

A bill for an act relating to economic development; merging the greater Minnesota business development public infrastructure and bioscience business development public infrastructure grant programs; modifying licensing provisions; imposing and modifying certain license fees; reducing appropriations; appropriating money; amending Minnesota Statutes 2008, sections 326B.133, subdivisions 1, 3, 8, 11, by adding subdivisions; 326B.197; 326B.33, subdivisions 18, 20, 21; 326B.42, by adding subdivisions; 326B.44; 326B.46, as amended; 326B.47; 326B.475, subdivision 2; 326B.50, by adding subdivisions; 326B.54; 326B.55, as amended if enacted; 326B.56, as amended; 326B.805, subdivision 6; 326B.83, subdivisions 1, 3, 6; 326B.865; 326B.921, subdivisions 2, 4, 7; 326B.922; 326B.978, subdivision 2, by adding a subdivision; 327B.04, subdivision 2; Minnesota Statutes 2009 Supplement, sections 326B.33, subdivision 19; 326B.475, subdivision 4; 326B.49, subdivision 1; 326B.58; 326B.815, subdivision 1; 326B.86, subdivision 1; 326B.94, subdivision 4; 326B.986, subdivision 5; 327B.04, subdivisions 7, 7a, 8; 327B.041; proposing coding for new law in Minnesota Statutes, chapters 116J; 326B; repealing Minnesota Statutes 2008, sections 116J.431, subdivisions 3, 7, 8; 116J.435, subdivisions 1, 4, 5, 6, 7; 326B.133, subdivisions 9, 10; 326B.37, subdivision 13; 326B.475, subdivisions 5, 6; 326B.56, subdivision 3; 326B.885, subdivisions 3, 4; 326B.976; Minnesota Statutes 2009 Supplement, sections 116J.431, subdivisions 1, 1a, 2, 4, 6; 116J.435, subdivisions 2, 3; 326B.56, subdivision 4; Minnesota Rules, parts 1301.0500; 1301.0900; 1301.1100, subparts 2, 3, 4; 1350.7200, subpart 3; 1350.8000, subpart 2.

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

ARTICLE 1
ECONOMIC DEVELOPMENT APPROPRIATIONS

Section 1. SUMMARY OF APPROPRIATIONS.

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

2.1		<u>2010</u>	<u>2011</u>	<u>Total</u>
2.2	<u>General</u>	\$ (4,365,000)	\$ (11,343,000)	\$ (15,708,000)
2.3	<u>Total</u>	\$ (4,365,000)	\$ (11,343,000)	\$ (15,708,000)

2.4 Sec. 2. APPROPRIATIONS.

2.5 The sums shown in the columns marked "Appropriations" are added to or, if shown
2.6 in parentheses, subtracted from the appropriations in Laws 2009, chapter 78, article 1,
2.7 unless otherwise specified, to the agencies and for the purposes specified in this article.
2.8 The appropriations are from the general fund, or another named fund, and are available for
2.9 the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this
2.10 article mean that the addition to or subtraction from the appropriation listed under them
2.11 are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively.
2.12 Supplemental appropriations and reductions to appropriations for the fiscal year ending
2.13 June 30, 2010, are effective the day following final enactment.

2.14		<u>APPROPRIATIONS</u>	
2.15		<u>Available for the Year</u>	
2.16		<u>Ending June 30</u>	
2.17		<u>2010</u>	<u>2011</u>

2.18 Sec. 3. EMPLOYMENT AND ECONOMIC
2.19 DEVELOPMENT

2.20	<u>Subdivision 1. Total Appropriation</u>	\$ (1,044,000)	\$ (2,270,000)
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2.21 The appropriation reductions for each
2.22 purpose are specified in the following
2.23 subdivisions.

2.24	<u>Subd. 2. Business and Community</u>		
2.25	<u>Development</u>	(366,000)	(588,000)

2.26 (a) \$35,000 in 2011 is from the appropriation
2.27 for a grant to Women Venture.

2.28 (b) \$20,000 in 2011 is from the appropriation
2.29 for a grant to the Metropolitan Economic
2.30 Development Association.

2.31 (c) \$75,000 in 2011 is from the appropriation
2.32 for a grant to BioBusiness Alliance of
2.33 Minnesota.

3.1 (d) \$15,000 in 2011 is from the appropriation
3.2 for a grant to the Minnesota Inventors
3.3 Congress.

3.4 (e) \$25,000 in 2010 and \$25,000 in 2011
3.5 are from the appropriation for the Office of
3.6 Science and Technology.

3.7 (f) \$75,000 in 2011 is from the appropriation
3.8 for a grant to Enterprise Minnesota, Inc.

3.9 (g) The general fund base for business and
3.10 community development is \$6,653,000 in
3.11 fiscal year 2012 and \$6,653,000 in fiscal year
3.12 2013.

3.13	<u>Subd. 3. Workforce Development</u>	<u>(648,000)</u>	<u>(1,652,000)</u>
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3.14 (a) \$145,000 in 2010 and \$145,000 in
3.15 2011 are from the appropriation for the
3.16 Minnesota job skills partnership program
3.17 under Minnesota Statutes, sections 116L.01
3.18 to 116L.17.

3.19 (b) \$193,000 in 2010 and \$195,000 in 2011
3.20 are from the appropriation for state services
3.21 for the blind activities.

3.22 (c) \$159,000 in 2010 and \$161,000 in 2011
3.23 are from the appropriation for grants to
3.24 centers for independent living.

3.25 (d) \$60,000 in 2011 is from the appropriation
3.26 to Twin Cities RISE! for a grant under
3.27 Minnesota Statutes, section 166J.8747.

3.28 (e) \$25,000 in 2011 is from the appropriation
3.29 for a grant to Northern Connections in
3.30 Perham.

3.31 (f) \$25,000 in 2011 is from the appropriation
3.32 for a grant to Advocating Change Together.

4.1 (g) \$22,000 in 2010 and \$708,000 in 2011
4.2 are from the appropriation for extended
4.3 employment services under Minnesota
4.4 Statutes, section 268A.15. Notwithstanding
4.5 Minnesota Rules, parts 3300.2030 to
4.6 3300.2055, the commissioner may adjust
4.7 contracts with eligible extended employment
4.8 providers in order to achieve required
4.9 reductions through June 30, 2011. The
4.10 general fund base for extended employment
4.11 services is \$5,137,000 in fiscal year 2012 and
4.12 \$5,137,000 in fiscal year 2013.

4.13 (h) \$3,000 in 2010 and \$125,000 in 2011 are
4.14 from the appropriation to supplement funds
4.15 paid for wage incentives for the community
4.16 support fund established in Minnesota Rules,
4.17 part 3300.2045.

4.18 (i) \$50,000 in 2011 is from the appropriation
4.19 for grants to Minnesota Diversified
4.20 Industries, Inc. The general fund base for
4.21 Minnesota Diversified Industries, Inc. is
4.22 \$50,000 in fiscal year 2012 and \$50,000 in
4.23 fiscal year 2013.

4.24 (j) \$111,000 in 2010 and \$113,000 in 2011
4.25 are from the appropriation for grants to
4.26 programs that provide employment support
4.27 services to persons with mental illness under
4.28 Minnesota Statutes, sections 268A.13 and
4.29 268A.14. \$2,000 in each year is from the
4.30 appropriation for administrative expenses.

4.31 (k) \$25,000 in 2011 is from the appropriation
4.32 for a grant under Minnesota Statutes, section
4.33 268A.03, to Rise, Inc.

