Lien rights.** An unlicensed person who knowingly violates sections 326.83
157.13 to 326.98 has no right to claim a lien under section 514.01 and the lien is void. Nothing
157.14 in this section affects the lien rights of material suppliers and licensed contractors to the
157.15 extent provided by law.

157.16 ~~Subd. 3. **Commissioner action.** The commissioner may bring actions, including~~
157.17 ~~cease and desist actions, against any person licensed or required to be licensed under~~
157.18 ~~sections 326.83 to 326.991 to protect the public health, safety, and welfare.~~

157.19 Sec. 18. Minnesota Statutes 2006, section 326.921, is amended to read:

157.20 **326.921 BUILDING PERMIT CONDITIONED ON LICENSURE; NOTICE**
157.21 **OF PERMIT APPLICATION.**

157.22 Subdivision 1. **Building permit.** A political subdivision shall not issue a building
157.23 permit to an unlicensed person who is required to be licensed under sections 326.83 to
157.24 ~~326.991~~ 326.98. A political subdivision that issues zoning or land use permits in lieu of
157.25 a building permit shall not issue those permits to an unlicensed person who is required
157.26 to be licensed under sections 326.83 to ~~326.991~~ 326.98. The political subdivision shall
157.27 report the person applying for the permit to the commissioner who may bring an action
157.28 against the person.

157.29 Subd. 2. **Notice of building permit application.** A political subdivision shall notify
157.30 the department when an application for building permit involving the construction of new
157.31 residential real estate has been received from an unlicensed person by submitting a copy
157.32 of the application to the department within two business days of receipt of the application.
157.33 The political subdivision may submit a copy of the building permit application by
157.34 facsimile, United States mail, or electronic communication.

158.1 Sec. 19. Minnesota Statutes 2006, section 326.93, is amended to read:

158.2 **326.93 SERVICE OF PROCESS; ~~NONRESIDENT LICENSING.~~**

158.3 ~~Subdivision 1. **License.** A nonresident of Minnesota may be licensed as a residential~~
158.4 ~~building contractor or residential remodeler upon compliance with all the provisions of~~
158.5 ~~sections 326.83 to 326.991.~~

158.6 ~~Subd. 2. **Service of process.** Service of process upon a person performing work in~~
158.7 ~~the state of a type that would require a license under sections 326.83 to 326.98 may be~~
158.8 ~~made as provided in section 45.028.~~

158.9 Subd. 3. **Procedure.** Every applicant for licensure or certificate of exemption
158.10 under sections 326.83 to 326.98 shall irrevocably consent to the appointment of the
158.11 commissioner and successors in office to be the applicant's agent to receive service of any
158.12 lawful process in any noncriminal suit, action, or proceeding against the applicant or a
158.13 successor, executor, or administrator which arises under section 326.83 to 326.98 or any
158.14 rule or order thereunder after the consent has been filed, with the same force and validity
158.15 as if served personally on the person filing the consent. Service under this section shall be
158.16 made in compliance with subdivision 5.

158.17 Subd. 4. **Service on commissioner.** (a) When a person, including any nonresident
158.18 of this state, engages in conduct prohibited or made actionable by sections 326.83 to
158.19 326.98, or any rule or order under those sections, and the person has not consented to
158.20 service of process under subdivision 3, that conduct is equivalent to an appointment of the
158.21 commissioner and successors in office as the person's agent to receive service of process in
158.22 any noncriminal suit, action, or proceeding against the person that is based on that conduct
158.23 and is brought under sections 326.83 to 326.98, or any rule or order under those sections,
158.24 with the same force and validity as if served personally on the person consenting to the
158.25 appointment of the commissioner and successors in office. Service under this section shall
158.26 be made in compliance with subdivision 5.

158.27 (b) Subdivision 5 applies in all other cases in which a person, including a nonresident
158.28 of this state, has filed a consent to service of process. This paragraph supersedes any
158.29 inconsistent provision of law.

158.30 (c) Subdivision 5 applies in all cases in which service of process is allowed to be
158.31 made on the commissioner.

158.32 (d) Subdivision 5 applies to any document served by the commissioner or the
158.33 department under section 326B.08.

158.34 Subd. 5. **How made.** Service of process under this section may be made by leaving
158.35 a copy of the process in the office of the commissioner, or by sending a copy of the process
158.36 to the commissioner by certified mail, and is not effective unless:

(1) the plaintiff, who may be the commissioner in an action or proceeding instituted by the commissioner, sends notice of the service and a copy of the process by certified mail to the defendant or respondent at the last known address; and

(2) the plaintiff's affidavit of compliance is filed in the action or proceeding on or before the return day of the process, if any, or within further time as the court allows.

Sec. 20. Minnesota Statutes 2006, section 326.94, is amended to read:

326.94 BOND; INSURANCE.

Subdivision 1. **Bond.** (a) Licensed manufactured home installers and licensed residential roofers must post a ~~license~~ surety bond in the name of the licensee with the commissioner, conditioned that the applicant shall faithfully perform the duties and in all things comply with all laws, ordinances, and rules pertaining to the license or permit applied for and all contracts entered into. The annual bond must be continuous and maintained for so long as the licensee remains licensed. The aggregate liability of the surety on the bond to any and all persons, regardless of the number of claims made against the bond, may not exceed the amount of the bond. The bond may be canceled as to future liability by the surety upon 30 days' written notice mailed to the commissioner by regular mail.

(b) A licensed residential roofer must post a bond of at least ~~\$5,000~~ \$15,000.

(c) A licensed manufactured home installer must post a bond of at least \$2,500.

Bonds issued under sections 326.83 to 326.98 are not state bonds or contracts for purposes of sections 8.05 and 16C.05, subdivision 2.

Subd. 2. **Insurance.** Licensees must have public liability insurance with limits of at least ~~\$100,000~~ \$300,000 per occurrence, which must include at least \$10,000 property damage coverage. The insurance must be written by an insurer licensed to do business in this state. The commissioner may increase the minimum amount of insurance required for any licensee or class of licensees if the commissioner considers it to be in the public interest and necessary to protect the interests of Minnesota consumers.

Sec. 21. Minnesota Statutes 2006, section 326.95, subdivision 2, is amended to read:

Subd. 2. **Advertising.** The license number of a licensee must appear in any advertising by that licensee including but not limited to signs, vehicles, business cards, published display ads, flyers, ~~and~~ brochures, Web sites, and Internet ads.

Sec. 22. Minnesota Statutes 2006, section 326.96, is amended to read:

326.96 PUBLIC EDUCATION.

160.1 The commissioner may develop materials and programs to educate the public
160.2 concerning ~~licensing~~ licensure requirements ~~and methods~~. The commissioner may
160.3 develop materials for reporting unlicensed contracting activity.

160.4 Sec. 23. Minnesota Statutes 2006, section 326.97, is amended to read:

160.5 **326.97 LICENSE RENEWAL.**

160.6 Subdivision 1. **Renewal.** ~~Licenses~~ A licensee whose applications have fully
160.7 completed renewal application has been properly and timely filed and who ~~have~~ has
160.8 not received a notice of denial of renewal ~~are~~ is considered to have been approved for
160.9 renewal and may continue to transact business whether or not the renewed license has
160.10 been received. Applications are timely if received ~~or postmarked~~ by March 1 of the
160.11 renewal year. Applications must be made on a form approved by the commissioner.
160.12 An application for renewal that does not contain all of the information requested is an
160.13 incomplete application and will not be processed.

160.14 Subd. 1a. **Annual renewal.** Any license issued or renewed after August 1, 1993,
160.15 must be renewed annually.

160.16 Subd. 2. **Failure to apply renew.** A person who has failed to make a timely
160.17 application for renewal of a license ~~by March 31 of the renewal year~~ is unlicensed at
160.18 11:59:59 p.m. central time on March 31 of the renewal year and remains unlicensed until
160.19 ~~the~~ a renewed license has been issued by the commissioner and is received by the applicant.

160.20 Subd. 3. **Expiration.** All licenses expire at 11:59:59 p.m. central time on March 31
160.21 of the renewal year if not properly renewed.

160.22 Sec. 24. **[326B.801] SCOPE.**

160.23 Except as otherwise provided by law, the provisions of sections 326B.801 to
160.24 326B.825 apply to residential contractors, residential remodelers, residential roofers,
160.25 and manufactured home installers.

160.26 Sec. 25. **[326B.804] LICENSE RECIPROCITY.**

160.27 The commissioner may waive all or part of the requirements for prelicense education
160.28 or examination to any person who holds an unexpired license or certificate issued by
160.29 proper authority in the District of Columbia, or any state or territory of the United States if
160.30 the licensing requirements of that jurisdiction meet or exceed the corresponding licensing
160.31 requirements of the Department of Labor and Industry.

160.32 Sec. 26. **[326B.809] WRITTEN CONTRACT REQUIRED.**

161.1 (a) All agreements including proposals, estimates, bids, quotations, contracts,
161.2 purchase orders, and change orders between a licensee and a customer for the performance
161.3 of a licensee's services must be in writing and must contain the following:
161.4 (1) a detailed summary of the services to be performed;
161.5 (2) a description of the specific materials to be used or a list of standard features
161.6 to be included; and
161.7 (3) the total contract price or a description of the basis on which the price will
161.8 be calculated.
161.9 (b) All agreements shall be signed and dated by the licensee and customer.
161.10 (c) The licensee shall provide to the customer, at no charge, a signed and dated
161.11 document at the time that the licensee and customer sign and date the document.
161.12 Documents include agreements and mechanic's lien waivers.

161.13 Sec. 27. **[326B.814] REHABILITATION OF CRIMINAL OFFENDERS.**

161.14 Chapter 364 does not apply to an applicant for a license or to a licensee where
161.15 the underlying conduct on which the conviction is based would be grounds for denial,
161.16 censure, suspension, or revocation of the license.

161.17 Sec. 28. **[326B.82] DEFINITIONS.**

161.18 Subdivision 1. **Words, terms, and phrases.** For the purposes of section 326.87,
161.19 the terms defined in this section have the meanings given them, unless the context clearly
161.20 indicates otherwise.

161.21 Subd. 2. **Appropriate and related knowledge.** "Appropriate and related
161.22 knowledge" means facts, information, or principles that are clearly relevant to the licensee
161.23 in performing responsibilities under a license issued by the commissioner. These facts,
161.24 information, or principles must convey substantive and procedural knowledge as it relates
161.25 to postlicensing issues and must be relevant to the technical aspects of a particular area
161.26 of continuing education.

161.27 Subd. 3. **Classroom hour.** "Classroom hour" means a 50-minute hour.

161.28 Subd. 4. **Coordinator.** "Coordinator" means an individual who is responsible for
161.29 monitoring approved educational offerings.

161.30 Subd. 5. **Instructor.** "Instructor" means an individual lecturing in an approved
161.31 educational offering.

161.32 Subd. 6. **Licensee.** "Licensee" means a person licensed by the Minnesota
161.33 Department of Labor and Industry for whom an examination is required before licensure.

162.1 Subd. 7. **Medical hardship.** "Medical hardship" includes a documented physical
162.2 disability or medical condition.

162.3 Subd. 8. **Overpayment.** "Overpayment" means any payment of money in excess
162.4 of a statutory fee.

162.5 Subd. 9. **Regulated industries.** "Regulated industries" means residential
162.6 contracting, residential remodeling, or residential roofing. Each of these is a regulated
162.7 industry.

162.8 Subd. 10. **Sponsor.** "Sponsor" means any person or entity offering or providing
162.9 approved continuing education.

162.10 Sec. 29. **[326B.89] CONTRACTOR RECOVERY FUND.**

162.11 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms
162.12 have the meanings given them.

162.13 (b) "Gross annual receipts" means the total amount derived from residential
162.14 contracting or residential remodeling activities, regardless of where the activities are
162.15 performed, and must not be reduced by costs of goods sold, expenses, losses, or any
162.16 other amount.

162.17 (c) "Licensee" means a person licensed as a residential contractor or residential
162.18 remodeler.

162.19 (d) "Residential real estate" means a new or existing building constructed for
162.20 habitation by one to four families, and includes detached garages.

162.21 (e) "Fund" means the contractor recovery fund.

162.22 Subd. 2. **Generally.** The contractor recovery fund is created in the state treasury
162.23 and shall be administered by the commissioner for the purposes described in this section.
162.24 Any interest or profit accruing from investment of money in the fund shall be credited
162.25 to the contractor recovery fund.

162.26 Subd. 3. **Fund fees.** In addition to any other fees, a person who applies for or
162.27 renews a license under sections 326.83 to 326.98 shall pay a fee to the fund. The person
162.28 shall pay, in addition to the appropriate application or renewal fee, the following additional
162.29 fee that shall be deposited in the fund. The amount of the fee shall be based on the person's
162.30 gross annual receipts for the person's most recent fiscal year preceding the application or
162.31 renewal, on the following scale:

162.32	<u>Fee</u>	<u>Gross Annual Receipts</u>
162.33	<u>\$160</u>	<u>under \$1,000,000</u>
162.34	<u>\$210</u>	<u>\$1,000,000 to \$5,000,000</u>
162.35	<u>\$260</u>	<u>over \$5,000,000</u>

163.1 Subd. 4. **Purpose of fund.** The purpose of this fund is to:

163.2 (1) compensate owners or lessees of residential real estate who meet the requirements

163.3 of this section;

163.4 (2) reimburse the department for all legal and administrative expenses,

163.5 disbursements, and costs, including staffing costs, incurred in administering and defending

163.6 the fund;

163.7 (3) pay for educational or research projects in the field of residential contracting to

163.8 further the purposes of sections 326B.801 to 326B.825; and

163.9 (4) provide information to the public on residential contracting issues.

163.10 Subd. 5. **Payment limitations.** Except as otherwise provided in this section,

163.11 the commissioner shall not pay compensation from the fund to an owner or a lessee

163.12 in an amount greater than \$75,000. Except as otherwise provided in this section, the

163.13 commissioner shall not pay compensation from the fund to owners and lessees in an

163.14 amount that totals more than \$150,000 per licensee. The commissioner shall not pay

163.15 compensation from the fund for a final judgment based on a cause of action that arose

163.16 before the commissioner's receipt of the licensee's fee required by subdivision 3.

163.17 Subd. 6. **Verified application.** To be eligible for compensation from the fund, an

163.18 owner or lessee shall serve on the commissioner a verified application for compensation

163.19 on a form approved by the commissioner. The application shall verify the following

163.20 information:

163.21 (1) the specific grounds upon which the owner or lessee seeks to recover from

163.22 the fund:

163.23 (2) that the owner or the lessee has obtained a final judgment in a court of competent

163.24 jurisdiction against a licensee licensed under section 326B.803;

163.25 (3) that the final judgment was obtained against the licensee on the grounds of

163.26 fraudulent, deceptive, or dishonest practices, conversion of funds, or failure of performance

163.27 that arose directly out of a transaction that occurred when the licensee was licensed and

163.28 performing any of the special skills enumerated under section 326B.802, subdivision 19;

163.29 (4) the amount of the owner's or the lessee's actual and direct out-of-pocket loss on

163.30 the owner's residential real estate, on residential real estate leased by the lessee, or on new

163.31 residential real estate that has never been occupied or that was occupied by the licensee

163.32 for less than one year prior to purchase by the owner;

163.33 (5) that the residential real estate is located in Minnesota;

163.34 (6) that the owner or the lessee is not the spouse of the licensee or the personal

163.35 representative of the licensee;

164.1 (7) the amount of the final judgment, any amount paid in satisfaction of the final
164.2 judgment, and the amount owing on the final judgment as of the date of the verified
164.3 application; and

164.4 (8) that the verified application is being served within two years after the judgment
164.5 became final.

