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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 2496

04/09/2021

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The bill was read for the first time and referred to the Committee on Labor, Industry, Veterans and Military Affairs Finance and Policy

1.1 A bill for an act
1.2 relating to construction trades; modifying civil penalties for unlicensed residential
1.3 construction work; authorizing rulemaking; amending Minnesota Statutes 2020,
1.4 section 326B.845, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2020, section 326B.845, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 3. Cease and desist; penalties. (a) When the commissioner has probable cause
1.9 to believe that an unlicensed person knowingly violates sections 326B.802 to 326B.885,
1.10 the commissioner may issue and deliver to the unlicensed person a notice to cease and desist
1.11 from the violation.

1.12 (b) In addition to the unlicensed person under paragraph (a), the commissioner may
1.13 issue and deliver a notice to cease and desist to any person who aids and abets the unlicensed
1.14 practice of a profession by employing the unlicensed person.

1.15 (c) The commissioner may impose an administrative penalty not to exceed \$5,000 per
1.16 incident pursuant to section 326B.082 or may issue a citation pursuant to the provisions of
1.17 paragraph (d). If the commissioner is required to seek enforcement of the notice for a penalty
1.18 pursuant to section 326B.082, the commissioner is entitled to collect attorney fees and costs,
1.19 together with any cost of collection.

1.20 (d) The commissioner shall adopt rules to permit the issuance of citations for unlicensed
1.21 practice of a profession under sections 326B.802 to 326B.885. The citation shall be issued
1.22 to the subject and shall contain the subject's name and any other information the
1.23 commissioner determines to be necessary to identify the subject, a brief factual statement,

2.1 the sections of the law allegedly violated, and the penalty imposed. If the subject does not
2.2 dispute the matter in the citation with the commissioner within 30 days after the citation is
2.3 served, the citation shall become a final order of the commissioner. The penalty shall be a
2.4 fine of not less than \$500 or more than \$5,000 or other conditions as established by rule.
2.5 The commissioner may recover the costs of investigation, in addition to any penalty provided
2.6 according to department rule as part of the penalty levied pursuant to the citation.

2.7 (e) For the purposes of this subdivision, each day that the unlicensed practice continues
2.8 after issuance of a citation or a cease and desist constitutes a separate violation or penalty.

2.9 (f) All penalties and costs collected under this subdivision shall be deposited in a fund
2.10 designated to combat the unlicensed practice of a profession.