4.34 (l) \$20,000 in 2011 is from the appropriation
4.35 for a grant to Lifetrack Resources.

5.1 (m) \$15,000 in 2010 is from the appropriation
5.2 for a grant to Lutheran Social Service of
5.3 Minnesota.

5.4 (n) The general fund base for workforce
5.5 development is \$28,729,000 in fiscal year
5.6 2012 and \$28,729,000 in fiscal year 2013.

5.7 Subd. 4. **State-funded Administration** (30,000) (30,000)

5.8 The general fund base for state-funded
5.9 administration is \$2,396,000 in fiscal year
5.10 2012 and \$2,396,000 in fiscal year 2013.

5.11 Subd. 5. **Transfers and Cancellations**

5.12 (a) \$367,000 in 2010 and \$367,000 in
5.13 2011 are transferred from the contaminated
5.14 cleanup grants appropriation in the petroleum
5.15 tank release cleanup fund under Minnesota
5.16 Statutes, section 115C.08, subdivision 4, to
5.17 the general fund.

5.18 (b) \$80,000 in 2010 is transferred from the
5.19 unemployment insurance state administration
5.20 account in the special revenue fund under
5.21 Minnesota Statutes, section 268.196,
5.22 subdivision 1, to the general fund.

5.23 (c) \$160,000 in 2010 is transferred from
5.24 the capital access program account in the
5.25 special revenue fund under Minnesota
5.26 Statutes, section 116J.876, subdivision 4, to
5.27 the general fund.

5.28 (d) \$5,000,000 in 2010 is transferred from
5.29 the Minnesota mineral 21st century fund
5.30 under Minnesota Statutes, section 116J.423,
5.31 subdivision 1, to the general fund.

5.32 (e) The remaining balance from the Laws
5.33 2007, chapter 135, article 1, section 3,

6.1 appropriation for a grant to Le Sueur County
6.2 is canceled.
6.3 (f) The remaining balance from the Laws
6.4 2008, chapter 358, article 5, section 4,
6.5 subdivision 3, appropriation for Section 125
6.6 Employer Incentives is canceled.

6.7 Sec. 4. PUBLIC FACILITIES AUTHORITY \$ (11,000) \$ (7,000)

6.8 The reduction is from the appropriation
6.9 for small community wastewater treatment
6.10 program under Minnesota Statutes, chapter
6.11 446A.

6.12 Sec. 5. EXPLORE MINNESOTA TOURISM \$ (938,000) \$ (672,000)

6.13 (a) \$700,000 in 2010 is from the appropriation
6.14 for a grant to the Minnesota Film and TV
6.15 Board for the film jobs production program
6.16 under Minnesota Statutes, section 116U.26.
6.17 (b) \$325,000 in 2011 is from the operating
6.18 appropriation for the Minnesota Film and
6.19 TV Board.

6.20 Sec. 6. HOUSING FINANCE AGENCY \$ (2,061,000) \$ (2,603,000)

6.21 (a) \$2,061,000 in 2010 and \$1,603,000 in
6.22 2011 are from the appropriation for the
6.23 affordable rental investment fund program
6.24 under Minnesota Statutes, section 462A.21,
6.25 subdivision 8b.

6.26 (b) \$1,000,000 in 2011 is from the
6.27 appropriation for the housing rehabilitation
6.28 program under Minnesota Statutes, section
6.29 462A.05, subdivision 14, for rental housing
6.30 developments.

6.31 (c) In 2010, the Housing Finance Agency
6.32 shall transfer \$2,061,000 from the affordable

7.1 rental investment fund program in the
 7.2 housing development fund, to the general
 7.3 fund.

7.4	Sec. 7. <u>DEPARTMENT OF LABOR AND</u>			
7.5	<u>INDUSTRY</u>	\$	<u>(16,000)</u>	\$ <u>(26,000)</u>

7.6 This reduction is from the general fund
 7.7 appropriation for labor standards and
 7.8 apprenticeship.

7.9	Sec. 8. <u>BUREAU OF MEDIATION</u>			
7.10	<u>SERVICES</u>	\$	<u>(31,000)</u>	\$ <u>(53,000)</u>

7.11 (a) \$27,000 in 2010 and \$47,000 in 2011
 7.12 are from the appropriation for mediation
 7.13 services.

7.14 (b) \$4,000 in 2010 and \$6,000 in 2011 are
 7.15 from the appropriation for labor management
 7.16 cooperation grants.

7.17	Sec. 9. <u>MINNESOTA HISTORICAL</u>			
7.18	<u>SOCIETY</u>			

7.19	<u>Subdivision 1. Total Appropriation</u>	\$	<u>(217,000)</u>	\$ <u>(501,000)</u>
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7.20 The appropriation reductions for each
 7.21 purpose are specified in the following
 7.22 subdivisions.

7.23	<u>Subd. 2. Education and Outreach</u>		<u>(124,000)</u>	<u>(286,000)</u>
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7.24	<u>Subd. 3. Preservation and Access</u>		<u>(93,000)</u>	<u>(215,000)</u>
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7.25	Sec. 10. <u>BOARD OF THE ARTS</u>			
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7.26	<u>Subdivision 1. Total Appropriation</u>	\$	<u>-0-</u>	\$ <u>(2,875,000)</u>
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7.27 The appropriation reductions for each
 7.28 purpose are specified in the following
 7.29 subdivisions.

7.30	<u>Subd. 2. Operations and Services</u>		<u>-0-</u>	<u>(217,000)</u>
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8.1	<u>The base for operations and services in fiscal</u>			
8.2	<u>year 2012 is \$217,000. The base in fiscal</u>			
8.3	<u>year 2013 is \$0.</u>			
8.4	<u>Subd. 3. Grant Programs</u>		<u>-0-</u>	<u>(1,839,000)</u>
8.5	<u>The base for grant programs in fiscal year</u>			
8.6	<u>2012 is \$1,838,000. The base in fiscal year</u>			
8.7	<u>2013 is \$0.</u>			
8.8	<u>Subd. 4. Regional Arts Councils</u>		<u>-0-</u>	<u>(819,000)</u>
8.9	<u>The base for regional arts councils in fiscal</u>			
8.10	<u>year 2012 is \$819,000. The base in fiscal</u>			
8.11	<u>year 2013 is \$0.</u>			
8.12	<u>Sec. 11. MINNESOTA HUMANITIES</u>			
8.13	<u>CENTER</u>	<u>\$</u>	<u>-0-</u>	<u>\$ (250,000)</u>
8.14	<u>Sec. 12. PUBLIC BROADCASTING</u>	<u>\$</u>	<u>-0-</u>	<u>\$ (2,015,000)</u>
8.15	<u>(a) The appropriation reductions under</u>			
8.16	<u>this section are from the commissioner of</u>			
8.17	<u>administration for the purposes specified.</u>			
8.18	<u>(b) \$1,161,000 in 2011 is from the</u>			
8.19	<u>appropriation for matching grants for public</u>			
8.20	<u>television.</u>			
8.21	<u>(c) \$200,000 in 2011 is from the appropriation</u>			
8.22	<u>for public television equipment grants.</u>			
8.23	<u>(d) \$17,000 in 2011 is from the appropriation</u>			
8.24	<u>for grants to Twin Cities regional cable</u>			
8.25	<u>channels.</u>			
8.26	<u>(e) \$287,000 in 2011 is from the appropriation</u>			
8.27	<u>for community service grants to public</u>			
8.28	<u>educational radio stations.</u>			
8.29	<u>(f) \$100,000 in 2011 is from the appropriation</u>			
8.30	<u>for equipment grants to public educational</u>			
8.31	<u>radio stations.</u>			