164.6 The owner's and the lessee's actual and direct out-of-pocket loss shall not include
164.7 attorney fees, interest on the loss, and interest on the final judgment obtained as a result of
164.8 the loss. An owner or lessee may serve a verified application regardless of whether the
164.9 final judgment has been discharged by a bankruptcy court. A judgment issued by a court is
164.10 final if all proceedings on the judgment have either been pursued and concluded or been
164.11 forgone, including all reviews and appeals. For purposes of this section, owners who are
164.12 joint tenants or tenants in common are deemed to be a single owner. For purposes of this
164.13 section, owners and lessees eligible for payment of compensation from the fund shall not
164.14 include government agencies, political subdivisions, financial institutions, and any other
164.15 entity that purchases, guarantees, or insures a loan secured by real estate.

164.16 Subd. 7. **Commissioner review.** The commissioner shall within 120 days after
164.17 receipt of the verified application:

164.18 (1) enter into an agreement with an owner or a lessee that resolves the verified
164.19 application for compensation from the fund; or

164.20 (2) issue an order to the owner or the lessee accepting, modifying, or denying the
164.21 verified application for compensation from the fund.

164.22 Upon receipt of an order issued under clause (2), the owner or the lessee shall have
164.23 30 days to serve upon the commissioner a written request for a hearing. If the owner or
164.24 the lessee does not serve upon the commissioner a timely written request for hearing, the
164.25 order issued under clause (2) shall become a final order of the commissioner that may not
164.26 be reviewed by any court or agency. The commissioner shall order compensation from
164.27 the fund only if the owner or the lessee has filed a verified application that complies with
164.28 subdivision 6 and if the commissioner determines based on review of the application that
164.29 compensation should be paid from the fund. The commissioner shall not be bound by any
164.30 prior settlement, compromise, or stipulation between the owner or the lessee and the
164.31 licensee.

164.32 Subd. 8. **Administrative hearing.** If an owner or a lessee timely serves a request
164.33 for hearing under subdivision 7, the commissioner shall request that an administrative law
164.34 judge be assigned and that a hearing be conducted under the contested case provisions
164.35 of chapter 14 within 30 days after the service of the request for hearing upon the
164.36 commissioner. Upon petition of the commissioner, the administrative law judge shall

165.1 continue the hearing up to 60 days and upon a showing of good cause may continue the
165.2 hearing for such additional period as the administrative law judge deems appropriate.
165.3 At the hearing the owner or the lessee shall have the burden of proving by substantial
165.4 evidence under subdivision 6, clauses (1) to (8). The administrative law judge shall issue
165.5 findings of fact, conclusions of law, and order. If the administrative law judge finds that
165.6 compensation should be paid to the owner or the lessee, the administrative law judge
165.7 shall order the commissioner to make payment from the fund of the amount it finds to be
165.8 payable pursuant to the provisions of and in accordance with the limitations contained in
165.9 this section. The order of the administrative law judge shall constitute the final decision of
165.10 the agency in the contested case. Judicial review of the administrative law judge's findings
165.11 of fact, conclusions of law, and order shall be in accordance with sections 14.63 to 14.69.

165.12 Subd. 9. **Satisfaction of applications for compensation.** The commissioner shall
165.13 pay compensation from the fund to an owner or a lessee pursuant to the terms of an
165.14 agreement that has been entered into under subdivision 7, clause (1), or pursuant to a final
165.15 order that has been issued under subdivision 7, clause (2), or subdivision 8 by December 1
165.16 of the fiscal year following the fiscal year during which the agreement was entered into or
165.17 during which the order became final, subject to the limitations of this section. At the end
165.18 of each fiscal year the commissioner shall calculate the amount of compensation to be
165.19 paid from the fund pursuant to agreements that have been entered into under subdivision
165.20 7, clause (1), and final orders that have been issued under subdivision 7, clause (2), or
165.21 subdivision 8. If the calculated amount exceeds the amount available for payment, then
165.22 the commissioner shall allocate the amount available among the owners and the lessees
165.23 in the ratio that the amount agreed to or ordered to be paid to each owner or lessee
165.24 bears to the amount calculated. The commissioner shall mail notice of the allocation to
165.25 all owners and lessees not less than 45 days following the end of the fiscal year. Any
165.26 compensation paid by the commissioner in accordance with this subdivision shall be
165.27 deemed to satisfy and extinguish any right to compensation from the fund based upon the
165.28 verified application of the owner or lessee.

165.29 Subd. 10. **Criminal penalty.** It shall be unlawful for any person or the agent of any
165.30 person to knowingly file with the commissioner any application, notice, statement, or other
165.31 document required under the provisions of this section that is false or untrue or contains
165.32 any material misstatement of fact. Such conduct shall constitute a gross misdemeanor.

165.33 Subd. 11. **Right of subrogation.** If the commissioner pays compensation from the
165.34 fund to an owner or a lessee pursuant to an agreement under subdivision 7, clause (1), or a
165.35 final order issued under subdivision 7, clause (2), or subdivision 8, then the commissioner
165.36 shall be subrogated to all of the rights, title, and interest in the owner's or lessee's final

166.1 judgment in the amount of compensation paid from the fund and the owner or the lessee
166.2 shall assign to the commissioner all rights, title, and interest in the final judgment in
166.3 the amount of compensation paid. The commissioner shall deposit in the fund money
166.4 recovered under this subdivision.

166.5 Subd. 12. **Effect of section on commissioner's authority.** Nothing contained
166.6 in this section shall limit the authority of the commissioner to take disciplinary action
166.7 against a licensee under the provisions of this chapter. A licensee's repayment in full of
166.8 obligations to the fund shall not nullify or modify the effect of any other disciplinary
166.9 proceeding brought under the provisions of this chapter.

166.10 Subd. 13. **Limitation.** Nothing may obligate the fund to compensate:

166.11 (1) insurers or sureties under subrogation or similar theories; or

166.12 (2) owner of residential property for final judgments against a prior owner of the
166.13 residential property unless the claim is brought and judgment is rendered for breach of the
166.14 statutory warranty set forth in chapter 327A.

166.15 Subd. 14. **Condominiums or townhouses.** For purposes of this section, the owner
166.16 or the lessee of a condominium or townhouse is considered an owner or a lessee of
166.17 residential property regardless of the number of residential units per building.

166.18 Subd. 15. **Accelerated compensation.** Payments made from the fund to compensate
166.19 owners and lessees that do not exceed the jurisdiction limits for conciliation court matters
166.20 as specified in section 491A.01 may be paid on an accelerated basis if all of the following
166.21 requirements have been satisfied:

166.22 (a) The owner or the lessee has served upon the commissioner a verified application
166.23 for compensation that complies with the requirements set out in subdivision 6 and the
166.24 commissioner determines based on review of the application that compensation should be
166.25 paid from the fund. The commissioner shall calculate the actual and direct out-of-pocket
166.26 loss in the transaction, minus attorney fees, interest on the loss and on the judgment
166.27 obtained as a result of the loss, and any satisfaction of the judgment, and make payment
166.28 to the owner or the lessee up to the conciliation court jurisdiction limits within 15 days
166.29 after the owner or lessee serves the verified application.

166.30 (b) The commissioner may pay compensation to owners or lessees that totals not
166.31 more than \$50,000 per licensee per fiscal year under this accelerated process. The
166.32 commissioner may prorate the amount of compensation paid to owners or lessees under
166.33 this subdivision if applications submitted by owners and lessees seek compensation in
166.34 excess of \$50,000 against a licensee. Any unpaid portion of a verified application that
166.35 has been prorated under this subdivision shall be satisfied in the manner set forth in
166.36 subdivision 9.

167.1 Subd. 16. **Appropriation.** Money in the fund is appropriated to the commissioner
167.2 for the purposes of this section.

167.3 Subd. 17. **Additional assessment.** If the balance in the fund is at any time less than
167.4 the commissioner determines is necessary to carry out the purposes of this section, every
167.5 licensee, when renewing a license, shall pay, in addition to the annual renewal fee and the
167.6 fee set forth in subdivision 3 an assessment not to exceed \$100. The commissioner shall
167.7 set the amount of assessment based on a reasonable determination of the amount that is
167.8 necessary to restore a balance in the fund adequate to carry out the purposes of this section.

167.9 **EFFECTIVE DATE.** This section is effective December 1, 2007, except that
167.10 subdivisions 1 and 3 are effective July 1, 2007.

167.11 Sec. 30. **REVISOR'S INSTRUCTION.**

167.12 The revisor of statutes shall renumber each section of Minnesota Statutes listed in
167.13 column A with the number listed in column B. The revisor shall also make necessary
167.14 cross-reference changes consistent with the renumbering.

167.15	<u>Column A</u>	<u>Column B</u>
167.16	<u>325E.58</u>	<u>326B.865</u>
167.17	<u>326.83</u>	<u>326B.802</u>
167.18	<u>326.84</u>	<u>326B.805</u>
167.19	<u>326.841</u>	<u>327B.041</u>
167.20	<u>326.842</u>	<u>326B.81</u>
167.21	<u>326.86</u>	<u>326B.815</u>
167.22	<u>326.87</u>	<u>326B.82</u>
167.23	<u>326.88</u>	<u>326B.825</u>
167.24	<u>326.89</u>	<u>326B.83</u>
167.25	<u>326.90</u>	<u>326B.835</u>
167.26	<u>326.91</u>	<u>326B.84</u>
167.27	<u>326.92</u>	<u>326B.845</u>
167.28	<u>326.921</u>	<u>326B.85</u>
167.29	<u>326.93</u>	<u>326B.855</u>
167.30	<u>326.94</u>	<u>326B.86</u>
167.31	<u>326.95</u>	<u>326B.87</u>
167.32	<u>326.951</u>	<u>326B.875</u>
167.33	<u>326.96</u>	<u>326B.88</u>
167.34	<u>326.97</u>	<u>326B.885</u>

168.1 **ARTICLE 10**

168.2 **BOILERS; PRESSURE VESSELS; BOATS**

168.3 Section 1. Minnesota Statutes 2006, section 183.38, is amended to read:

168.4 **183.38 BOILER INSPECTOR; INSPECTIONS; EXAMINATIONS;**
168.5 **LICENSES.**

168.6 Subdivision 1. **All boilers inspected.** The ~~Division of Boiler Inspection~~
168.7 commissioner shall inspect all boilers and pressure vessels in use not expressly excepted
168.8 from such inspection by law. ~~Immediately~~ Upon inspection the ~~Division of Boiler~~
168.9 ~~Inspection~~ commissioner shall issue a certificate of inspection therefor or a certificate
168.10 condemning the boiler or pressure vessel and shall seal it. Forms for these licenses and
168.11 certificates shall be prepared and furnished by the commissioner. The ~~Division of Boiler~~
168.12 ~~Inspection~~ commissioner shall examine all applicants for engineer's licenses. The ~~chief of~~
168.13 ~~the Division of Boiler Inspection~~ commissioner shall issue such license to an applicant as
168.14 the examination shall show the applicant is entitled to receive.

168.15 Subd. 2. **Inspector's examination.** For the purpose of examining applicants
168.16 for ~~license~~ a National Board of Boiler and Pressure Vessel Inspectors commission, the
168.17 ~~chief of the Division of Boiler Inspection or the deputy chief commissioner~~ shall fix and
168.18 determine a time and place for the examinations, and give notice to all applicants of the
168.19 time and place. The ~~chief or the deputy chief~~ commissioner shall grant and sign such
168.20 license certificates as applicants are entitled to receive upon examination. Applicants may
168.21 be examined and issued certificates of competency as inspectors of boilers and pressure
168.22 vessels.

168.23 Sec. 2. Minnesota Statutes 2006, section 183.39, subdivision 1, is amended to read:

168.24 Subdivision 1. **Inspector requirements.** Each boiler inspector shall be ~~a person~~
168.25 ~~of good moral character, shall be~~ licensed in this state as a chief grade A engineer, and
168.26 must hold a national board commission as a boiler inspector within 12 months of being
168.27 employed as a boiler inspector by the department. An inspector shall not be interested in
168.28 the manufacture or sale of boilers or steam machinery or in any patented article required
168.29 or generally used in the construction of engines or boilers or their appurtenances.

168.30 Sec. 3. Minnesota Statutes 2006, section 183.411, subdivision 2, is amended to read:

168.31 Subd. 2. **Inspection.** When used for display and demonstration purposes, steam
168.32 farm traction engines, portable and stationary show engines and portable and stationary
168.33 show boilers shall be inspected every two years according to law.

169.1 (a) Show boilers or engines not certified in Minnesota shall be inspected thoroughly
169.2 by a boiler inspector certified to inspect boilers in Minnesota, using inspection standards
169.3 in paragraph (b), before being certified for use in Minnesota.

169.4 (b) Standards for inspection of show boilers shall be those established by the
169.5 National Board Inspection Code ANSI/NB23 and by the rules adopted by the department
169.6 ~~of Labor and Industry, Division of Boiler Inspection~~, and as follows:

169.7 (1) the boiler shall be subjected to the appropriate method of nondestructive
169.8 examination, at the owner's expense, as deemed necessary by the boiler inspector to
169.9 determine soundness and safety of the boiler;

169.10 (2) the boiler shall be tested by ultrasonic examination for metal thickness (for
169.11 purposes of calculating the maximum allowable working pressure the thinnest reading
169.12 shall be used and a safety factor of six shall be used in calculating maximum allowable
169.13 working pressure on all non-ASME-code hobby and show boilers); and

169.14 (3) repairs and alterations made to show boilers must be made pursuant to section
169.15 183.466.

169.16 (c) Further each such object shall successfully complete an inspection of:

169.17 (1) the fusible plug;

169.18 (2) the safety valve, which must be of ~~American Society of Mechanical Engineers'~~
169.19 ASME approved design and set at the maximum allowable working pressure and sealed in
169.20 an appropriate manner not allowing tampering with the valve setting without destroying
169.21 the seal; and

169.22 (3) the boiler power piping.

169.23 Any longitudinal cracks found in riveted longitudinal seams requires that the vessel
169.24 be sealed and not approved for use in Minnesota. If the boiler or show engine is jacketed,
169.25 the jacket must be removed prior to inspection.