9.1	(g) <u>\$250,000 in 2011 is for equipment grants</u>			
9.2	<u>to Minnesota Public Radio, Inc.</u>			
9.3	Sec. 13. <u>BOARD OF ACCOUNTANCY</u>	\$	<u>(10,000)</u>	\$ <u>(15,000)</u>
9.4	Sec. 14. <u>BOARD OF ARCHITECTURE,</u>			
9.5	<u>ENGINEERING, LAND SURVEYING,</u>			
9.6	<u>LANDSCAPE ARCHITECTURE,</u>			
9.7	<u>GEOSCIENCE, AND INTERIOR DESIGN</u>	\$	<u>(17,000)</u>	\$ <u>(24,000)</u>
9.8	Sec. 15. <u>BOARD OF COSMETOLOGIST</u>			
9.9	<u>EXAMINERS</u>	\$	<u>(13,000)</u>	\$ <u>(20,000)</u>
9.10	Sec. 16. <u>BOARD OF BARBER EXAMINERS</u>	\$	<u>(3,000)</u>	\$ <u>(6,000)</u>
9.11	Sec. 17. <u>COMBATIVE SPORTS</u>			
9.12	<u>COMMISSION</u>	\$	<u>(4,000)</u>	\$ <u>(6,000)</u>
9.13	Sec. 18. <u>TRANSFER OF FUNDS</u>			
9.14	<u>Prior to June 30, 2010, the commissioner</u>			
9.15	<u>of Iron Range Resources shall transfer</u>			
9.16	<u>\$30,000,000 from the Douglas J. Johnson</u>			
9.17	<u>Economic Protection Trust to the general</u>			
9.18	<u>fund. This is a onetime transfer.</u>			

ARTICLE 2

GRANT PROGRAM MERGER

9.21	Section 1. <u>[116J.433] MINNESOTA BUSINESS DEVELOPMENT PUBLIC</u>			
9.22	<u>INFRASTRUCTURE GRANT PROGRAM.</u>			
9.23	Subdivision 1. <u>Grant program established.</u> <u>The commissioner is authorized to</u>			
9.24	<u>make grants to eligible units of government to provide up to 50 percent of the capital</u>			
9.25	<u>costs of public infrastructure necessary for eligible economic development projects. The</u>			
9.26	<u>grantee must provide a match for the remainder of the costs of the project, either in cash or</u>			
9.27	<u>through in-kind contributions. The purpose of the grants is to keep or enhance jobs in the</u>			
9.28	<u>area, increase the tax base, expand or create new economic development, or expand the</u>			
9.29	<u>growth of new bioscience businesses and organizations.</u>			
9.30	Subd. 2. <u>Definitions.</u> <u>(a) For the purposes of this section, the following terms</u>			
9.31	<u>have the meanings given them.</u>			

- 10.1 (b) "Bioscience" means the following, but is not limited to:
- 10.2 (1) researching, developing, or manufacturing a biotechnology product or service or
- 10.3 a biotechnology-related health sciences product or service;
- 10.4 (2) researching, developing, or manufacturing a biotechnology medical device
- 10.5 product or service or a biotechnology-related medical device product or service; or
- 10.6 (3) promoting, supplying, or servicing a facility or operation involved in clause (1) or
- 10.7 (2), if the business derives more than 50 percent of its gross receipts from those activities.
- 10.8 (c)(1) "Eligible economic development project" or "eligible project" means a project
- 10.9 to develop public infrastructure to serve the development of the following types of
- 10.10 activities:
- 10.11 (i) manufacturing;
- 10.12 (ii) technology;
- 10.13 (iii) warehousing and distribution;
- 10.14 (iv) research and development;
- 10.15 (v) agricultural processing, defined as transforming, packaging, sorting, or grading
- 10.16 livestock or livestock products into goods that are used for intermediate or final
- 10.17 consumption, including goods for nonfood use;
- 10.18 (vi) industrial park development that would be used by any other business listed in
- 10.19 this subdivision; or
- 10.20 (vii) bioscience business development capital improvement projects including:
- 10.21 manufacturing; technology; warehousing and distribution; research and development;
- 10.22 bioscience business incubator; agricultural bioprocessing; or industrial, office, or research
- 10.23 park development that would be used by a bioscience-based business.
- 10.24 (2) "Eligible economic development project" or "eligible project" does not mean a
- 10.25 project to develop public infrastructure for:
- 10.26 (i) retail development, except as incidental to an eligible purpose;
- 10.27 (ii) office space development, except as incidental to an eligible purpose; or
- 10.28 (iii) medical clinics and nursing homes.
- 10.29 (d) "Eligible unit of government" means a county or city, and in the case of a
- 10.30 bioscience-related project, a public institution of higher education.
- 10.31 (e) "In-kind contributions" means the value of the site, site preparation, other public
- 10.32 infrastructure needed for the project, prepaid costs for planning and design work, or
- 10.33 material and labor costs provided for the project.
- 10.34 (f) "Governing body" means the city council, county board of commissioners, or the
- 10.35 board of trustees or board of regents for public institutions of higher education.
- 10.36 (g) "Metropolitan area" has the meaning given in section 473.121, subdivision 2.

(h) "Public infrastructure" means publicly owned physical infrastructure in this state, including, but not limited to, wastewater collection and treatment systems, drinking water systems, storm sewers, utility extensions, telecommunications infrastructure, streets, roads, bridges, and parking facilities. Additionally, for bioscience projects, public infrastructure includes facilities that directly support economic development of basic science, clinical research, or research infrastructure.

Subd. 3. **Application review.** (a) The commissioner must develop forms and procedures for soliciting and reviewing applications for grants under this section. At a minimum, an eligible unit of government must include in its application a resolution of the governing body certifying that the required local match is available. The commissioner must evaluate complete applications for eligible projects using the following criteria:

(1) the project is an eligible project as defined under subdivision 2, paragraph (c);

(2) the project will result in both public and private capital investment and provide measurable economic benefits to the areas in which the project would be located;

(3) the eligible project is not relocating substantially the same operation from another location in the state, unless the commissioner determines the eligible project cannot be reasonably accommodated within the local governmental unit in which the business is currently located, or the business would otherwise relocate to another state or country; and

(4) the project is ready to proceed upon award.

(b) The commissioner must give priority to eligible projects with one or more of the following characteristics when making a determination for funding:

(1) inclusion of bioscience business development;

(2) job creation and long-term job preservation;

(3) increase in property tax base;

(4) the general public benefit, including environmental benefits to the state and region, efficient use of public transportation, efficient use of existing infrastructure, provision of affordable housing, multiuse development, crime reduction, blight reduction, community stabilization;

(5) projects with committed businesses and the potential of the local governmental unit to attract viable businesses;

(6) proximity to public transit if located in a metropolitan area; or

(7) multijurisdictional eligible projects that take into account the need for affordable housing, transportation, and environmental impact.

(c) The factors in paragraph (b) are not listed in a rank order of priority; rather, the commissioner may weigh each factor, depending upon the facts and circumstances, as the commissioner considers appropriate.

(d) If applications for grants exceed the available appropriations, grants must be made for public infrastructure that, in the commissioner's judgment, provides the highest return in public benefits per dollar of state investment.

(e) The determination of whether to make a grant is within the discretion of the commissioner, subject to this section. The commissioner's decisions and application of the priorities are not subject to judicial review, except for abuse of discretion.

Subd. 4. **Set asides.** (a) Thirty percent of funds available in any fiscal year for the purposes of this section must be reserved for eligible bioscience projects statewide for the first nine months of the fiscal year. If funds are not committed due to insufficient applications for projects that are ready to proceed, the balance must be made available for the general program.

(b) Fifty percent of funds available in a fiscal year for purposes of this section must be reserved for grants to cities and counties located outside the metropolitan area for the first nine months of the fiscal year. If funds are not committed due to insufficient applications for projects that are ready to proceed, the balance must be made available for the general program.

(c) Funds remaining at the end of the fiscal year are reallocated to the set-asides under paragraphs (a) and (b) and continue to be made available for the program until spent.

Subd. 5. **Maximum grant amount.** (a) Grants must be matched with local funds and may not exceed 50 percent of capital costs of public infrastructure. Other state grant awards are not local matches for purposes of this section.

(b) An eligible unit of government may receive:

(1) no more than \$2,000,000 on bioscience-related projects, with preference given to requests at or below \$1,000,000; or

(2) no more than \$500,000 on projects without a qualifying bioscience component, with preference given to projects requesting \$250,000 or less.

Subd. 6. **Program administrative costs.** Program costs incurred by the commissioner shall be reimbursed in part from a fee in the amount of two percent of the grant award payable to the Department of Employment and Economic Development from local sources prior to release of any grant funding. Fees collected shall be deposited to the special revenue fund and are annually appropriated to the commissioner to reimburse costs incurred in administering the program.

Subd. 7. **Cancellation of grant; return of grant money.** If, after 12 months, the commissioner determines that a project has not proceeded in a timely manner and is unlikely to be completed, the commissioner may cancel the grant and require the grantee to return all grant money disbursed for that project.

14.1 commissioner in order to obtain the license, then the application for the initial license
14.2 must be accompanied by an application and examination fee of \$50, which is separate
14.3 from the license fee. The license fee is due after the applicant passes the examination
14.4 and before the license is issued.

14.5 (b) If the applicant for a Minnesota license holds a license in another state and
14.6 is seeking Minnesota licensure without examination based on reciprocity, then the
14.7 application for the Minnesota license must be accompanied by the application and
14.8 examination fee of \$50, which is separate from the license fee. If the commissioner
14.9 approves the application, then the license fee is due before the license is issued.

14.10 **Subd. 2. Licenses not requiring examination administered by commissioner.**
14.11 If the applicant for a license is not required to pass an examination in order to obtain the
14.12 license, or is required to pass an examination that is not administered by the commissioner,
14.13 then the license fee must accompany the application for the license. If the application is
14.14 for a license issued under sections 326B.802 to 326B.885 and is not an application for
14.15 license renewal, then the contractor recovery fund fee required under section 326B.89,
14.16 subdivision 3, is due after the department has determined that the applicant meets the
14.17 qualifications for licensing and before the license is issued.

14.18 **Subd. 3. Late fee.** The department must receive a complete application for license
14.19 renewal by the renewal deadline but not more than 90 days before the renewal deadline. If
14.20 the department receives a renewal application after the expiration of the license, then the
14.21 renewal application must be accompanied by a late fee equal to one-half of the license
14.22 renewal fee; except that, for the purpose of calculating the late fee only, the license
14.23 renewal fee shall not include any contractor recovery fund fee required by section
14.24 326B.89, subdivision 3.

14.25 **Subd. 4. Lapsed licensed fee.** If the department receives a renewal application
14.26 within two years after expiration of the license, the renewal application must be
14.27 accompanied by all license renewal fees to cover the period that the license was expired,
14.28 plus the late fee described in subdivision 3 and the license renewal fee for the current
14.29 renewal period.

14.30 **Subd. 5. Insufficient fees.** If the applicant does not include all required fees with
14.31 the application, then the application will be incomplete and the department will notify the
14.32 applicant of the amount of the deficiency.

14.33 **Subd. 6. Fees nonrefundable.** Application and examination fees, license fees,
14.34 license renewal fees, and late fees are nonrefundable except for:

14.35 (1) license renewal fees received more than two years after expiration of the license,
14.36 as described in section 326B.094, subdivision 2;

(2) any overpayment of fees; and
(3) if the license is not renewed, the contractor recovery fund fee and any additional assessment paid under subdivision 7, paragraph (e).

Subd. 7. License fees and license renewal fees. (a) The license fee for each license except a renewed license shall be the base license fee plus any applicable board fee, as set forth in this subdivision. The license renewal fee for each renewed license is the base license fee plus any applicable board fee, continuing education fee, and contractor recovery fund fee and additional assessment, as set forth in this subdivision.

(b) For purposes of this section, "license duration" means the number of years for which the license is issued except that:

(1) if the initial license is not issued for a whole number of years, the license duration shall be rounded up to the next whole number; and

(2) if the department receives an application for license renewal after the renewal deadline, license duration means the number of years for which the renewed license would have been issued if the renewal application had been submitted on time and all other requirements for renewal had been met.

(c) The base license fee shall depend on whether the license is classified as an entry level, master, journeyman, or business license, and on the license duration. The base license fee shall be:

<u>License Classification</u>	<u>License Duration</u>		
	<u>1 Year</u>	<u>2 Years</u>	<u>3 Years</u>
<u>Entry level</u>	<u>\$10</u>	<u>\$20</u>	<u>\$30</u>
<u>Journeyman</u>	<u>\$20</u>	<u>\$40</u>	<u>\$60</u>
<u>Master</u>	<u>\$40</u>	<u>\$80</u>	<u>\$120</u>
<u>Business</u>	<u>\$90</u>	<u>\$180</u>	<u>\$270</u>

(d) If there is a continuing education requirement for renewal of the license, then a continuing education fee must be included in the renewal license fee. The continuing education fee for all license classifications shall be: \$10 if the renewal license duration is one year; \$20 if the renewal license duration is two years; and \$30 if the renewal license duration is three years.

(e) If the license is issued under sections 326B.31 to 326B.59 or 326B.90 to 326B.93, then a board fee must be included in the license fee and the renewal license fee. The board fee for all license classifications shall be: \$4 if the license duration is one year; \$8 if the license duration is two years; and \$12 if the license duration is three years.

(f) If the application is for the renewal of a license issued under sections 326B.802 to 326B.885, then the contractor recovery fund fee required under section 326B.89,

subdivision 3, and any additional assessment required under section 326B.89, subdivision 16, must be included in the license renewal fee.

Sec. 3. [326B.093] LICENSES REQUIRING EXAMINATION ADMINISTERED BY COMMISSIONER.

Subdivision 1. **Qualifications for examination.** If the applicant for a license must pass an examination administered by the commissioner in order to obtain the license, then the applicant's complete application must demonstrate that the applicant is qualified to take the examination. The applicant is qualified to take the examination if the applicant meets all requirements for the license except for passing the examination.

Subd. 2. **Not qualified for examination.** If the applicant is not qualified to take the examination, then the commissioner must deny the application. The applicant may subsequently submit another application, accompanied by the required fee.