169.26 Sec. 4. Minnesota Statutes 2006, section 183.42, is amended to read:

169.27 **183.42 INSPECTION AND REGISTRATION.**

169.28 Subdivision 1. **Inspection.** Every owner, lessee, or other person having charge of
169.29 boilers or pressure vessels subject to inspection under this chapter shall cause them to be
169.30 inspected by the ~~Division of Boiler Inspection~~ department. Except as provided in sections
169.31 183.411 and 183.45, boilers subject to inspection under this chapter must be inspected at
169.32 least annually and pressure vessels inspected at least every two years ~~except as provided~~
169.33 ~~under section 183.45~~. The commissioner shall assess a \$250 penalty per applicable boiler
169.34 or pressure vessel for failure to have the inspection required by this section and may seal
169.35 the boiler or pressure vessel for refusal to allow an inspection as required by this section.

Subd. 2. **Registration.** Every owner, lessee, or other person having charge of boilers or pressure vessels subject to inspection under this chapter, except hobby boilers under section 183.411, shall register said objects with the ~~Division of Boiler Inspection~~ department. The registration shall be renewed annually and is applicable to each object separately. The fee for registration of a boiler or pressure vessel shall be pursuant to section 183.545, subdivision 10. The ~~Division of Boiler Inspection~~ department may issue a billing statement for each boiler and pressure vessel on record with the division, and may determine a monthly schedule of billings to be followed for owners, lessees, or other persons having charge of a boiler or pressure vessel subject to inspection under this chapter.

Subd. 3. **Certificate of registration.** The ~~Division of Boiler Inspection~~ department shall issue a certificate of registration that lists the registered boilers and pressure vessels at the location, expiration date of the certificate of registration, last inspection date of each registered boiler and pressure vessel, and maximum allowable working pressure for each registered boiler and pressure vessel. The commissioner may make an electronic certificate of registration available to be printed by the owner, lessee, or other person having charge of the registered boiler or pressure vessel.

Sec. 5. Minnesota Statutes 2006, section 183.45, is amended to read:

183.45 INSPECTION.

Subdivision 1. **Inspection requirements.** All boilers and steam generators must be inspected by the ~~Division of Boiler Inspection~~ department before they are used and all boilers must be inspected at least once each year thereafter except as provided under subdivision 2 or section 183.411. Inspectors may subject all boilers to hydrostatic pressure or hammer test, and shall ascertain by a thorough internal and external examination that they are well made and of good and suitable material; that the openings for the passage of water and steam, respectively, and all pipes and tubes exposed to heat, are of proper dimensions and free from obstructions; that the flues are circular in form; that the arrangements for delivering the feed water are such that the boilers cannot be injured thereby; and that such boilers and their connections may be safely used without danger to life or property. Inspectors shall ascertain that the safety valves are of suitable dimensions, sufficient in number, and properly arranged, and that the safety valves are so adjusted as to allow no greater pressure in the boilers than the amount prescribed by the inspector's certificate; that there is a sufficient number of gauge cocks, properly inserted, to indicate the amount of water, and suitable gauges that will correctly record the pressure; and that the fusible metals are properly inserted where required so as to fuse by the heat of the furnace whenever the water in the boiler falls below its prescribed limit; and that

provisions are made for an ample supply of water to feed the boilers at all times; and that means for blowing out are provided, so as to thoroughly remove the mud and sediment from all parts when under pressure.

Subd. 2. **Qualifying boiler.** (a) "Qualifying boiler" means a boiler of 200,000 pounds per hour or more capacity which has an internal continuous water treatment program approved by the department and which the ~~chief boiler inspector~~ commissioner has determined to be in compliance with paragraph (c).

(b) A qualifying boiler must be inspected at least once every 24 months internally and externally while not under pressure and at least once every 18 months externally while under pressure. If the inspector considers it necessary to conduct a hydrostatic test to determine the safety of a boiler, the test must be conducted under the direction of the owner, contractor, or user of the equipment under the supervision of an inspector.

(c) The owner of a qualifying boiler must keep accurate records showing the date and actual time the boiler is out of service, the reason or reasons therefor, and the chemical physical laboratory analysis of samples of the boiler water taken at regular intervals of not more than 48 hours of operation which adequately show the condition of the water, and any elements or characteristics of the water capable of producing corrosion or other deterioration of the boiler or its parts.

(d) If an inspector determines there are substantial deficiencies in equipment or in boiler water treatment operating procedures, inspections of a qualifying boiler may be required once every 12 months until the ~~chief boiler inspector~~ commissioner finds that the substantial deficiencies have been corrected.

Sec. 6. Minnesota Statutes 20064, section 183.46, is amended to read:

183.46 TESTS.

In subjecting both high and low pressure boilers and pressure vessels to the hydrostatic test, and to determine the safe allowable working pressure, the inspector shall use the latest approved formula of the ~~American Society of Mechanical Engineers~~ ASME Code or National Board Inspection Code, as applicable.

Sec. 7. Minnesota Statutes 2006, section 183.465, is amended to read:

183.465 STANDARDS OF INSPECTION.

The engineering standards of boilers and pressure vessels for use in this state shall be that established by the current edition of ~~the~~ and amendments to the ASME Code or the National Board Inspection Code, as applicable, for construction, operation and care of, in-service inspection and testing, and controls and safety devices ~~codes of the American~~

172.1 ~~Society of Mechanical Engineers and amendments thereto, and by the rules of the Division~~
172.2 ~~of Boiler Inspection adopted by the department of Labor and Industry.~~

172.3 Sec. 8. Minnesota Statutes 2006, section 183.466, is amended to read:

172.4 **183.466 STANDARDS OF REPAIRS.**

172.5 The rules for repair of boilers and pressure vessels for use in this state shall be those
172.6 established by the National Board of Boiler and Pressure Vessel Inspectors inspection
172.7 code and the rules ~~of the Division of Boiler Inspection~~ adopted by the department of
172.8 ~~Labor and Industry.~~

172.9 Sec. 9. Minnesota Statutes 2006, section 183.48, is amended to read:

172.10 **183.48 SPECIAL EXAMINATION.**

172.11 ~~At any time the inspector deems it necessary an examination shall be made of any~~
172.12 If an inspector examines a boiler or pressure vessel which there is reason to believe has
172.13 become and determines that the boiler or pressure vessel is unsafe, and the inspector shall
172.14 notify the owners or operators thereof owner or operator of any defect therein, and what
172.15 repairs are necessary in that boiler or pressure vessel. Such boiler or pressure vessel
172.16 shall not thereafter be used until ~~so repaired~~ the defect is corrected. Boilers found to be
172.17 operated by unlicensed or improperly licensed persons shall not be used until the operators
172.18 are properly licensed. If circumstances warrant continued operation, approval may be
172.19 given for continuing operation for a specific period of time, not to exceed 30 days, at the
172.20 discretion of the boiler inspector.

172.21 Sec. 10. Minnesota Statutes 2006, section 183.501, is amended to read:

172.22 **183.501 LICENSE REQUIREMENT.**

172.23 (a) No ~~person~~ individual shall be entrusted with the operation of or operate any
172.24 boiler, steam engine, or turbine who has not received a license of grade covering that
172.25 boiler, steam engine or turbine. The license shall be renewed annually, except as provided
172.26 in section 183.411. ~~When a violation of this section occurs the Division of Boiler~~
172.27 ~~Inspection may cause a complaint to be made for the prosecution of the offender and shall~~
172.28 ~~be entitled to sue for and obtain injunctive relief in the district courts for such violations.~~

172.29 (b) For purposes of this chapter, "operation" shall not include monitoring of an
172.30 automatic boiler, either through on premises inspection of the boiler or by remote
172.31 electronic surveillance, provided that no operations are performed upon the boiler other
172.32 than emergency shut down in alarm situations.

173.1 (c) No individual under the influence of illegal drugs or alcohol shall be entrusted
173.2 with the operation of or shall operate any boiler, steam engine, or turbine, or shall be
173.3 entrusted with the monitoring of or shall monitor an automatic boiler.

173.4 Sec. 11. Minnesota Statutes 2006, section 183.505, is amended to read:

173.5 **183.505 APPLICATIONS FOR LICENSES.**

173.6 The ~~chief boiler inspector~~ commissioner shall prepare blank applications on which
173.7 applications for ~~engineers'~~ licenses shall be made ~~under oath of the applicant~~. These
173.8 blanks shall ~~be so formulated as to~~ elicit such information as is ~~desirable~~ needed to
173.9 ~~enable the examiners to pass on~~ determine whether an applicant meets the qualifications
173.10 ~~of applicants~~ required for the license.

173.11 Sec. 12. Minnesota Statutes 2006, section 183.51, is amended to read:

173.12 **183.51 EXAMINATIONS; CLASSIFICATIONS; QUALIFICATIONS.**

173.13 Subdivision 1. **Engineers, classes.** Engineers shall be divided into four classes:

173.14 (1) Chief engineers; Grade A, Grade B, and Grade C. (2) first class engineers; Grade
173.15 A, Grade B, and Grade C. (3) second class engineers; Grade A, Grade B, and Grade
173.16 C. (4) Special engineers.

173.17 Subd. 2. **Applications.** Any ~~person~~ individual who desires an engineer's license
173.18 shall submit ~~a written~~ an application, ~~on blanks furnished by the commissioner or designee~~
173.19 on a written or electronic form prescribed by the commissioner, at least 15 days before
173.20 the requested exam date. The application ~~is valid for~~ permits the applicant to take the
173.21 examination on one occasion within one year from the date the commissioner ~~or designee~~
173.22 ~~received~~ receives the application.

173.23 Subd. 2a. **Examinations.** Each applicant for a license must pass an examination
173.24 ~~approved~~ developed and administered by the commissioner. The examinations shall be
173.25 of sufficient scope to establish the competency of the applicant to operate a boiler of the
173.26 applicable license class and grade.

173.27 Subd. 3. **High and low pressure boilers.** For the purposes of this section and
173.28 section 183.50, high pressure boilers shall mean boilers operating at a steam or other vapor
173.29 pressure in excess of 15 p.s.i.g., or a water or other liquid boiler in which the pressure
173.30 exceeds 160 p.s.i.g. or a temperature of 250 degrees Fahrenheit.

173.31 Low pressure boilers shall mean boilers operating at a steam or other vapor pressure
173.32 of 15 p.s.i.g. or less, or a water or other liquid boiler in which the pressure does not exceed
173.33 160 p.s.i.g. or a temperature of 250 degrees Fahrenheit.

174.1 Subd. 4. **Chief engineer, Grade A.** ~~A person~~ An individual seeking licensure as
174.2 a chief engineer, Grade A, shall be at least 18 years of age and have experience which
174.3 verifies that the ~~person~~ individual is competent to take charge of and be responsible for the
174.4 safe operation and maintenance of all classes of boilers, steam engines, and turbines and
174.5 their appurtenances; and, before receiving a license, the applicant shall take and subscribe
174.6 an oath attesting to at least five years actual experience in operating such boilers, including
174.7 at least two years experience in operating such engines or turbines.

174.8 Subd. 5. **Chief engineer, Grade B.** ~~A person~~ An individual seeking licensure as a
174.9 chief engineer, Grade B, shall be at least 18 years of age and have habits and experience
174.10 which justify the belief that the ~~person~~ individual is competent to take charge of and be
174.11 responsible for the safe operation and maintenance of all classes of boilers and their
174.12 appurtenances; and, before receiving a license, the applicant shall take and subscribe an
174.13 oath attesting to at least five years actual experience in operating those boilers.

174.14 Subd. 6. **Chief engineer, Grade C.** ~~A person~~ An individual seeking licensure as a
174.15 chief engineer, Grade C, shall be at least 18 years of age and have habits and experience
174.16 which justify the belief that the ~~person~~ individual is competent to take charge of and
174.17 be responsible for the safe operation and maintenance of all classes of low pressure
174.18 boilers and their appurtenances, and before receiving a license, the applicant shall take
174.19 and subscribe an oath attesting to at least five years of actual experience in operating
174.20 such boilers.

174.21 Subd. 7. **First-class engineer, Grade A.** ~~A person~~ An individual seeking licensure
174.22 as a first-class engineer, Grade A, shall be at least 18 years of age and have experience
174.23 which verifies that the ~~person~~ individual is competent to take charge of and be responsible
174.24 for the safe operation and maintenance of all classes of boilers, engines, and turbines and
174.25 their appurtenances of not more than 300 horsepower or to operate as a shift engineer in a
174.26 plant of unlimited horsepower. Before receiving a license, the applicant shall take and
174.27 subscribe an oath attesting to at least three years actual experience in operating such
174.28 boilers, including at least two years experience in operating such engines or turbines.

174.29 Subd. 8. **First-class engineer, Grade B.** ~~A person~~ An individual seeking licensure
174.30 as a first-class engineer, Grade B, shall be at least 18 years of age and have habits and
174.31 experience which justify the belief that the ~~person~~ individual is competent to take charge
174.32 of and be responsible for the safe operation and maintenance of all classes of boilers of
174.33 not more than 300 horsepower or to operate as a shift engineer in a plant of unlimited
174.34 horsepower. Before receiving a license the applicant shall take and subscribe an oath
174.35 attesting to at least three years actual experience in operating such boilers.

175.1 Subd. 9. **First-class engineer, Grade C.** ~~A person~~ An individual seeking licensure
175.2 as a first-class engineer, Grade C, shall be at least 18 years of age and have habits and
175.3 experience which justify the belief that the ~~person~~ individual is competent to take charge
175.4 of and be responsible for the safe operation and maintenance of all classes of low pressure
175.5 boilers and their appurtenances of not more than 300 horsepower or to operate as a shift
175.6 engineer in a low pressure plant of unlimited horsepower. Before receiving a license, the
175.7 applicant shall take and subscribe an oath attesting to at least three years actual experience
175.8 in operating such boilers.

175.9 Subd. 10. **Second-class engineer, Grade A.** ~~A person~~ An individual seeking
175.10 licensure as a second-class engineer, Grade A, shall be at least 18 years of age and have
175.11 experience which verifies that the ~~person~~ individual is competent to take charge of and
175.12 be responsible for the safe operation and maintenance of all classes of boilers, engines,
175.13 and turbines and their appurtenances of not more than 100 horsepower or to operate
175.14 as a shift engineer in a plant of not more than 300 horsepower, or to assist the shift
175.15 engineer, under direct supervision, in a plant of unlimited horsepower. Before receiving
175.16 a license the applicant shall take and subscribe an oath attesting to at least one year of
175.17 actual experience in operating such boilers, including at least one year of experience in
175.18 operating such engines or turbines.

175.19 Subd. 11. **Second-class engineer, Grade B.** ~~A person~~ An individual seeking
175.20 licensure as a second-class engineer, Grade B, shall be at least 18 years of age and have
175.21 habits and experience which justify the belief that the ~~person~~ individual is competent to
175.22 take charge of and be responsible for the safe operation and maintenance of all classes of
175.23 boilers of not more than 100 horsepower or to operate as a shift engineer in a plant of not
175.24 more than 300 horsepower or to assist the shift engineer, under direct supervision, in a plant
175.25 of unlimited horsepower. Before receiving a license the applicant shall take and subscribe
175.26 an oath attesting to at least one year of actual experience in operating such boilers.