Subd. 3. **Taking the examination.** If the applicant is qualified to take the examination, then the department must notify the applicant, and the applicant may schedule a time to take the examination within one year after the notification date. If the applicant does not take the examination at the scheduled time, the applicant may, one time only, reschedule a time to take the examination on a date within one year after the notification date. If the applicant fails to take the examination within one year after the notification date, the commissioner must deny the application and the applicant forfeits the application/examination fee. The applicant may subsequently submit another application, accompanied by the required application/examination fee.

Subd. 4. **Examination results.** If the applicant receives a passing score on the examination and meets all other requirements for licensure, the commissioner must approve the application and notify the applicant of the approval within 60 days of the date of the passing score. The applicant must, within 90 days after the notification of approval, pay the license fee. Upon receipt of the license fee, the commissioner must issue the license. If the applicant does not pay the license fee within 90 days after the notification of approval, the commissioner will rescind the approval and must deny the application. If the applicant does not receive a passing score on the examination, the commissioner must deny the application. If the application is denied because of the applicant's failure to receive a passing score on the examination, then the applicant cannot submit a new application for the license until at least 30 days after the notification of denial.

Sec. 4. [326B.094] RENEWAL OF LICENSES.

Subdivision 1. **Expiration of licenses.** Unless and until the department or commissioner issues a renewal of a license, the license expires on the expiration date printed on the license. While the license is expired, the licensee cannot perform the activities authorized by the license.

Subd. 2. **Availability of renewal.** A licensee may apply to renew a license no later than two years after the expiration of the license. If the department receives a complete renewal application no later than two years after the expiration of the license, then the department must approve or deny the renewal application within 60 days of receiving the complete renewal application. If the department receives a renewal application more than two years after the expiration of the license, the department must return the renewal license fee to the applicant without approving or denying the application. If the licensee wishes to obtain a valid license more than two years after expiration of the license, the licensee must apply for a new license.

Subd. 3. **Deadline for avoiding license expiration.** The department must receive a complete application to renew a license no later than the renewal deadline. If the department does not receive a complete application by the renewal deadline, the license may expire before the department has either approved or denied the renewal application.

Sec. 5. **[326B.095] INCOMPLETE LICENSE APPLICATIONS.**

This section applies to both applications for initial licenses and license renewal applications. If the department determines that an application is incomplete, the department must notify the applicant of the deficiencies that must be corrected in order to complete the application. If the applicant wishes to complete the application, the department must receive the completed application within 90 days after the date the department mailed or delivered the incomplete application to the applicant. If the department does not receive the completed application by this deadline, the commissioner must deny the application and the applicant will forfeit all fees except as provided in section 326B.092, subdivision 6. If the application is for license renewal and the department receives the corrected application after the license has expired, then the corrected application must be accompanied by the late fee.

Sec. 6. **[326B.096] REINSTATEMENT OF LICENSES.**

Subdivision 1. **Reinstatement after revocation.** (a) If a license is revoked under this chapter and if an applicant for a license needs to pass an examination administered by the commissioner before becoming licensed, then, in order to have the license reinstated, the person who holds the revoked license must:

(1) retake the examination and achieve a passing score; and
(2) meet all other requirements for an initial license, including payment of the application and examination fee and the license fee. The person holding the revoked license is not eligible for Minnesota licensure without examination based on reciprocity.

(b) If a license is revoked under a chapter other than this chapter, then, in order to have the license reinstated, the person who holds the revoked license must:

(1) apply for reinstatement to the commissioner no later than two years after the effective date of the revocation;

(2) pay a \$100 reinstatement application fee and any applicable renewal license fee; and

(3) meet all applicable requirements for licensure, except that, unless required by the order revoking the license, the applicant does not need to retake any examination and does not need to repay a license fee that was paid before the revocation.

Subd. 2. **Reinstatement after suspension.** If a license is suspended, then, in order to have the license reinstated, the person who holds the suspended license must:

(1) apply for reinstatement to the commissioner no later than two years after the completion of the suspension period;

(2) pay a \$100 reinstatement application fee and any applicable renewal license fee; and

(3) meet all applicable requirements for licensure, except that, unless required by the order suspending the license, the applicant does not need to retake any examination and does not need to repay a license fee that was paid before the suspension.

Subd. 3. **Reinstatement after voluntary termination.** A licensee who is not an individual may voluntarily terminate a license issued to the person under this chapter. If a licensee has voluntarily terminated a license under this subdivision, then, in order to have the license reinstated, the person who holds the terminated license must:

(1) apply for reinstatement to the commissioner no later than the date that the license would have expired if it had not been terminated;

(2) pay a \$100 reinstatement application fee and any applicable renewal license fee; and

(3) meet all applicable requirements for licensure, except that the applicant does not need to repay a license fee that was paid before the termination.

Sec. 7. [326B.097] PROHIBITION OF TRANSFER.

A licensee shall not transfer or sell any license.

Sec. 8. **[326B.098] CONTINUING EDUCATION.**

Subdivision 1. **Applicability.** This section applies to seminars offered by the department for the purpose of allowing licensees to meet continuing education requirements for license renewal.

Subd. 2. **Rescheduling.** An individual who is registered with the department to attend a seminar may reschedule one time only, to attend the same seminar on a date within one year after the date of the seminar the individual was registered to attend.

Subd. 3. **Fees nonrefundable.** All seminar fees paid to the department are nonrefundable except for any overpayment of fees.

Sec. 9. Minnesota Statutes 2008, section 326B.133, subdivision 1, is amended to read:

Subdivision 1. **Designation.** 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~~ created by statute or 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 to the commissioner.

Sec. 10. Minnesota Statutes 2008, section 326B.133, is amended by adding a subdivision to read:

Subd. 2a. **Application; renewal; fees; expiration.** (a) An applicant for certification shall submit a completed application on a form approved by the commissioner to the department. The commissioner shall review applications for compliance with the requirements established by rule.

(b) Application for initial certification or renewal certification as a building official, building official-limited, or accessibility specialist shall be according to this section and sections 326B.092 to 326B.095.

(c) Fees shall be paid to the department according to section 326B.092.

(d) Unless revoked or suspended under this chapter, all certifications issued or renewed under this section expire two years from the date of original issuance and every two years thereafter.

Sec. 11. Minnesota Statutes 2008, section 326B.133, subdivision 3, is amended to read:

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

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

Sec. 12. Minnesota Statutes 2008, section 326B.133, is amended by adding a subdivision to read:

Subd. 3a. **Certification categories.** (a) If a municipality has adopted or adopts the State Building Code, the responsibilities for code administration and enforcement are under the authority of its designated building official or the certified building official-limited.

(b) Certified building official. This certification is identified as "certified building official" on the certificate card. This certification is granted to an individual who has met the certified building official requirements established by rule and passed the written examination prepared by the state. A person with this certification may serve as the designated building official for any municipality. For the purposes of calculating fees under section 326B.092, certification as a building official is a master license.

(c) Certified building official-limited. This certification is identified as "certified building official-limited" on the certification card. This certification is granted to an individual who has met the certified building official-limited requirements established by rule and passed the written examination prepared by the state. An individual with this certification may perform code administration for one- and two-family dwellings, their

accessory structures, and "exempt classes of buildings" as provided in Minnesota Rules, part 1800.5000, of the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design, and "facilities for persons with physical disabilities" that are governed by the State Building Code. Subject to the limitations of the building official-limited certification, an individual with this certification may serve as the designated building official for any municipality. Code administration for all other buildings must be performed by a certified building official as defined in paragraph (a). A certified building official-limited may conduct inspections for other structures regulated by the State Building Code under the direction of a designated certified building official or the state building official.

Subject to all other certification requirements, as of January 1, 2012, valid Class I certifications shall be included in the certified building official-limited category upon the next immediate renewal. For the purposes of calculating fees under section 326B.092, certification as a building official-limited is a journeyman license.

(d) Accessibility specialist. This certification is identified as accessibility specialist on the certification card. This certification is granted to an individual who has met the "accessibility specialist" requirements established by rule and passed the written examination prepared by the state. An individual with this classification is limited to the administration of those provisions of the State Building Code that provide access for persons with disabilities. For the purposes of calculating fees under section 326B.092, certification as an accessibility specialist is a journeyman license.

Sec. 13. Minnesota Statutes 2008, section 326B.133, subdivision 8, is amended to read:

Subd. 8. Continuing education requirements; extension of time. (a) This subdivision establishes the number of continuing education units required within each two-year certification period.

A certified building official shall accumulate 16 continuing education units in any education program that is approved under Minnesota Rules, part 1301.1000.

A certified building official-limited shall, in each year of the initial two-year certification period, accumulate eight continuing education units in any education program that is approved under Minnesota Rules, part 1301.1000. Continuing education units shall be reported annually during the initial two-year certification period by the method established in rule. A certified building official-limited shall accumulate 16 continuing education units for each two-year certification period thereafter in any education program that is approved under Minnesota Rules, part 1301.1000.

22.1 An accessibility specialist must accumulate four continuing education units in any
22.2 of the programs described in Minnesota Rules, part 1301.1000, subpart 1 or 2. The four
22.3 units must be for courses relating to building accessibility, plan review, field inspection,
22.4 or building code administration.

22.5 Continuing education programs may be approved as established in rule.

22.6 (b) Subject to sections 326B.101 to 326B.194, the commissioner may by rule
22.7 establish or approve continuing education programs for certified building officials dealing
22.8 with matters of building code administration, inspection, and enforcement.

22.9 Each person certified as a building official for the state must satisfactorily complete
22.10 applicable educational programs established or approved by the commissioner to ~~retain~~
22.11 renew certification.

22.12 (c) The state building official may grant an extension of time to comply with
22.13 continuing education requirements if the certificate holder requesting the extension of
22.14 time shows cause for the extension. The request for the extension must be in writing. For
22.15 purposes of this section, the certificate holder's current certification effective dates shall
22.16 remain the same. The extension does not relieve the certificate holder from complying
22.17 with the continuing education requirements for the next two-year period.

22.18 Sec. 14. Minnesota Statutes 2008, section 326B.133, subdivision 11, is amended to
22.19 read:

22.20 Subd. 11. **Failure to renew.** An individual who has failed to make a timely
22.21 application for renewal of a certificate is not certified and must not serve as the designated
22.22 building official for any municipality, or a certified building official, a certified building
22.23 official-limited, or an accessibility specialist until a renewed certificate has been issued by
22.24 the commissioner.

22.25 Sec. 15. Minnesota Statutes 2008, section 326B.197, is amended to read:

22.26 **326B.197 BOND REQUIRED FOR CERTAIN CONTRACTORS.**

22.27 (a) A person contracting to do gas, heating, ventilation, cooling, air conditioning,
22.28 fuel burning, or refrigeration work must give and maintain bond to the state in the amount
22.29 of \$25,000 for all work entered into within the state. The bond must be for the benefit of
22.30 persons suffering financial loss by reason of the contractor's failure to comply with the
22.31 requirements of the State Mechanical Code. A bond given to the state must be filed with
22.32 the commissioner of labor and industry and is in lieu of all other bonds to any political
22.33 subdivision required for work covered by this section. The bond must be written by a
22.34 corporate surety licensed to do business in the state.

(b) The commissioner of labor and industry may charge each person giving bond under this section ~~an annual~~ a biennial bond filing fee of ~~\$15~~ \$100.

Sec. 16. Minnesota Statutes 2008, section 326B.33, subdivision 18, is amended to read:

Subd. 18. **Examination.** In addition to the other requirements described in this section and sections 326B.091 to 326B.098, and except as provided in subdivision 20, as a precondition to issuance of a personal license, each applicant must pass a written or oral examination developed and administered by the commissioner to 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 individual. ~~No individual failing an examination may retake it for six months thereafter, but within such six months the individual may take an examination for a lesser grade of license. Any 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 commissioner an application and examination fee at the time of application. Upon approval of the application, the 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 was not approved, shall submit another application and examination fee.~~

Sec. 17. Minnesota Statutes 2009 Supplement, section 326B.33, subdivision 19, is amended to read:

Subd. 19. **License, registration, and renewal fees; expiration.** (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. All other personal licenses expire two years from the date of original issuance and every two years thereafter. Registrations of unlicensed individuals expire one year from the date of original issuance and every year thereafter.

~~(b) Fees for application and examination, and for the original issuance and each subsequent renewal, are:~~

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

~~(2) For original issuance 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, Elevator Constructor, Lineman, or Maintenance Electrician other than master special electrician: \$15 per year;~~

~~Contractor: \$100 per year;~~

~~Unlicensed individual registration: \$15 per year.~~

~~(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) An individual or contractor who fails to renew a license before 30 days after the expiration or registration 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 or registrations are not prorated. An individual or contractor that fails to renew a license or registration by the expiration date is unlicensed until the license or registration is renewed.~~

(b) For purposes of calculating license fees and renewal license fees required under section 326B.092:

(1) the registration of an unlicensed individual under subdivision 12 shall be considered an entry level license;

(2) the following licenses shall be considered journeyman licenses: Class A journeyman electrician, Class B journeyman electrician, Class A installer, Class B installer, elevator constructor, lineman, maintenance electrician, and power limited technician;

(3) the following licenses shall be considered master licenses: Class A master electrician, Class B master electrician, and master elevator constructor; and

(4) the following licenses shall be considered business licenses: Class A electrical contractor, Class B electrical contractor, elevator contractor, and technology systems contractor.

(c) For each filing of a certificate of responsible person by an employer, the fee is \$100.

Sec. 18. Minnesota Statutes 2008, section 326B.33, subdivision 20, is amended to read:

Subd. 20. **Reciprocity.** The commissioner may enter into reciprocity agreements for personal licenses with another state if approved by the board. Once approved by the board, the commissioner may issue a personal license without requiring the applicant to pass an examination provided the applicant:

(a) submits an application under this section;

(b) pays the application and examination fee and license fee required under ~~this~~ section 326B.092; and

(c) holds a valid comparable license in the state participating in the agreement.

Agreements are subject to the following:

(1) The parties to the agreement must administer a statewide licensing program that includes examination and qualifying experience or training comparable to Minnesota's.

(2) The experience and training requirements under which an individual applicant qualified for examination in the qualifying state must be deemed equal to or greater than required for an applicant making application in Minnesota at the time the applicant acquired the license in the qualifying state.

(3) The applicant must have acquired the license in the qualifying state through an examination deemed equivalent to the same class of license examination in Minnesota. A lesser class of license may be granted where the applicant has acquired a greater class of license in the qualifying state and the applicant otherwise meets the conditions of this subdivision.

(4) At the time of application, the applicant must hold a valid license in the qualifying state and have held the license continuously for at least one year before making application in Minnesota.

(5) An applicant is not eligible for a license under this subdivision if the applicant has failed the same or greater class of license examination in Minnesota, or if the applicant's license of the same or greater class has been revoked or suspended.