175.27 Subd. 12. **Second-class engineer, Grade C.** ~~A person~~ An individual seeking
175.28 licensure as a second-class engineer, Grade C, shall be at least 18 years of age and have
175.29 habits and experience which justify the belief that the ~~person~~ individual is competent to
175.30 take charge of and be responsible for the safe operation and maintenance of all classes
175.31 of low pressure boilers and their appurtenances of not more than 100 horsepower or to
175.32 operate as a shift engineer in a low pressure plant of not more than 300 horsepower, or
175.33 to assist the shift engineer, under direct supervision, in a low pressure plant of unlimited
175.34 horsepower. Before receiving a license, the applicant shall take and subscribe an oath
175.35 attesting to at least one year of actual experience in operating such boilers.

176.1 Subd. 13. **Special engineer.** ~~A person~~ An individual seeking licensure as a special
176.2 engineer shall be at least 18 years of age and have habits and experience which justify
176.3 the belief that the ~~person~~ individual is competent to take charge of and be responsible for
176.4 the safe operation and maintenance of all classes of boilers and their appurtenances of
176.5 not more than 30 horsepower or to operate as a shift engineer in a plant of not more than
176.6 100 horsepower, or to serve as an apprentice in any plant under the direct supervision of
176.7 the properly licensed engineer.

176.8 Subd. 14. **Current boiler operators.** Any ~~person~~ individual operating a boiler other
176.9 than a steam boiler on or before April 15, 1982 shall be qualified for application for the
176.10 applicable class license upon presentation of an affidavit furnished by an inspector and
176.11 sworn to by the ~~person's~~ individual's employer or a chief engineer. The applicant must
176.12 have at least the number of years of actual experience specified for the class of license
176.13 requested and pass the appropriate examination.

176.14 Subd. 15. **Rating horsepower.** For the purpose of rating boiler horsepower for
176.15 engineer license classifications only: ten square feet of heating surface shall be considered
176.16 equivalent to one boiler horsepower for conventional boilers and five square feet of
176.17 heating surface equivalent to one boiler horsepower for steam coil type generators.

176.18 Sec. 13. Minnesota Statutes 2006, section 183.54, subdivision 1, is amended to read:

176.19 Subdivision 1. **Safety Inspection certificate.** After examination and tests, ~~if a boiler~~
176.20 ~~inspector finds any boiler or pressure vessel safe and suitable for use, the inspector shall~~
176.21 ~~deliver to the chief boiler inspector a verified certificate in such form as prescribed by~~
176.22 ~~the chief boiler inspector containing a specification of the tests applied and the working~~
176.23 ~~pressure allowed. A copy of the certificate is delivered to the owner of the boiler or~~
176.24 ~~pressure vessel, who shall place and retain the same in a conspicuous place on or near~~
176.25 ~~the boiler or pressure vessel.~~ of the boiler or pressure vessel being inspected, the boiler
176.26 inspector shall document the condition of the boiler or pressure vessel as required by the
176.27 commissioner. The inspector shall issue an inspection certificate, as prescribed by the
176.28 commissioner, to the owner or operator for the inspected boilers and pressure vessels
176.29 found to be safe and suitable for use. The inspector shall immediately notify the owner or
176.30 operator of any deficiencies found on the boilers and pressure vessels during the inspection
176.31 on a form prescribed by the commissioner.

176.32 Sec. 14. Minnesota Statutes 2006, section 183.54, subdivision 3, is amended to read:

176.33 Subd. 3. **Failure to pay fee.** If the owner or lessee of any boiler or pressure vessel,
176.34 which boiler or pressure vessel has been duly inspected, refuses to pay the required fee

177.1 within 30 days from the date of the inspection invoice, the ~~chief boiler inspector, or~~
177.2 ~~deputy,~~ department may seal the boiler or pressure vessel until the fee is paid.

177.3 Sec. 15. Minnesota Statutes 2006, section 183.545, subdivision 2, is amended to read:

177.4 Subd. 2. **Fee amounts; master's.** The license and application fee for a master's
177.5 license is ~~\$50~~ \$45, or ~~\$20~~ \$15 if the applicant possesses a valid, unlimited, current United
177.6 States Coast Guard master's license. The annual renewal of a master's license is ~~\$20~~ \$15.
177.7 The annual renewal if paid later than 30 days after expiration is ~~\$35~~ \$30. The fee for
177.8 replacement of a current, valid license is ~~\$20~~ \$15.

177.9 **EFFECTIVE DATE.** This section is effective July 1, 2007.

177.10 Sec. 16. Minnesota Statutes 2006, section 183.545, subdivision 4, is amended to read:

177.11 Subd. 4. **Boiler engineer license fees.** For the following licenses, the nonrefundable
177.12 license and application fee is:

- 177.13 (1) chief engineer's license, ~~\$50~~ \$45;
177.14 (2) first class engineer's license, ~~\$50~~ \$45;
177.15 (3) second class engineer's license, ~~\$50~~ \$45;
177.16 (4) special engineer's license, ~~\$20~~ \$15; and
177.17 (5) traction or hobby boiler engineer's license, ~~\$50~~ \$45.

177.18 An engineer's license may be renewed upon application and payment of an annual
177.19 renewal fee of ~~\$20~~ \$15. The annual renewal, if paid later than 30 days after expiration, is
177.20 ~~\$35~~ \$30. The fee for replacement of a current, valid license is ~~\$20~~ \$15.

177.21 **EFFECTIVE DATE.** This section is effective July 1, 2007.

177.22 Sec. 17. Minnesota Statutes 2006, section 183.545, subdivision 8, is amended to read:

177.23 Subd. 8. **Certificate of competency.** The fee for issuance of the original state of
177.24 Minnesota certificate of competency for inspectors is ~~\$50~~ \$45. This fee is waived for
177.25 inspectors who paid the examination fee. The fee for an annual renewal of the state of
177.26 Minnesota certificate of competency is ~~\$35~~ \$30, and is due January 1 of each year. The
177.27 fee for replacement of a current, valid license is ~~\$35~~ \$30.

177.28 **EFFECTIVE DATE.** This section is effective July 1, 2007.

177.29 Sec. 18. Minnesota Statutes 2006, section 183.545, is amended by adding a subdivision
177.30 to read:

178.1 Subd. 11. **Late fee.** The commissioner may assess a late fee of up to \$100 for
178.2 each invoice issued under subdivision 1, 3, or 3a that is not paid in full by the due date
178.3 stated on the invoice.

178.4 **EFFECTIVE DATE.** This section is effective July 1, 2007.

178.5 Sec. 19. Minnesota Statutes 2006, section 183.56, is amended to read:

178.6 **183.56 EXCEPTIONS.**

178.7 The provisions of sections 183.38 to 183.62, shall not apply to:

178.8 (1) boilers in buildings occupied solely for residence purposes with accommodations
178.9 for not more than five families;

178.10 (2) railroad locomotives operated by railroad companies for transportation purposes;

178.11 (3) air tanks installed on the right-of-way of railroads and used directly in the
178.12 operation of trains;

178.13 (4) boilers and pressure vessels under the direct jurisdiction of the United States;

178.14 (5) unfired pressure vessels having an internal or external working pressure not
178.15 exceeding 15 p.s.i.g. with no limit on size;

178.16 (6) pressure vessels used for storage of compressed air not exceeding five cubic feet
178.17 in volume and equipped with an ~~American Society of Mechanical Engineers~~ ASME code
178.18 stamped safety valve set at a maximum of 100 p.s.i.g.;

178.19 (7) pressure vessels having an inside diameter not exceeding six inches;

178.20 (8) every vessel that contains water under pressure, including those containing air
178.21 that serves only as a cushion, whose design pressure does not exceed 300 p.s.i.g. and
178.22 whose design temperature does not exceed 210 degrees Fahrenheit;

178.23 (9) boiler or pressure vessels located on farms used solely for agricultural or
178.24 horticultural purposes; for purposes of this section, boilers used for mint oil extraction
178.25 are considered used for agricultural or horticultural purposes, provided that the owner or
178.26 lessee complies with the inspection requirements contained in section 183.42;

178.27 (10) tanks or cylinders used for storage or transfer of liquefied petroleum gases;

178.28 (11) unfired pressure vessels in petroleum refineries;

178.29 (12) an air tank or pressure vessel which is an integral part of a passenger motor
178.30 bus, truck, or trailer;

178.31 (13) hot water heating and other hot liquid boilers not exceeding a heat input of
178.32 750,000 BTU per hour;

179.1 (14) hot water supply boilers (water heaters) not exceeding a heat input of 500,000
179.2 BTU per hour, a water temperature of 210 degrees Fahrenheit, a nominal water capacity of
179.3 120 gallons, or a pressure of 160 p.s.i.g.;

179.4 (15) a laundry and dry cleaning press not exceeding five cubic feet of steam volume;

179.5 (16) pressure vessels operated full of water or other liquid not materially more
179.6 hazardous than water, if the vessel's contents' temperature does not exceed 140 degrees
179.7 Fahrenheit or a pressure of 200 p.s.i.g.;

179.8 (17) steam powered turbines at paper-making facilities which are powered by steam
179.9 generated by municipal steam district facilities at a remote location; and

179.10 (18) manually fired boilers for model locomotive, boat, tractor, stationary engine,
179.11 or antique motor vehicles constructed or maintained only as a hobby for exhibition,
179.12 educational or historical purposes and not for commercial use, if the boilers have an
179.13 inside diameter of 12 inches or less, or a grate area of two square feet or less, and are
179.14 equipped with an ~~American Society of Mechanical Engineers~~ ASME stamped safety valve
179.15 of adequate size, a water level indicator, and a pressure gauge.

179.16 An engineer's license is not required for hot water supply boilers.

179.17 An engineer's license is not required for boilers, steam cookers, steam kettles, steam
179.18 sterilizers or other steam generators not exceeding 100,000 BTU per hour input, 25
179.19 kilowatt, 2-1/2 horsepower ~~or~~ and a pressure of 15 p.s.i.g.

179.20 Electric boilers not exceeding a maximum working pressure of 50 p.s.i.g., maximum
179.21 of 30 kilowatt input or three horsepower rating shall be inspected as pressure vessels and
179.22 shall not require an engineer license to operate.

179.23 Sec. 20. Minnesota Statutes 2006, section 183.57, subdivision 1, is amended to read:

179.24 Subdivision 1. **Report required.** Any insurance company insuring boilers and
179.25 pressure vessels in this state shall file a report showing the most recent date of inspection,
179.26 the name of the ~~person~~ individual making the inspection, the condition of the boiler or
179.27 pressure vessel as disclosed by the inspection, whether the boiler was operated by a
179.28 properly licensed engineer, whether a policy of insurance has been issued by the company
179.29 with reference to the boiler or pressure vessel, and other information as directed by the
179.30 ~~chief boiler inspector~~ commissioner. Within 21 days after the inspection, the insurance
179.31 company shall file the report with the ~~chief boiler inspector or designee~~ commissioner.
179.32 The insurer shall provide a copy of the report to the person, ~~firm, or corporation~~
179.33 operating the inspected boiler or pressure vessel. Such report shall be made annually for
179.34 boilers and biennially for pressure vessels.

180.1 Sec. 21. Minnesota Statutes 2006, section 183.57, subdivision 2, is amended to read:

180.2 Subd. 2. **Exemption.** Every boiler or pressure vessel as to which any insurance
180.3 company authorized to do business in this state has issued a policy of insurance, after the
180.4 inspection thereof, is exempt from inspection by the department made under sections
180.5 183.375 to 183.62, while the same continues to be insured and provided it continues
180.6 to be inspected in accordance with the inspection schedule set forth in sections 183.42
180.7 and 183.45, and the person, ~~firm, or corporation~~ owning or operating the same has an
180.8 unexpired certificate of registration.

180.9 Sec. 22. Minnesota Statutes 2006, section 183.57, subdivision 5, is amended to read:

180.10 Subd. 5. **Notice of insurance coverage.** The insurer shall notify the commissioner
180.11 ~~or designee~~ in writing of its policy to insure and inspect boilers and pressure vessels at a
180.12 location within 30 days of receipt of notification from the insured that a boiler or pressure
180.13 vessel is present at an insured location. The insurer must also provide a duplicate of the
180.14 notification to the insured.

180.15 Sec. 23. Minnesota Statutes 2006, section 183.57, subdivision 6, is amended to read:

180.16 Subd. 6. **Notice of discontinued coverage.** The insurer shall notify the
180.17 commissioner ~~or designee~~ in writing, within 30 days of the effective date, of the
180.18 discontinuation of insurance coverage of the boilers and pressure vessels at a location
180.19 and the cause or reason for the discontinuation if the insurer has received notice from
180.20 the insured that a boiler or pressure vessel is present at an insured location, as provided
180.21 under subdivision 5. This notice shall show the effective date when the discontinued
180.22 policy takes effect.

180.23 Sec. 24. Minnesota Statutes 2006, section 183.59, is amended to read:

180.24 **183.59 VIOLATIONS BY INSPECTORS.**

180.25 Every inspector who willfully certifies falsely regarding any boiler or its attachments,
180.26 or pressure vessel, or the hull and equipments of any steam vessel, or who grants a license
180.27 to any ~~person~~ individual to act as engineer, ~~or~~ master, ~~or~~ pilot contrary to any provision of
180.28 sections 183.375 to 183.62, is guilty of a misdemeanor. In addition to this punishment the
180.29 inspector shall be removed from office forthwith.

180.30 Sec. 25. Minnesota Statutes 2006, section 183.60, is amended to read:

180.31 **183.60 VIOLATIONS IN CONSTRUCTION; REPAIR; SALE.**

181.1 Subdivision 1. **Construction violation.** ~~Every~~ No person who constructs shall
181.2 construct a boiler, boiler piping, or pressure vessel so as not to meet the minimum
181.3 construction requirements of the ~~American Society of Mechanical Engineers~~ ASME boiler
181.4 and pressure vessel code, and the rules of the ~~Division of Boiler Inspection~~ adopted by the
181.5 department of Labor and Industry is guilty of a gross misdemeanor.

181.6 Subd. 2. **Repair violation.** ~~Every~~ No person who repairs a boiler or pressure vessel
181.7 by welding or riveting so as not to meet the minimum requirements established by the
181.8 current edition of the National Board of Boiler and Pressure Vessel Inspectors inspection
181.9 code and the rules of the ~~Division of Boiler Inspection~~ adopted by the department of Labor
181.10 and Industry is guilty of a gross misdemeanor.

181.11 Subd. 3. **Sale violation.** ~~Every~~ No manufacturer, jobber, dealer, or other person
181.12 ~~selling or offering~~ shall sell or offer for sale a boiler or pressure vessel that does not meet
181.13 the minimum construction requirements of the ~~American Society of Mechanical Engineers~~
181.14 ASME boiler and pressure vessel code and the rules of the ~~Division of Boiler Inspection~~
181.15 adopted by the department of Labor and Industry is guilty of a gross misdemeanor.

181.16 Sec. 26. Minnesota Statutes 2006, section 183.61, subdivision 2, is amended to read:

181.17 Subd. 2. **Inspection violation.** ~~Any~~ No person who causes shall cause to be
181.18 operated; or ~~operates~~ shall operate; any boiler or boat without having the same inspected
181.19 at least once each year, or pressure vessel, steam farm traction engine, portable or
181.20 stationary show engine, or portable or stationary show boiler without having it inspected
181.21 biennially, ~~and~~ or without having the proper engineer or pilot master license ~~is guilty~~
181.22 ~~of a misdemeanor.~~

181.23 Sec. 27. Minnesota Statutes 2006, section 183.61, subdivision 4, is amended to read:

181.24 Subd. 4. **Failure to repair.** ~~Every person operating or causing to be operated~~ After
181.25 any boiler or pressure vessel ~~after it~~ has been examined and found to be unsafe and after the
181.26 owner or operator ~~thereof~~ of the boiler or pressure vessel has been notified of any defect
181.27 ~~therein and what repairs are necessary to remedy the defect who fails to comply with the~~
181.28 ~~inspector's requirements is guilty of a misdemeanor~~ in it, no person shall operate the boiler
181.29 or pressure vessel or cause it to be operated unless and until the defect has been corrected.

181.30 Sec. 28. **[326B.93] INSPECTION PERSONNEL.**

181.31 Subdivision 1. **Inspectors.** The department may employ such inspectors and other
181.32 persons as are necessary to efficiently perform the duties and exercise the powers imposed
181.33 upon the department.

182.1 Subd. 2. **Chief boiler inspector.** The commissioner shall appoint a chief boiler
182.2 inspector who, under the direction and supervision of the commissioner, shall administer
182.3 this chapter and the rules adopted under this chapter. The chief boiler inspector must:
182.4 (1) be licensed as a chief Grade A engineer; and
182.5 (2) possess a current commission issued by the National Board of Boiler and
182.6 Pressure Vessel Inspectors.

182.7 The chief boiler inspector shall be the state of Minnesota representative on the National
182.8 Board of Boiler and Pressure Vessel Inspectors, shall be the final interpretative authority
182.9 of the rules adopted under this chapter, and shall perform other duties in administering this
182.10 chapter and the rules adopted under this chapter as assigned by the commissioner.

182.11 Sec. 29. **[326B.94] BOATS; MASTERS.**

182.12 Subdivision 1. **Boat.** "Boat" means any vessel navigating inland waters of the state
182.13 that is propelled by machinery or sails, is carrying passengers for hire, and is 21 feet
182.14 or more in length.

182.15 Subd. 2. **Number of passengers.** The department shall designate the number of
182.16 passengers that each boat may safely carry, and no such boat shall carry a greater number
182.17 than is allowed by the inspector's certificate.

182.18 Subd. 3. **Annual permit.** The commissioner shall issue an annual permit to a boat
182.19 for the purpose of carrying passengers for hire on the inland waters of the state provided
182.20 the boat satisfies the inspection requirements of this section. A boat subject to inspection
182.21 under this chapter shall be registered with the department and shall be inspected before a
182.22 permit may be issued. No person shall operate a boat or cause a boat to be operated for the
182.23 purpose of carrying passengers for hire on the inland waters of the state without a valid
182.24 annual permit issued under this section.

182.25 Subd. 4. **Examinations, licensing.** The commissioner shall develop and administer
182.26 an examination for all masters of boats carrying passengers for hire on the inland waters of
182.27 the state as to their qualifications and fitness. If found qualified and competent to perform
182.28 their duties as a master of a boat carrying passengers for hire, they shall be issued a license
182.29 authorizing them to act as such on the inland waters of the state. The license shall be
182.30 renewed annually. Fees for the original issue and renewal of the license authorized under
182.31 this section shall be pursuant to section 183.545, subdivision 2.

182.32 Subd. 5. **Rules.** (a) The department shall prescribe rules for the inspection of the
182.33 hulls, machinery, boilers, steam connections, firefighting apparatus, lifesaving appliances,
182.34 and lifesaving equipment of all power boats navigating the inland waters of the state,
182.35 which shall conform to the requirements and specifications of the United States Coast

183.1 Guard in similar cases as provided in Code of Federal Regulations, title 46, as applicable
183.2 inland waters; these rules shall have the force of law.
183.3 (b) The commissioner shall make such rules for inspection and operation of boats
183.4 subject to inspection under this chapter, the licensing of masters, and the navigation of any
183.5 such boat as will require its operation without danger to life or property.
183.6 Subd. 6. **Drugs, alcohol.** No master shall be under the influence of illegal drugs
183.7 or alcohol when on duty.

183.8 Sec. 30. **REVISOR'S INSTRUCTION.**

183.9 The revisor of statutes shall renumber each section of Minnesota Statutes listed in
183.10 column A with the number listed in column B. The revisor shall also make necessary
183.11 cross-reference changes consistent with the renumbering.

183.12	<u>Column A</u>	<u>Column B</u>
183.13	<u>183.38</u>	<u>326B.952</u>
183.14	<u>183.39</u>	<u>326B.954</u>
183.15	<u>183.411</u>	<u>326B.956</u>
183.16	<u>183.42</u>	<u>326B.958</u>
183.17	<u>183.45</u>	<u>326B.96</u>
183.18	<u>183.46</u>	<u>326B.962</u>
183.19	<u>183.465</u>	<u>326B.964</u>
183.20	<u>183.466</u>	<u>326B.966</u>
183.21	<u>183.48</u>	<u>326B.968</u>
183.22	<u>183.50</u>	<u>326B.97</u>
183.23	<u>183.501</u>	<u>326B.972</u>
183.24	<u>183.502</u>	<u>326B.974</u>
183.25	<u>183.505</u>	<u>326B.976</u>
183.26	<u>183.51</u>	<u>326B.978</u>
183.27	<u>183.53</u>	<u>326B.98</u>
183.28	<u>183.54</u>	<u>326B.982</u>
183.29	<u>183.545</u>	<u>326B.986</u>
183.30	<u>183.56</u>	<u>326B.988</u>
183.31	<u>183.57</u>	<u>326B.99</u>
183.32	<u>183.59</u>	<u>326B.992</u>
183.33	<u>183.60</u>	<u>326B.994</u>
183.34	<u>183.61</u>	<u>326B.996</u>
183.35	<u>183.62</u>	<u>326B.998</u>

184.1

184.2

ARTICLE 11
HIGH PRESSURE PIPING

184.3

Section 1. Minnesota Statutes 2006, section 326.46, is amended to read:

184.4

**326.46 ~~SUPERVISION OF~~ DEPARTMENT TO SUPERVISE HIGH
PRESSURE PIPING.**

184.5

184.6

The department of Labor and Industry shall supervise all high pressure piping used on all projects in this state, and may prescribe minimum standards which shall be uniform.

184.7

184.8

The department shall employ inspectors and other assistants to carry out the provisions of sections 326.46 to 326.52.

184.9

184.10

Sec. 2. Minnesota Statutes 2006, section 326.461, is amended by adding a subdivision to read:

184.11

184.12

Subd. 1a. **Contracting high pressure pipefitter.** "Contracting high pressure pipefitter" means an individual, such as a steamfitter, engaged in the planning, superintending, and practical installation of high pressure piping and appurtenances, and otherwise lawfully qualified to construct high pressure piping installations and make replacements to existing plants, who is also qualified to conduct the business of high pressure piping installations and who is familiar with the laws, rules, and minimum standards governing them.

184.13

184.14

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184.19

Sec. 3. Minnesota Statutes 2006, section 326.461, is amended by adding a subdivision to read:

184.20

184.21

Subd. 2a. **High pressure steam.** "High pressure steam" means a pressure in excess of 15 pounds per square inch.

184.22

184.23

Sec. 4. Minnesota Statutes 2006, section 326.461, is amended by adding a subdivision to read:

184.24

184.25

Subd. 2b. **Journeyman high pressure pipefitter.** "Journeyman high pressure pipefitter" means an individual, such as a steamfitter, who is not a contracting high pressure pipefitter and who is engaged in the practical installation of high pressure piping and appurtenances in the employ of a contracting high pressure pipefitter.

184.26

184.27

184.28

184.29

Sec. 5. Minnesota Statutes 2006, section 326.461, is amended by adding a subdivision to read:

184.30

Subd. 4. **Pipefitter trainee.** A "pipefitter trainee" is an individual, other than a contracting pipefitter, journeyman pipefitter, or pipefitter apprentice, who as a principal occupation is in the employ of a high pressure piping business license holder and is engaged in pipefitter work to learn and assist in the practical construction and installation of high pressure piping and appurtenances. For purposes of this subdivision, a "pipefitter apprentice" is an individual employed in the trade of the practical construction and installation of high pressure piping and appurtenances under an apprenticeship agreement approved by the department under Minnesota Rules, part 5200.0300.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 6. Minnesota Statutes 2006, section 326.47, is amended to read:

326.47 APPLICATION, PERMIT, FILING, AND INSPECTION FEES.

Subdivision 1. **Required permit.** ~~No person, firm, or corporation shall construct or install high pressure piping systems without first filing an application for a permit with the department of Labor and Industry or a municipality that has complied with subdivision 2. Projects under construction prior to August 1, 1984, are not required to obtain a permit.~~

Subd. 2. **Permissive municipal regulation.** ~~A municipality may, by ordinance, provide for the inspection of high pressure piping system materials and construction, and provide that it shall not be constructed or installed except in accordance with minimum state standards. The authority designated by the ordinance for issuing high pressure piping permits and assuring compliance with state standards must report to the Department of Labor and Industry all violations of state high pressure piping standards.~~

~~A municipality may not adopt an ordinance with high pressure piping standards that does not conform to the uniform standards prescribed by the Department of Labor and Industry. The Department of Labor and Industry shall specify by rule the minimum qualifications for municipal inspectors.~~ The commissioner may enter into an agreement with a municipality, in which the municipality agrees to perform inspections and issue permits for the construction and installation of high pressure piping systems within the municipality's geographical area of jurisdiction, if:

(a) The municipality has adopted:

(1) the code for power piping systems, Minnesota Rules, parts 5230.0250 to 5230.6200;

(2) an ordinance that authorizes the municipality to issue permits to persons holding a high pressure piping business license issued by the department and only for construction

186.1 or installation that would, if performed properly, fully comply with all Minnesota Statutes
186.2 and Minnesota Rules;

186.3 (3) an ordinance that authorizes the municipality to perform the inspections that are
186.4 required under Minnesota Statutes or Minnesota Rules of the construction and installation
186.5 of high pressure piping systems; and

186.6 (4) an ordinance that authorizes the municipality to enforce the code for power
186.7 piping systems in its entirety.

186.8 (b) The municipality agrees to issue permits only to persons holding a high pressure
186.9 piping business license as required by law at the time of the permit issuance, and only for
186.10 construction or installation that would, if performed properly, comply with all Minnesota
186.11 Statutes and Minnesota Rules governing the construction or installation of high pressure
186.12 piping systems.

186.13 (c) The municipality agrees to issue permits only on forms approved by the
186.14 department.

186.15 (d) The municipality agrees that, for each permit issued by the municipality, the
186.16 municipality shall perform one or more inspections of the construction or installation to
186.17 determine whether the construction or installation complies with all Minnesota Statutes
186.18 and Minnesota Rules governing the construction or installation of high pressure piping
186.19 systems, and shall prepare a written report of each inspection.

186.20 (e) The municipality agrees to notify the commissioner within 24 hours after the
186.21 municipality discovers any violation of the licensing laws related to high pressure piping.

186.22 (f) The municipality agrees to notify the commissioner immediately if the
186.23 municipality discovers that any entity has failed to meet a deadline set by the municipality
186.24 for correction of a violation of the high pressure piping laws.

186.25 (g) The commissioner determines that the individuals who will conduct the
186.26 inspections for the municipality do not have any conflict of interest in conducting the
186.27 inspections.

186.28 (h) Individuals who will conduct the inspections for the municipality are permanent
186.29 employees of the municipality and are licensed contracting high pressure pipefitters or
186.30 licensed journeyman high pressure pipefitters.

186.31 (i) The municipality agrees to notify the commissioner within ten days of any
186.32 changes in the names or qualifications of the individuals who conduct the inspections
186.33 for the municipality.

186.34 (j) The municipality agrees to enforce in its entirety the code for power piping
186.35 systems on all projects.

187.1 (k) The municipality shall not approve any piping installation unless the installation
187.2 conforms to all applicable provisions of the high pressure piping laws in effect at the
187.3 time of the installation.

187.4 (l) The municipality agrees to promptly require compliance or revoke a permit that
187.5 it has issued if there is noncompliance with any of the applicable provisions of the high
187.6 pressure piping laws in connection with the work covered by the permit. The municipality
187.7 agrees to revoke the permit if any laws regulating the licensing of pipefitters have been
187.8 violated.

187.9 (m) The municipality agrees to keep official records of all documents received,
187.10 including permit applications, and of all permits issued, reports of inspections, and notices
187.11 issued in connection with inspections.

187.12 (n) The municipality agrees to maintain the records described in paragraph (m) in
187.13 the official records of the municipality for the period required for the retention of public
187.14 records under section 138.17, and shall make these records readily available for review
187.15 according to section 13.37.

187.16 (o) Not later than the tenth day of each month, the municipality shall submit to the
187.17 commissioner a report of all high pressure piping permits issued by the municipality during
187.18 the preceding month. This report shall be in a format approved by the commissioner
187.19 and shall include:

- 187.20 (1) the name of the contractor;
187.21 (2) the license number of the contractor's license issued by the commissioner;
187.22 (3) the permit number;
187.23 (4) the address of the job;
187.24 (5) the date the permit was issued;
187.25 (6) a brief description of the work; and
187.26 (7) the amount of the inspection fee.

187.27 (p) Not later than the 31st day of January of each year, the municipality shall submit
187.28 a summary report to the commissioner identifying the status of each high pressure piping
187.29 project for which the municipality issued a permit during the preceding year, and the
187.30 status of high pressure piping projects for which the municipality issued a permit during a
187.31 prior year where no final inspection had occurred by the first day of the preceding year.
187.32 This summary report shall include:

- 187.33 (1) the permit number;
187.34 (2) the date of any final inspection; and
187.35 (3) identification of any violation of high pressure piping laws related to work
187.36 covered by the permit.

188.1 (q) The municipality and the commissioner agree that if at any time during the
188.2 agreement the municipality does not have in effect the code for high pressure piping
188.3 systems or any of the ordinances described in paragraph (a), or if the commissioner
188.4 determines that the municipality is not properly administering and enforcing the code for
188.5 high pressure piping or is otherwise not complying with the agreement:

188.6 (1) the commissioner may, effective 14 days after the municipality's receipt of
188.7 written notice, terminate the agreement and have the administration and enforcement of
188.8 the high pressure piping code in the involved municipality undertaken by the department;

188.9 (2) the municipality may challenge the termination in a contested case before the
188.10 commissioner pursuant to the Administrative Procedure Act; and

188.11 (3) while any challenge under clause (2) is pending, the commissioner may exercise
188.12 oversight of the municipality to the extent needed to ensure that high pressure piping
188.13 inspections are performed and permits are issued in accordance with the high pressure
188.14 piping laws.

188.15 (r) The municipality and the commissioner agree that the municipality may terminate
188.16 the agreement with or without cause on 90 days' written notice to the commissioner.