(6) An applicant who has failed to renew a personal license for two years or more after its expiration is not eligible for a license under this subdivision.

Sec. 19. Minnesota Statutes 2008, section 326B.33, subdivision 21, is amended to read:

Subd. 21. **Exemptions from licensing.** (a) An individual who is a maintenance electrician is not required to hold or obtain a license under sections 326B.31 to 326B.399 if:

(1) the individual is engaged in the maintenance and repair of electrical equipment, apparatus, and facilities that are owned or leased by the individual's employer and that are located within the limits of property operated, maintained, and either owned or leased by the individual's employer;

(2) the individual is supervised by:

(i) the responsible master electrician for a contractor who has contracted with the individual's employer to provide services for which a contractor's license is required; or

(ii) a licensed master electrician, a licensed maintenance electrician, an electrical engineer, or, if the maintenance and repair work is limited to technology circuits or systems work, a licensed power limited technician; and

(3) the individual's employer has ~~filed~~ on file with the commissioner a current certificate of responsible person, signed by the responsible master electrician of the contractor, the licensed master electrician, the licensed maintenance electrician, the electrical engineer, or the licensed power limited technician, and stating that the person signing the certificate is responsible for ensuring that the maintenance and repair work performed by the employer's employees complies with the Minnesota Electrical Act and the rules adopted under that act. The employer must pay a filing fee to file a certificate of responsible person with the commissioner. The certificate shall expire two years from the date of filing. In order to maintain a current certificate of responsible person, the employer must resubmit a certificate of responsible person, with a filing fee, no later than two years from the date of the previous submittal.

(b) Employees of a licensed electrical or technology systems contractor or other employer where provided with supervision by a master electrician in accordance with

subdivision 1, or power limited technician in accordance with subdivision 7, paragraph (a), clause (1), are not required to hold a license under sections 326B.31 to 326B.399 for the planning, laying out, installing, altering, and repairing of technology circuits or systems except planning, laying out, or installing:

(1) in other than residential dwellings, class 2 or class 3 remote control circuits that control circuits or systems other than class 2 or class 3, except circuits that interconnect these systems through communication, alarm, and security systems are exempted from this paragraph;

(2) class 2 or class 3 circuits in electrical cabinets, enclosures, or devices containing physically unprotected circuits other than class 2 or class 3; or

(3) technology circuits or systems in hazardous classified locations as covered by chapter 5 of the National Electrical Code.

(c) Companies and their employees that plan, lay out, install, alter, or repair class 2 and class 3 remote control wiring associated with plug or cord and plug connected appliances other than security or fire alarm systems installed in a residential dwelling are not required to hold a license under sections 326B.31 to 326B.399.

(d) Heating, ventilating, air conditioning, and refrigeration contractors and their employees are not required to hold or obtain a license under sections 326B.31 to 326B.399 when performing heating, ventilating, air conditioning, or refrigeration work as described in section 326B.38.

(e) Employees of any electrical, communications, or railway utility, cable communications company as defined in section 238.02, or a telephone company as defined under section 237.01 or its employees, or of any independent contractor performing work on behalf of any such utility, cable communications company, or telephone company, shall not be required to hold a license under sections 326B.31 to 326B.399:

(1) while performing work on installations, materials, or equipment which are owned or leased, and operated and maintained by such utility, cable communications company, or telephone company in the exercise of its utility, antenna, or telephone function, and which

(i) are used exclusively for the generation, transformation, distribution, transmission, or metering of electric current, or the operation of railway signals, or the transmission of intelligence and do not have as a principal function the consumption or use of electric current or provided service by or for the benefit of any person other than such utility, cable communications company, or telephone company, and

(ii) are generally accessible only to employees of such utility, cable communications company, or telephone company or persons acting under its control or direction, and

(iii) are not on the load side of the service point or point of entrance for communication systems;

(2) while performing work on installations, materials, or equipment which are a part of the street lighting operations of such utility; or

(3) while installing or performing work on outdoor area lights which are directly connected to a utility's distribution system and located upon the utility's distribution poles, and which are generally accessible only to employees of such utility or persons acting under its control or direction.

(f) An owner shall not be required to hold or obtain a license under sections 326B.31 to 326B.399.

Sec. 20. Minnesota Statutes 2008, section 326B.42, is amended by adding a subdivision to read:

Subd. 1a. **Contractor.** "Contractor" means a person who performs or offers to perform any plumbing work, with or without compensation, who is licensed as a contractor by the commissioner. Contractor includes plumbing contractors and restricted plumbing contractors.

Sec. 21. Minnesota Statutes 2008, section 326B.42, is amended by adding a subdivision to read:

Subd. 8. **Plumbing contractor.** "Plumbing contractor" means a licensed contractor whose responsible licensed plumber is a licensed master plumber.

Sec. 22. Minnesota Statutes 2008, section 326B.42, is amended by adding a subdivision to read:

Subd. 9. **Responsible licensed plumber.** A contractor's "responsible licensed plumber" means the licensed master plumber or licensed restricted master plumber designated in writing by the contractor in the contractor's license application, or in another manner acceptable to the commissioner, as the individual responsible for the contractor's compliance with sections 326B.41 to 326B.49, all rules adopted under these sections and sections 326B.50 to 326B.59, and all orders issued under section 326B.082.

Sec. 23. Minnesota Statutes 2008, section 326B.42, is amended by adding a subdivision to read:

29.1 Subd. 10. **Restricted plumbing contractor.** "Restricted plumbing contractor"
29.2 means a licensed contractor whose responsible licensed plumber is a licensed restricted
29.3 master plumber.

29.4 Sec. 24. Minnesota Statutes 2008, section 326B.44, is amended to read:

29.5 **326B.44 LOCAL REGULATIONS.**

29.6 Any of the following entities may, by ordinance, adopt local regulations providing
29.7 for plumbing permits, approval of plans and specifications, and inspections of plumbing,
29.8 which regulations are not in conflict with the plumbing code: any city having a system
29.9 of waterworks or sewerage, regardless of population; any town having a population of
29.10 5,000 or more according to the last federal census, exclusive of any statutory cities
29.11 located therein; and the Metropolitan Airports Commission. No such entity shall prohibit
29.12 ~~plumbers~~ plumbing contractors licensed by the commissioner from engaging in or working
29.13 at the business of plumbing, except cities and statutory cities which, prior to April 21,
29.14 1933, by ordinance required the licensing of plumbers. No such entity shall require any
29.15 person who engages in the business of plumbing to post a bond as a prerequisite for
29.16 engaging in the business of plumbing, except the bond to the state required under section
29.17 326B.46 and except any performance bond required under a contract with the person
29.18 for the performance of plumbing work for the entity. No such entity shall require any
29.19 person who engages in the business of plumbing to maintain public liability insurance
29.20 as a prerequisite for engaging in the business of plumbing, except the insurance required
29.21 under section 326B.46 and except any public liability insurance required under a contract
29.22 with the person for the performance of plumbing work for the entity. No city or town may
29.23 require a license for persons performing building sewer or water service installation who
29.24 have completed pipe laying training as prescribed by the commissioner of labor and
29.25 industry. Any city by ordinance may prescribe regulations, reasonable standards, and
29.26 inspections and grant permits to any person engaged in the business of installing water
29.27 softeners, who is not licensed as a ~~master plumber or journeyman plumber~~ contractor by
29.28 the commissioner, to connect water softening and water filtering equipment to private
29.29 residence water distribution systems, where provision has been previously made therefor
29.30 and openings left for that purpose or by use of cold water connections to a domestic
29.31 water heater; where it is not necessary to rearrange, make any extension or alteration of,
29.32 or addition to any pipe, fixture or plumbing connected with the water system except to
29.33 connect the water softener, and provided the connections so made comply with minimum
29.34 standards prescribed by the Plumbing Board.