188.17 (s) The municipality and the commissioner agree that no municipality shall
188.18 revoke, suspend, or place restrictions on any high pressure piping license issued by the
188.19 commissioner. If the municipality identifies during an inspection any violation that
188.20 may warrant revocation, suspension, or placement of restrictions on a high pressure
188.21 piping license issued by the commissioner, the municipality shall promptly notify the
188.22 commissioner of the violation and the commissioner shall determine whether revocation,
188.23 suspension, or placement of restrictions on any high pressure piping license issued by
188.24 the commissioner is appropriate.

188.25 ~~Subd. 5. **Reporting of permits issued.** Each municipality must submit to the~~
188.26 ~~Department of Labor and Industry a copy of each permit issued within ten days after~~
188.27 ~~issuance.~~

188.28 ~~All permits must be issued on forms prescribed by or approved by the Department of~~
188.29 ~~Labor and Industry.~~

188.30 **Subd. 6. Filing and inspection fees.** ~~(a) The department of Labor and Industry must~~
188.31 ~~charge a filing fee set by the commissioner under section 16A.1285 and an inspection fee~~
188.32 ~~for all applications for permits to construct or install high pressure piping systems. The~~
188.33 ~~filing fee for inspection of high pressure piping system construction or installation shall~~
188.34 ~~be set by the commissioner under section 16A.1285 \$100. This subdivision does~~ The
188.35 inspection fee shall be calculated as follows.

189.1 (1) When an application for a permit is filed prior to the start of construction or
189.2 installation, the inspection fee shall be \$150 plus 0.022 of the first \$1,000,000, plus
189.3 0.011 of the next \$2,000,000, plus 0.00055 of the amount over \$3,000,000 of the cost of
189.4 construction or installation.

189.5 (2) Except as provided in paragraph (b), when an application for permit is filed after
189.6 the start of construction or installation, the inspection fee shall be the greater of: \$1,100;
189.7 or \$150 plus 0.033 of the first \$1,000,000, plus 0.0165 of the next \$2,000,000, plus 0.011
189.8 of the amount over \$3,000,000 of the cost of construction or installation.

189.9 (b) The commissioner shall consider any extenuating circumstances that caused an
189.10 application for permit to be filed after the start of construction or installation. If warranted
189.11 by such extenuating circumstances, the commissioner may calculate the inspection fee as
189.12 if the application for permit had been filed prior to the start of construction or installation.

189.13 (c) Paragraphs (a) and (b) do not apply where a permit is issued by a municipality
189.14 complying in accordance with an agreement under subdivision 2.

189.15 **EFFECTIVE DATE.** This section is effective December 1, 2007, except that
189.16 subdivision 6 is effective July 1, 2007.

189.17 Sec. 7. Minnesota Statutes 2006, section 326.48, is amended to read:

189.18 **326.48 LICENSING AND REGISTRATION.**

189.19 Subdivision 1. **License required; rules; time credit.** No ~~person~~ individual shall
189.20 engage in or work at the business of a contracting high pressure pipefitter unless issued
189.21 an individual contracting high pressure pipefitter license to do so by the department ~~of~~
189.22 ~~Labor and Industry~~. No license shall be required for repairs on existing installations. No
189.23 ~~person~~ individual shall engage in or work at the business of journeyman pipefitter unless
189.24 issued an individual journeyman high pressure pipefitter competency license to do so by
189.25 the department ~~of Labor and Industry~~. A person possessing an individual contracting
189.26 high pressure pipefitter competency license may also work as a journeyman high pressure
189.27 pipefitter.

189.28 No person, ~~partnership, firm, or corporation~~ shall construct or install high pressure
189.29 piping, nor install high pressure piping in connection with the dealing in and selling
189.30 of high pressure pipe material and supplies, unless, at all times, ~~a person~~ an individual
189.31 possessing a contracting high pressure pipefitter individual competency license or a
189.32 journeyman high pressure pipefitter individual competency license is responsible for
189.33 ensuring that the high pressure pipefitting work ~~conducted by the person, partnership, firm,~~
189.34 ~~or corporation being~~ is in conformity with Minnesota Statutes and Minnesota Rules.

The department of ~~Labor and Industry~~ shall prescribe rules, not inconsistent herewith, for the examination and individual competency licensing of contracting high pressure pipefitters and journeyman high pressure pipefitters and for issuance of permits by the department and municipalities for the installation of high pressure piping.

An employee performing the duties of inspector for the department of ~~Labor and Industry~~ in regulating pipefitting shall not receive time credit for the inspection duties when making an application for a license required by this section.

Subd. 2. **High pressure pipefitting business license.** Before obtaining a permit for high pressure piping work, a person, ~~partnership, firm, or corporation~~ must obtain or utilize a business with a high pressure piping business license.

A person, ~~partnership, firm, or corporation~~ must have at all times as a full-time employee at least one individual holding an individual contracting high pressure pipefitter competency license. Only full-time employees who hold individual contracting high pressure pipefitter licenses are authorized to obtain high pressure piping permits in the name of the business. The individual contracting high pressure pipefitter competency license holder can be the employee of only one high pressure piping business at a time.

To retain its business license without reapplication, a person, ~~partnership, firm, or corporation~~ holding a high pressure piping business license that ceases to employ a ~~person~~ an individual holding an individual contracting high pressure pipefitter competency license shall have 60 days from the last day of employment of its previous individual contracting pipefitter competency license holder to employ another license holder. The department of ~~Labor and Industry~~ must be notified no later than five days after the last day of employment of the previous license holder.

No high pressure pipefitting work may be performed during any period when the high pressure pipefitting business does not have an individual contracting high pressure pipefitter competency license holder on staff. If a license holder is not employed within 60 days after the last day of employment of the previous license holder, the pipefitting business license shall lapse.

The department of ~~Labor and Industry~~ shall prescribe by rule procedures for application for and issuance of business licenses and fees.

Subd. 2a. **Registration requirement.** All pipefitter trainees must be registered under subdivision 2b. No individual may be a registered pipefitter trainee for more than four years unless the individual has a pending application to be licensed as a journeyman pipefitter. No high pressure piping business shall employ a pipefitter trainee to help and assist in the construction and installation of high pressure piping unless the pipefitter trainee is registered.

191.1 A registered pipefitter trainee is authorized to assist in the practical construction and
191.2 installation of high pressure piping and appurtenances only while under direct supervision
191.3 of a licensed individual contracting pipefitter. The licensed individual contracting pipefitter
191.4 is responsible for ensuring that all high pressure piping work performed by the registered
191.5 pipefitter trainee complies with Minnesota Statutes and Minnesota Rules.

191.6 Subd. 2b. **Registration with commissioner.** A licensed high pressure piping
191.7 business may register a pipefitter trainee by completing and submitting to the
191.8 commissioner a registration from provided by the commissioner. The department may
191.9 prescribe rules, not inconsistent with this section, for the registration of pipefitter trainees.
191.10 A high pressure piping business applying for initial registration of a pipefitter trainee
191.11 shall pay the department an application fee of \$50. Applications for initial registration
191.12 may be submitted at any time. Registration must be renewed annually and shall be for
191.13 one calendar year beginning on January 1. Applications for renewal registration must be
191.14 submitted to the commissioner before December 31 of each registration period on forms
191.15 provided by the commissioner, and must be accompanied by a fee of \$50. There shall
191.16 be no refund of fees paid.

191.17 Subd. 3. **Bond.** ~~The~~ As a condition of licensing, each applicant for a high pressure
191.18 piping business license or renewal shall give bond to the state in the total ~~penal~~ sum of
191.19 \$15,000 conditioned upon the faithful and lawful performance of all work ~~entered upon~~
191.20 contracted for or performed within the state. The bond shall run to and be for the benefit of
191.21 persons injured or suffering financial loss by reason of failure of payment or performance.
191.22 Claims and actions on the bond may be brought according to sections 574.26 to 574.38.

191.23 The term of the bond must be concurrent with the term of the high pressure
191.24 pipefitting business license and run without interruption from the date of the issuance of
191.25 the license to the end of the calendar year. All high pressure pipefitting business licenses
191.26 must be annually renewed on a calendar year basis.

191.27 The bond must be filed with the department of ~~Labor and Industry~~ and shall be
191.28 in lieu of any other business license bonds required by any political subdivision for
191.29 high pressure pipefitting. The bond must be written by a corporate surety licensed to
191.30 do business in the state.

191.31 Subd. 4. **Insurance.** In addition to the bond described in subdivision 3, each
191.32 applicant for a high pressure pipefitting business license or renewal shall have in force
191.33 public liability insurance, including products liability insurance, with limits of at least
191.34 \$100,000 per person and \$300,000 per occurrence and property damage insurance with
191.35 limits of at least \$50,000.

192.1 The insurance must be kept in force for the entire term of the high pressure
192.2 pipefitting business license, and the license shall be suspended by the department if at any
192.3 time the insurance is not in force.

192.4 The insurance must be written by an insurer licensed to do business in the state and
192.5 shall be in lieu of any other insurance required by any subdivision of government for
192.6 high pressure pipefitting. Each person, ~~partnership, firm, or corporation~~ holding a high
192.7 pressure pipefitting business license shall maintain on file with the department a certificate
192.8 evidencing the insurance. Any purported cancellation of insurance shall not be effective
192.9 without the insurer first giving 30 days' written notice to the department.

192.10 Subd. 5. **License fee.** ~~The state department of Labor and Industry may~~ shall charge
192.11 ~~each applicant for a high pressure pipefitting business license or for a renewal of a high~~
192.12 ~~pressure pipefitting business license and an additional fee commensurate with the cost of~~
192.13 ~~administering the bond and insurance requirements of subdivisions 3 and 4.~~ the following
192.14 license fees:

192.15 (a) application for journeyman high pressure piping pipefitter competency license,
192.16 \$100;

192.17 (b) renewal of journeyman high pressure piping pipefitter competency license, \$60;

192.18 (c) application for contracting high pressure piping pipefitter competency license,
192.19 \$250;

192.20 (d) renewal of contracting high pressure piping pipefitter competency license, \$220;

192.21 (e) application for high pressure piping business license, \$350;

192.22 (f) application to inactivate a contracting high pressure piping pipefitter competency
192.23 license or inactivate a journeyman high pressure piping pipefitter competency license,
192.24 \$30; and

192.25 (g) renewal of an inactive contracting high pressure piping pipefitter competency
192.26 license or inactive journeyman high pressure piping pipefitter competency license, \$30.

192.27 If an application for renewal of an active or inactive journeyman high pressure
192.28 piping pipefitter competency license or active or inactive contracting high pressure piping
192.29 competency license is received by the department after the date of expiration of the
192.30 license, a \$30 late renewal fee shall be added to the license renewal fee.

192.31 Payment must accompany the application for a license or renewal of a license. There
192.32 shall be no refund of fees paid.

192.33 **EFFECTIVE DATE.** This section is effective December 1, 2007, except that
192.34 subdivisions 2a, 2b, and 5 are effective July 1, 2007.

193.1 Sec. 8. Minnesota Statutes 2006, section 326.50, is amended to read:

193.2 **326.50 LICENSE APPLICATION, FEES AND RENEWAL.**

193.3 Application for an individual contracting high pressure pipefitter competency or an
193.4 individual journeyman high pressure pipefitter competency license shall be made to the
193.5 department of ~~Labor and Industry~~, with fees. The applicant shall be licensed only after
193.6 passing an examination developed and administered by the department of ~~Labor and~~
193.7 ~~Industry~~. A competency license issued by the department shall expire on December 31
193.8 of each year. A renewal application must be received by the department within one year
193.9 after expiration of the competency license. A license that has been expired for more
193.10 than one year cannot be renewed, and can only be reissued if the applicant submits a
193.11 new application for the competency license, pays a new application fee, and retakes and
193.12 passes the applicable license examination.

193.13 Sec. 9. **REVISOR'S INSTRUCTION.**

193.14 The revisor of statutes shall renumber each section of Minnesota Statutes listed in
193.15 column A with the number listed in column B. The revisor shall also make necessary
193.16 cross-reference changes consistent with the renumbering.

193.17	<u>Column A</u>	<u>Column B</u>
193.18	<u>326.46</u>	<u>326B.90</u>
193.19	<u>326.461</u>	<u>326B.91</u>
193.20	<u>326.47</u>	<u>326B.92</u>
193.21	<u>326.48</u>	<u>326B.93</u>
193.22	<u>326.50</u>	<u>326B.94</u>

193.23 **ARTICLE 12**
193.24 **CONFORMING CHANGES**

193.25 Section 1. Minnesota Statutes 2006, section 31.175, is amended to read:

193.26 **31.175 WATER, PLUMBING, AND SEWAGE.**

193.27 A person who is required by statutes administered by the Department of Agriculture,
193.28 or by rules adopted pursuant to those statutes, to provide a suitable water supply, or
193.29 plumbing or sewage disposal system, may not engage in the business of manufacturing,
193.30 processing, selling, handling, or storing food at wholesale or retail unless the person's
193.31 water supply is satisfactory under plumbing codes adopted by the Department of ~~Health~~
193.32 Labor and Industry and the person's sewage disposal system satisfies the rules of the
193.33 Pollution Control Agency.

194.1 Sec. 2. Minnesota Statutes 2006, section 103I.621, subdivision 3, is amended to read:

194.2 Subd. 3. **Construction requirements.** (a) Withdrawal and reinjection for the
194.3 groundwater thermal exchange device must be accomplished by a closed system in which
194.4 the waters drawn for thermal exchange do not have contact or commingle with water
194.5 from other sources or with polluting material or substances. The closed system must be
194.6 constructed to allow an opening for inspection by the commissioner.

194.7 (b) Wells that are part of a groundwater thermal exchange system may not serve
194.8 another function, except water may be supplied to the domestic water system if:

194.9 (1) the supply is taken from the thermal exchange system ahead of the heat exchange
194.10 unit; and

194.11 (2) the domestic water system is protected by an airgap or backflow prevention
194.12 device as described in rules relating to plumbing enforced by the commissioner of labor
194.13 and industry.

194.14 (c) A groundwater thermal exchange system may be used for domestic water heating
194.15 only if the water heating device is an integral part of the heat exchange unit that is used for
194.16 space heating and cooling.

194.17 Sec. 3. Minnesota Statutes 2006, section 144.122, is amended to read:

194.18 **144.122 LICENSE, PERMIT, AND SURVEY FEES.**

194.19 (a) The state commissioner of health, by rule, may prescribe procedures and fees
194.20 for filing with the commissioner as prescribed by statute and for the issuance of original
194.21 and renewal permits, licenses, registrations, and certifications issued under authority of
194.22 the commissioner. The expiration dates of the various licenses, permits, registrations,
194.23 and certifications as prescribed by the rules shall be plainly marked thereon. Fees may
194.24 include application and examination fees and a penalty fee for renewal applications
194.25 submitted after the expiration date of the previously issued permit, license, registration,
194.26 and certification. The commissioner may also prescribe, by rule, reduced fees for permits,
194.27 licenses, registrations, and certifications when the application therefor is submitted
194.28 during the last three months of the permit, license, registration, or certification period.
194.29 Fees proposed to be prescribed in the rules shall be first approved by the Department of
194.30 Finance. All fees proposed to be prescribed in rules shall be reasonable. The fees shall be
194.31 in an amount so that the total fees collected by the commissioner will, where practical,
194.32 approximate the cost to the commissioner in administering the program. All fees collected
194.33 shall be deposited in the state treasury and credited to the state government special revenue
194.34 fund unless otherwise specifically appropriated by law for specific purposes.

195.1 (b) The commissioner may charge a fee for voluntary certification of medical
195.2 laboratories and environmental laboratories, and for environmental and medical laboratory
195.3 services provided by the department, without complying with paragraph (a) or chapter 14.
195.4 Fees charged for environment and medical laboratory services provided by the department
195.5 must be approximately equal to the costs of providing the services.

195.6 (c) The commissioner may develop a schedule of fees for diagnostic evaluations
195.7 conducted at clinics held by the services for children with disabilities program. All
195.8 receipts generated by the program are annually appropriated to the commissioner for use
195.9 in the maternal and child health program.

195.10 (d) The commissioner shall set license fees for hospitals and nursing homes that are
195.11 not boarding care homes at the following levels:

195.12	Joint Commission on Accreditation of	
195.13	Healthcare Organizations (JCAHO) and	
195.14	American Osteopathic Association (AOA)	
195.15	hospitals	\$7,555 plus \$13 per bed
195.16	Non-JCAHO and non-AOA hospitals	\$5,180 plus \$247 per bed
195.17	Nursing home	\$183 plus \$91 per bed

195.18 The commissioner shall set license fees for outpatient surgical centers, boarding care
195.19 homes, and supervised living facilities at the following levels:

195.20	Outpatient surgical centers	\$3,349
195.21	Boarding care homes	\$183 plus \$91 per bed
195.22	Supervised living facilities	\$183 plus \$91 per bed.

195.23 (e) Unless prohibited by federal law, the commissioner of health shall charge
195.24 applicants the following fees to cover the cost of any initial certification surveys required
195.25 to determine a provider's eligibility to participate in the Medicare or Medicaid program:

195.26	Prospective payment surveys for hospitals	\$900
195.27	Swing bed surveys for nursing homes	\$1,200
195.28	Psychiatric hospitals	\$1,400
195.29	Rural health facilities	\$1,100
195.30	Portable x-ray providers	\$500
195.31	Home health agencies	\$1,800
195.32	Outpatient therapy agencies	\$800
195.33	End stage renal dialysis providers	\$2,100
195.34	Independent therapists	\$800
195.35	Comprehensive rehabilitation outpatient	
195.36	facilities	\$1,200
195.37	Hospice providers	\$1,700
195.38	Ambulatory surgical providers	\$1,800

196.1	Hospitals	\$4,200
196.2	Other provider categories or additional	Actual surveyor costs: average surveyor cost x number of hours for the survey process.
196.3	resurveys required to complete initial	
196.4	certification	
196.5		
196.6	These fees shall be submitted at the time of the application for federal certification	
196.7	and shall not be refunded. All fees collected after the date that the imposition of fees is not	
196.8	prohibited by federal law shall be deposited in the state treasury and credited to the state	
196.9	government special revenue fund.	
196.10	(f) The commissioner shall charge the following fees for examinations, registrations,	
196.11	licenses, and inspections:	
196.12	Plumbing examination	\$ 50
196.13	Water conditioning examination	\$ 50
196.14	Plumbing bond registration fee	\$ 40
196.15	Water conditioning bond registration fee	\$ 40
196.16	Master plumber's license	\$120
196.17	Journeyman plumber's license	\$ 55
196.18	Apprentice registration	\$ 25
196.19	Water conditioning contractor license	\$ 70
196.20	Water conditioning installer license	\$ 35
196.21	Residential inspection fee (each visit)	\$ 50
196.22	Public, commercial, and industrial	Inspection fee
196.23	inspections	
196.24	25 or fewer drainage fixture units	\$ 300
196.25	26 to 50 drainage fixture units	\$ 900
196.26	51 to 150 drainage fixture units	\$1,200
196.27	151 to 249 drainage fixture units	\$1,500
196.28	250 or more drainage fixture units	\$1,800
196.29	Callback fee (each visit)	\$100

196.30 **EFFECTIVE DATE.** This section is effective July 1, 2007.

196.31 Sec. 4. Minnesota Statutes 2006, section 144.99, subdivision 1, is amended to read:

196.32 Subdivision 1. **Remedies available.** The provisions of chapters 103I and 157 and

196.33 sections 115.71 to 115.77; 144.12, subdivision 1, paragraphs (1), (2), (5), (6), (10), (12),

196.34 (13), (14), and (15); 144.1201 to 144.1204; 144.121; 144.1222; 144.35; 144.381 to

196.35 144.385; 144.411 to 144.417; 144.495; 144.71 to 144.74; 144.9501 to 144.9509; 144.992;

196.36 ~~326.37 to 326.45; 326.57~~ 326.70 to 326.785; 327.10 to 327.131; and 327.14 to 327.28 and

196.37 all rules, orders, stipulation agreements, settlements, compliance agreements, licenses,

196.38 registrations, certificates, and permits adopted or issued by the department or under any

197.1 other law now in force or later enacted for the preservation of public health may, in
197.2 addition to provisions in other statutes, be enforced under this section.

197.3 Sec. 5. Minnesota Statutes 2006, section 175.16, subdivision 1, is amended to read:

197.4 Subdivision 1. **Established.** The Department of Labor and Industry shall consist
197.5 of the following divisions: Division of Workers' Compensation, Division of ~~Boiler~~
197.6 ~~Inspection~~ Construction Codes and Licensing, Division of Occupational Safety and
197.7 Health, Division of Statistics, ~~Division of Steamfitting Standards~~, Division of Labor
197.8 Standards and Apprenticeship, and such other divisions as the commissioner of the
197.9 Department of Labor and Industry may deem necessary and establish. Each division of
197.10 the department and persons in charge thereof shall be subject to the supervision of the
197.11 commissioner of the Department of Labor and Industry and, in addition to such duties
197.12 as are or may be imposed on them by statute, shall perform such other duties as may be
197.13 assigned to them by the commissioner. Notwithstanding any other law to the contrary,
197.14 the commissioner is the administrator and supervisor of all of the department's dispute
197.15 resolution functions and personnel and may delegate authority to compensation judges
197.16 and others to make determinations under sections 176.106, 176.238, and 176.239 and to
197.17 approve settlement of claims under section 176.521.

197.18 Sec. 6. Minnesota Statutes 2006, section 214.01, subdivision 3, is amended to read:

197.19 Subd. 3. **Non-health-related licensing board.** "Non-health-related licensing
197.20 board" means the Board of Teaching established pursuant to section 122A.07, the Board
197.21 of Barber Examiners established pursuant to section 154.001, the Board of Assessors
197.22 established pursuant to section 270.41, the Board of Architecture, Engineering, Land
197.23 Surveying, Landscape Architecture, Geoscience, and Interior Design established pursuant
197.24 to section 326.04, ~~the Board of Electricity established pursuant to section 326.241,~~ the
197.25 Private Detective and Protective Agent Licensing Board established pursuant to section
197.26 326.33, the Board of Accountancy established pursuant to section 326A.02, and the Peace
197.27 Officer Standards and Training Board established pursuant to section 626.841.

197.28 Sec. 7. Minnesota Statutes 2006, section 214.04, subdivision 1, is amended to read:

197.29 Subdivision 1. **Services provided.** (a) ~~The commissioner of administration with~~
197.30 ~~respect to the Board of Electricity,~~ the commissioner of education with respect to the
197.31 Board of Teaching; the commissioner of public safety with respect to the Board of Private
197.32 Detective and Protective Agent Services; the panel established pursuant to section
197.33 299A.465, subdivision 7; the Board of Peace Officer Standards and Training; and the

198.1 commissioner of revenue with respect to the Board of Assessors, shall provide suitable
198.2 offices and other space, joint conference and hearing facilities, examination rooms, and
198.3 the following administrative support services: purchasing service, accounting service,
198.4 advisory personnel services, consulting services relating to evaluation procedures and
198.5 techniques, data processing, duplicating, mailing services, automated printing of license
198.6 renewals, and such other similar services of a housekeeping nature as are generally
198.7 available to other agencies of state government. Investigative services shall be provided
198.8 the boards by employees of the Office of Attorney General. The commissioner of health
198.9 with respect to the health-related licensing boards shall provide mailing and office supply
198.10 services and may provide other facilities and services listed in this subdivision at a
198.11 central location upon request of the health-related licensing boards. The commissioner of
198.12 commerce with respect to the remaining non-health-related licensing boards shall provide
198.13 the above facilities and services at a central location for the remaining non-health-related
198.14 licensing boards. The legal and investigative services for the boards shall be provided
198.15 by employees of the attorney general assigned to the departments servicing the boards.
198.16 Notwithstanding the foregoing, the attorney general shall not be precluded by this section
198.17 from assigning other attorneys to service a board if necessary in order to insure competent
198.18 and consistent legal representation. Persons providing legal and investigative services
198.19 shall to the extent practicable provide the services on a regular basis to the same board
198.20 or boards.

198.21 (b) The requirements in paragraph (a) with respect to the panel established in section
198.22 299A.465, subdivision 7, expire July 1, 2008.

198.23 Sec. 8. Minnesota Statutes 2006, section 214.04, subdivision 3, is amended to read:

198.24 Subd. 3. **Officers; staff.** The executive director of each health-related board and
198.25 the executive secretary of each non-health-related board shall be the chief administrative
198.26 officer for the board but shall not be a member of the board. The executive director or
198.27 executive secretary shall maintain the records of the board, account for all fees received
198.28 by it, supervise and direct employees servicing the board, and perform other services as
198.29 directed by the board. The executive directors, executive secretaries, and other employees
198.30 of the following boards shall be hired by the board, and the executive directors or executive
198.31 secretaries shall be in the unclassified civil service, except as provided in this subdivision:

198.32 (1) Dentistry;

198.33 (2) Medical Practice;

198.34 (3) Nursing;

198.35 (4) Pharmacy;

199.1 (5) Accountancy;

199.2 (6) Architecture, Engineering, Land Surveying, Landscape Architecture,

199.3 Geoscience, and Interior Design;

199.4 (7) Barber Examiners;

199.5 (8) Cosmetology;

199.6 ~~(9) Electricity;~~

199.7 ~~(10)~~ (9) Teaching;

199.8 ~~(11)~~ (10) Peace Officer Standards and Training;

199.9 ~~(12)~~ (11) Social Work;

199.10 ~~(13)~~ (12) Marriage and Family Therapy;

199.11 ~~(14)~~ (13) Dietetics and Nutrition Practice; and

199.12 ~~(15)~~ (14) Licensed Professional Counseling.

199.13 The executive directors or executive secretaries serving the boards are hired by those

199.14 boards and are in the unclassified civil service, except for part-time executive directors

199.15 or executive secretaries, who are not required to be in the unclassified service. Boards

199.16 not requiring full-time executive directors or executive secretaries may employ them on

199.17 a part-time basis. To the extent practicable, the sharing of part-time executive directors

199.18 or executive secretaries by boards being serviced by the same department is encouraged.

199.19 Persons providing services to those boards not listed in this subdivision, except executive

199.20 directors or executive secretaries of the boards and employees of the attorney general, are

199.21 classified civil service employees of the department servicing the board. To the extent

199.22 practicable, the commissioner shall ensure that staff services are shared by the boards

199.23 being serviced by the department. If necessary, a board may hire part-time, temporary

199.24 employees to administer and grade examinations.

199.25 Sec. 9. Minnesota Statutes 2006, section 326.975, subdivision 1, is amended to read:

199.26 Subdivision 1. **Generally.** (a) In addition to any other fees, each applicant for a

199.27 license under sections 326.83 to 326.98 shall pay a fee to the contractor's recovery fund.

199.28 The contractor's recovery fund is created in the state treasury and must be administered

199.29 by the commissioner in the manner and subject to all the requirements and limitations

199.30 provided by section 82.43 ~~with the following exceptions:~~

199.31 ~~(1) each licensee who renews a license shall pay in addition to the appropriate~~

199.32 ~~renewal fee an additional fee which shall be credited to the contractor's recovery fund. The~~

199.33 ~~amount of the fee shall be based on the licensee's gross annual receipts for the licensee's~~

199.34 ~~most recent fiscal year preceding the renewal, on the following scale:~~

200.1	Fee	Gross Receipts
200.2	\$100	under \$1,000,000
200.3	\$150	\$1,000,000 to \$5,000,000
200.4	\$200	over \$5,000,000

200.5 ~~Any person who receives a new license shall pay a fee based on the same scale;~~

200.6 ~~(2)~~ (1) The purpose of this fund is:

200.7 (i) to compensate any aggrieved owner or lessee of residential property located
200.8 within this state who obtains a final judgment in any court of competent jurisdiction
200.9 against a licensee licensed under section 326.84, on grounds of fraudulent, deceptive, or
200.10 dishonest practices, conversion of funds, or failure of performance arising directly out
200.11 of any transaction when the judgment debtor was licensed and performed any of the
200.12 activities enumerated under section 326.83, subdivision 19, on the owner's residential
200.13 property or on residential property rented by the lessee, or on new residential construction
200.14 which was never occupied prior to purchase by the owner, or which was occupied by the
200.15 licensee for less than one year prior to purchase by the owner, and which cause of action
200.16 arose on or after April 1, 1994; and

200.17 (ii) to reimburse the Department of Commerce for all legal and administrative
200.18 expenses, including staffing costs, incurred in administering the fund;

200.19 ~~(3)~~ (2) nothing may obligate the fund for more than \$50,000 per claimant, nor more
200.20 than \$75,000 per licensee; and

200.21 ~~(4)~~ (3) nothing may obligate the fund for claims based on a cause of action that
200.22 arose before the licensee paid the recovery fund fee set in clause (1), or as provided in
200.23 section 326.945, subdivision 3.

200.24 (b) Should the commissioner pay from the contractor's recovery fund any amount
200.25 in settlement of a claim or toward satisfaction of a judgment against a licensee, the
200.26 license shall be automatically suspended upon the effective date of an order by the court
200.27 authorizing payment from the fund. No licensee shall be granted reinstatement until the
200.28 licensee has repaid in full, plus interest at the rate of 12 percent a year, twice the amount
200.29 paid from the fund on the licensee's account, and has obtained a surety bond issued by an
200.30 insurer authorized to transact business in this state in the amount of at least \$40,000.

200.31 **EFFECTIVE DATE.** This section is effective July 1, 2007.

200.32 Sec. 10. Minnesota Statutes 2006, section 327.20, subdivision 1, is amended to read:

200.33 Subdivision 1. **Rules.** No domestic animals or house pets of occupants of
200.34 manufactured home parks or recreational camping areas shall be allowed to run at large,
200.35 or commit any nuisances within the limits of a manufactured home park or recreational

camping area. Each manufactured home park or recreational camping area licensed under the provisions of sections 327.10, 327.11, 327.14 to 327.28 shall, among other things, provide for the following, in the manner hereinafter specified:

(1) A responsible attendant or caretaker shall be in charge of every manufactured home park or recreational camping area at all times, who shall maintain the park or area, and its facilities and equipment in a clean, orderly and sanitary condition. In any manufactured home park containing more than 50 lots, the attendant, caretaker, or other responsible park employee, shall be readily available at all times in case of emergency.

(2) All manufactured home parks shall be well drained and be located so that the drainage of the park area will not endanger any water supply. No wastewater from manufactured homes or recreational camping vehicles shall be deposited on the surface of the ground. All sewage and other water carried wastes shall be discharged into a municipal sewage system whenever available. When a municipal sewage system is not available, a sewage disposal system acceptable to the state commissioner of health shall be provided.

(3) No manufactured home shall be located closer than three feet to the side lot lines of a manufactured home park, if the abutting property is improved property, or closer than ten feet to a public street or alley. Each individual site shall abut or face on a driveway or clear unoccupied space of not less than 16 feet in width, which space shall have unobstructed access to a public highway or alley. There shall be an open space of at least ten feet between the sides of adjacent manufactured homes including their attachments and at least three feet between manufactured homes when parked end to end. The space between manufactured homes may be used for the parking of motor vehicles and other property, if the vehicle or other property is parked at least ten feet from the nearest adjacent manufactured home position. The requirements of this paragraph shall not apply to recreational camping areas and variances may be granted by the state commissioner of health in manufactured home parks when the variance is applied for in writing and in the opinion of the commissioner the variance will not endanger the health, safety, and welfare of manufactured home park occupants.

(4) An adequate supply of water of safe, sanitary quality shall be furnished at each manufactured home park or recreational camping area. The source of the water supply shall first be approved by the state Department of Health.

(5) All plumbing shall be installed in accordance with the rules of the state commissioner of ~~health~~ health labor and industry and the provisions of the Minnesota Plumbing Code.

(6) In the case of a manufactured home park with less than ten manufactured homes, a plan for the sheltering or the safe evacuation to a safe place of shelter of the residents of

202.1 the park in times of severe weather conditions, such as tornadoes, high winds, and floods.
202.2 The shelter or evacuation plan shall be developed with the assistance and approval of
202.3 the municipality where the park is located and shall be posted at conspicuous locations
202.4 throughout the park. The park owner shall provide each resident with a copy of the
202.5 approved shelter or evacuation plan, as provided by section 327C.01, subdivision 1c.
202.6 Nothing in this paragraph requires the Department of Health to review or approve any
202.7 shelter or evacuation plan developed by a park. Failure of a municipality to approve a plan
202.8 submitted by a park shall not be grounds for action against the park by the Department of
202.9 Health if the park has made a good faith effort to develop the plan and obtain municipal
202.10 approval.

202.11 (7) A manufactured home park with ten or more manufactured homes, licensed prior
202.12 to March 1, 1988, shall provide a safe place of shelter for park residents or a plan for the
202.13 evacuation of park residents to a safe place of shelter within a reasonable distance of the
202.14 park for use by park residents in times of severe weather, including tornadoes and high
202.15 winds. The shelter or evacuation plan must be approved by the municipality by March 1,
202.16 1989. The municipality may require the park owner to construct a shelter if it determines
202.17 that a safe place of shelter is not available within a reasonable distance from the park. A
202.18 copy of the municipal approval and the plan shall be submitted by the park owner to the
202.19 Department of Health. The park owner shall provide each resident with a copy of the
202.20 approved shelter or evacuation plan, as provided by section 327C.01, subdivision 1c.

202.21 (8) A manufactured home park with ten or more manufactured homes, receiving
202.22 a primary license after March 1, 1988, must provide the type of shelter required by
202.23 section 327.205, except that for manufactured home parks established as temporary,
202.24 emergency housing in a disaster area declared by the President of the United States or
202.25 the governor, an approved evacuation plan may be provided in lieu of a shelter for a
202.26 period not exceeding 18 months.

202.27 (9) For the purposes of this subdivision, "park owner" and "resident" have the
202.28 meaning given them in section 327C.01.

202.29 Sec. 11. Minnesota Statutes 2006, section 327.205, is amended to read:

202.30 **327.205 SHELTER CONSTRUCTION STANDARDS.**

202.31 The commissioner of ~~administration~~ labor and industry shall adopt, by rule,
202.32 minimum standards for the construction of low cost manufactured home park storm
202.33 shelters by March 1, 1988. All shelters constructed after March 1, 1988, shall be
202.34 constructed in accordance with these standards.

203.1 Sec. 12. Minnesota Statutes 2006, section 327A.01, subdivision 2, is amended to read:
203.2 Subd. 2. **Building standards.** "Building standards" means the materials and
203.3 installation standards of the State Building Code, adopted by the commissioner of
203.4 ~~administration~~ labor and industry pursuant to sections 16B.59 to 16B.75, in effect at
203.5 the time of the construction or remodeling.

203.6 Sec. 13. Minnesota Statutes 2006, section 363A.40, subdivision 1, is amended to read:
203.7 Subdivision 1. **Definitions.** The definitions in this subdivision apply to this section.
203.8 (a) "Accessible unit" means an accessible rental housing unit that meets the
203.9 ~~disability facility~~ persons with disabilities requirements of the State Building Code;
203.10 ~~Minnesota Rules, chapter 1340.~~
203.11 (b) "Landlord" has the meaning given it in section 504B.001, subdivision 7.

203.12 Sec. 14. Minnesota Statutes 2006, section 462.357, subdivision 6a, is amended to read:
203.13 Subd. 6a. **Normal residential surroundings for ~~disabled~~ persons with**
203.14 **disabilities.** It is the policy of this state that ~~disabled persons and children~~ persons with disabilities
203.15 should not be excluded by municipal zoning ordinances or other land use regulations from
203.16 the benefits of normal residential surroundings. For purposes of subdivisions 6a through
203.17 9, "person" has the meaning given in section 245A.02, subdivision 11.

203.18 Sec. 15. Minnesota Statutes 2006, section 462A.07, subdivision 8, is amended to read:
203.19 Subd. 8. **State Building Code.** It may assist the commissioner of ~~administration~~
203.20 labor and industry in the development, implementation and revision of ~~a uniform~~ the
203.21 State Building Code.

203.22 Sec. 16. Minnesota Statutes 2006, section 471.465, is amended to read:
203.23 **471.465 PERSONS WITH DISABILITIES; BUILDING REGULATIONS;**
203.24 **DEFINITIONS.**
203.25 Subdivision 1. **Scope.** For the purposes of sections 471.465 to 471.469, the terms
203.26 defined in this section have the meanings given them.
203.27 Subd. 2. **Buildings and facilities.** "Buildings and facilities" means any and all
203.28 buildings and facilities and the grounds appurtenant thereto within any city, township or
203.29 other governmental subdivision of the state other than all farm dwellings and buildings
203.30 and single and two family dwellings. However, on the date on which rules promulgated by
203.31 the commissioner of ~~administration~~ labor and industry regarding building requirements for
203.32 ~~disabled~~ persons with disabilities shall become effective, "buildings and facilities" shall

204.1 mean only those structures which must provide facilities for ~~the disabled~~ persons with
204.2 disabilities pursuant to said rules.

204.3 Subd. 3. ~~Physically disabled~~ **Persons with disabilities.** "~~Physically disabled~~
204.4 Persons with disabilities" means and includes people having sight disabilities, hearing
204.5 disabilities, disabilities of incoordination, disabilities of aging, and any other disability
204.6 that significantly reduces mobility, flexibility, coordination, or perceptiveness.

204.7 Subd. 4. **Remodeling.** "Remodeling" means deliberate reconstruction of an existing
204.8 building or facility in whole or in part in order to bring it up to date to conform with
204.9 present uses of the structure and to conform with rules and regulations on the upgrading
204.10 of health and safety aspects of structures.

204.11 Subd. 5. **Local authority.** "Local authority" means the local authority having
204.12 jurisdiction over local building construction.

204.13 Sec. 17. Minnesota Statutes 2006, section 471.466, is amended to read:

204.14 **471.466 ADMINISTRATION AND ENFORCEMENT.**

204.15 The duty and power to administer and enforce sections 471.465 to 471.469 is
204.16 conferred upon and vested in the commissioner of ~~administration~~ labor and industry and
204.17 the local authority.

204.18 Sec. 18. Minnesota Statutes 2006, section 471.467, is amended to read:

204.19 **471.467 BUILDING REQUIREMENTS; CONFORMITY.**

204.20 Subdivision 1. **Date applicable.** On the date on which rules promulgated by the
204.21 commissioner of ~~administration~~ labor and industry regarding building requirements for
204.22 ~~disabled~~ persons with disabilities shall become effective, said rules shall exclusively
204.23 govern the provision of facilities.

204.24 Subd. 2. **No remodeling if solely for ~~disabled~~ persons with disabilities.** Nothing
204.25 in sections 471.465 to 471.469 shall be construed to require the remodeling of buildings
204.26 solely to provide accessibility and usability to ~~the physically disabled~~ persons with
204.27 disabilities when remodeling would not otherwise be undertaken.

204.28 Subd. 3. **Applies to remodeled part.** When any building or facility covered
204.29 by sections 471.465 to 471.469 undergoes remodeling either in whole or in part, that
204.30 portion of the building or facility remodeled shall conform to the requirements of sections
204.31 471.465 to 471.469.

205.1 Sec. 19. Minnesota Statutes 2006, section 471.471, is amended to read:

205.2 **471.471 ACCESS REVIEW BOARD.**

205.3 Subdivision 1. **Membership.** The Access Review Board consists of:

205.4 (1) a representative of the ~~Building Code and Standards Division of the Department~~
205.5 of ~~Administration~~ Labor and Industry, appointed by the commissioner of ~~administration~~
205.6 labor and industry;

205.7 (2) a representative of the state fire marshal's office, appointed by the commissioner
205.8 of public safety;

205.9 (3) the commissioner of human rights or the commissioner's designee;

205.10 (4) a representative of the elevator safety section, designated by the commissioner
205.11 of labor and industry ~~or the commissioner's designee~~; and

205.12 (5) the chair of the Council on Disability or the chair's designee.

205.13 The board shall elect a chair from among its members. Terms of members coincide with
205.14 the terms of their appointing authorities or, in the case of ex officio members or their
205.15 designees, with the terms of the offices by virtue of which they are members of the board.
205.16 Compensation of members is governed by section 15.0575, subdivision 3.

205.17 Subd. 2. **Staff; administrative support.** The commissioner of ~~administration~~ labor
205.18 and industry shall furnish staff, office space, and administrative support to the board. Staff
205.19 assigned to the board must be knowledgeable with respect to access codes, site surveys,
205.20 plan design, and product use and eligibility.

205.21 Subd. 3. **Duties.** The board shall consider applications for waivers from the
205.22 State Building Code to permit the installation of stairway chair lifts to provide limited
205.23 accessibility for ~~the physically disabled~~ persons with disabilities to buildings in which
205.24 the provision of access by means permitted under the State Building Code is not
205.25 architecturally or financially possible. In considering applications, the board shall review
205.26 other possible access options. The board may approve an application for installation of a
205.27 stairway chair when the board determines that the installation would be appropriate and
205.28 no other means of access is possible. In determining whether to approve an application,
205.29 the board shall consider:

205.30 (1) the need for limited accessibility when a higher degree of accessibility is not
205.31 required by state or federal law or rule;

205.32 (2) the architectural feasibility of providing a greater degree of accessibility than
205.33 would be provided by the proposed device or equipment;

205.34 (3) the total cost of the proposed device or equipment over its projected usable life,
205.35 including installation, maintenance, and replacement costs;

205.36 (4) the reliability of the proposed device or equipment;

(5) the applicant's ability to comply with all recognized access and safety standards for installation and maintenance; and

(6) whether the proposed device or equipment can be operated and used without reducing or compromising minimum safety standards.

The board shall consider the applicant's demonstrated inability to afford a greater degree of accessibility, but may not give greater weight to this factor than to the factors listed in clauses (1) to (6). The board may not approve an application unless the applicant guarantees that the device or equipment will be installed and operated in accordance with nationally recognized standards for such devices or equipment and agrees to obtain any permits needed from the agency responsible for enforcing those standards.

Subd. 4. **Application process.** A person seeking a waiver shall apply to the ~~Building Code and Standards Division of the Department of Administration~~ Labor and Industry on a form prescribed by the board and pay a \$70 fee to the construction code fund. The division shall review the application to determine whether it appears to be meritorious, using the standards set out in subdivision 3. The division shall forward applications it considers meritorious to the board, along with a list and summary of applications considered not to be meritorious. The board may require the division to forward to it an application the division has considered not to be meritorious. The board shall issue a decision on an application within 90 days of its receipt. A board decision to approve an application must be unanimous. An application that contains false or misleading information must be rejected.

Subd. 5. **Liability.** Board members are immune from liability for personal injury or death resulting from the use or misuse of a device or equipment installed and operated under a waiver granted by the board.

EFFECTIVE DATE. This section is effective July 1, 2007.

ARTICLE 13

REPEALER; EFFECTIVE DATE

Section 1. REPEALER.

(a) Minnesota Statutes 2006, sections 16B.665; 16B.747, subdivision 4; 183.001; 183.02; 183.375, subdivisions 1, 2, 3, 4, and 6; 183.41, subdivisions 1, 2, 3, and 4; 183.44, subdivisions 1, 2, and 3; 183.52; 183.54, subdivision 2; 183.61, subdivisions 1, 3, 5, and 6; 326.01, subdivisions 6h, 10, 11, and 12; 326.242, subdivisions 9, 9a, 9b, 9c, 9d, 9e, 9f, 9g, 9h, 9i, 9j, 9k, and 10; 326.244, subdivision 6; 326.246; 326.2461; 326.40, subdivision 4; 326.41; 326.45; 326.47, subdivision 5; 326.51; 326.521; 326.83, subdivisions 3, 4, 12,

207.1 and 13; 326.85; 326.875; 326.91, subdivisions 2, 3, and 4; 326.945; 326.975; 326.98; and
207.2 327B.05, subdivisions 2, 3, 4, 5, and 6, are repealed.

207.3 (b) Minnesota Statutes 2006, sections 183.375, subdivision 5; 183.545, subdivision
207.4 9; 326.01, subdivision 13; 326.44; 326.52; and 326.64, are repealed.

207.5 (c) Minnesota Rules, parts 2809.0230; 2891.0010; 2891.0030; 3800.2650;
207.6 3800.3580; 3800.3590; 3800.3630; 3800.3750; 3800.3835; 4715.5600; 4715.5900;
207.7 4717.7000, subpart 1, item I; 5225.0880; 5225.8600, subparts 1, 2, 3, 4, 5, 6, 7, 8, and
207.8 9; 5230.0010; 5230.0020; 5230.0040; 5230.0060, subpart 2; and 5230.0100, subparts
207.9 1, 3, and 4, are repealed.

207.10 **EFFECTIVE DATE.** Paragraphs (a) and (c) are effective December 1, 2007.
207.11 Paragraph (b) is effective July 1, 2007.

207.12 Sec. 2. **EFFECTIVE DATE.**

207.13 This act is effective December 1, 2007, except when another date is specified. The
207.14 revisor's instructions contained in this act shall be implemented for the 2008 edition of
207.15 Minnesota Statutes.