Sec. 25. Minnesota Statutes 2008, section 326B.46, as amended by Laws 2009, chapter 78, article 5, section 14, and chapter 109, section 13, is amended to read:

326B.46 LICENSING, BOND AND INSURANCE.

Subdivision 1. **License required.** (a) No ~~person~~ individual shall engage in or work at the business of a master plumber, restricted master plumber, journeyman plumber, and restricted journeyman plumber unless licensed to do so by the ~~state~~ commissioner.

A license is not required for individuals performing building sewer or water service installation who have completed pipe laying training as prescribed by the commissioner ~~of labor and industry~~. A master plumber may also work as a journeyman plumber, a restricted journeyman plumber, and a restricted master plumber. A journeyman plumber may also work as a restricted journeyman plumber. Anyone not so licensed may do plumbing work which complies with the provisions of the minimum standards prescribed by the Plumbing Board on premises or that part of premises owned and actually occupied by the worker as a residence, unless otherwise forbidden to do so by a local ordinance.

(b) No person shall engage in the business of planning, superintending, or installing plumbing or shall install plumbing in connection with the dealing in and selling of plumbing material and supplies unless at all times a licensed master plumber, or in cities and towns with a population of fewer than 5,000 according to the last federal census, a restricted master plumber, who shall be responsible for proper installation, is in charge of the plumbing work of the person, ~~firm, or corporation~~.

(c) Except as provided in subdivision 2, no person shall perform or offer to perform plumbing work with or without compensation unless the person obtains a contractor's license. A contractor's license does not of itself qualify its holder to perform the plumbing work authorized by holding a master, journeyman, restricted master, or restricted journeyman license.

Subd. 1a. **Exemptions from licensing.** (a) An individual without a contractor license may do plumbing work on the individual's residence in accordance with subdivision 1, paragraph (a).

(b) An individual who is an employee working on the maintenance and repair of plumbing equipment, apparatus, or facilities owned or leased by the individual's employer and which is within the limits of property owned or leased, and operated or maintained by the individual's employer, shall not be required to maintain a contractor license as long as the employer has on file with the commissioner a current certificate of responsible person. The certificate must be signed by the responsible master plumber or, in an area of the state that is not a city or town with a population of more than 5,000 according to the last federal census, restricted master plumber, and must state that the person signing the

certificate is responsible for ensuring that the maintenance and repair work performed by the employer's employees comply with sections 326B.41 to 326B.49, all rules adopted under those sections and sections 326B.50 to 326B.59, and all orders issued under section 326B.082. The employer must pay a filing fee to file a certificate of responsible person with the commissioner. The certificate shall expire two years from the date of filing. In order to maintain a current certificate of responsible person, the employer must resubmit a certificate of responsible person, with a filing fee, no later than two years from the date of the previous submittal. The filing of the certificate of responsible person does not exempt any employee of the employer from the requirements of this chapter regarding individual licensing as a plumber or registration as a plumber's apprentice.

(c) If a contractor employs a licensed plumber, the licensed plumber does not need a separate contractor license to perform plumbing work on behalf of the employer within the scope of the licensed plumber's license.

Subd. 1b. **Employment of master plumber or restricted master plumber.** (a) Each contractor must designate a responsible licensed plumber, who shall be responsible for the performance of all plumbing work in accordance with sections 326B.41 to 326B.49, all rules adopted under these sections and sections 326B.50 to 326B.59, and all orders issued under section 326B.082. A plumbing contractor's responsible licensed plumber must be a master plumber. A restricted plumbing contractor's responsible licensed plumber must be a master plumber or a restricted master plumber. A plumbing contractor license authorizes the contractor to offer to perform and, through licensed and registered individuals, to perform plumbing work in all areas of the state. A restricted plumbing contractor license authorizes the contractor to offer to perform and, through licensed and registered individuals, to perform plumbing work in all areas of the state except in cities and towns with a population of more than 5,000 according to the last federal census.

(b) If the contractor is an individual or sole proprietorship, the responsible licensed plumber must be the individual, proprietor, or managing employee. If the contractor is a partnership, the responsible licensed plumber must be a general partner or managing employee. If the contractor is a limited liability company, the responsible licensed plumber must be a chief manager or managing employee. If the contractor is a corporation, the responsible licensed plumber must be an officer or managing employee. If the responsible licensed plumber is a managing employee, the responsible licensed plumber must be actively engaged in performing plumbing work on behalf of the contractor, and cannot be employed in any capacity as a plumber for any other contractor. An individual may be the responsible licensed plumber for only one contractor.

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

32.3 Subd. 2. **Bond; insurance.** ~~Any person contracting to do plumbing work must give~~
32.4 As a condition of licensing, each contractor shall give and maintain bond to the state in the
32.5 amount of at least \$25,000 for (1) all plumbing work entered into within the state or (2)
32.6 all plumbing work and subsurface sewage treatment work entered into within the state.
32.7 If the bond is for both plumbing work and subsurface sewage treatment work, the bond
32.8 must comply with the requirements of this section and section 115.56, subdivision 2,
32.9 paragraph (e). The bond shall be for the benefit of persons injured or suffering financial
32.10 loss by reason of failure to comply with the requirements of the State Plumbing Code and,
32.11 if the bond is for both plumbing work and subsurface sewage treatment work, financial
32.12 loss by reason of failure to comply with the requirements of sections 115.55 and 115.56.
32.13 The bond shall be filed with the commissioner and shall be written by a corporate surety
32.14 licensed to do business in the state.

32.15 In addition, ~~each applicant for a master plumber license or restricted master plumber~~
32.16 ~~license, or renewal thereof, shall provide evidence of~~ as a condition of licensing, each
32.17 contractor shall have and maintain in effect public liability insurance, including products
32.18 liability insurance with limits of at least \$50,000 per person and \$100,000 per occurrence
32.19 and property damage insurance with limits of at least \$10,000. The insurance shall be
32.20 written by an insurer licensed to do business in the state of Minnesota and each licensed
32.21 master plumber shall maintain on file with the commissioner a certificate evidencing the
32.22 insurance providing that the insurance shall not be canceled without the insurer first giving
32.23 15 days written notice to the commissioner. ~~The term of the insurance shall be concurrent~~
32.24 ~~with the term of the license.~~

32.25 Subd. 3. **Bond and insurance exemption.** ~~If a master plumber or restricted master~~
32.26 ~~plumber who is in compliance with the bond and insurance requirements of subdivision 2,~~
32.27 ~~employs a licensed plumber, the employee plumber shall not be required to meet the bond~~
32.28 ~~and insurance requirements of subdivision 2. An individual who is an employee working~~
32.29 ~~on the maintenance and repair of plumbing equipment, apparatus, or facilities owned or~~
32.30 ~~leased by the individual's employer and which is within the limits of property owned or~~
32.31 ~~leased, and operated or maintained by the individual's employer, shall not be required to~~
32.32 ~~meet the bond and insurance requirements of subdivision 2.~~

32.33 Subd. 4. **Fee.** ~~(a) Each person giving bond to the state under subdivision 2 shall pay~~
32.34 ~~the department a bond registration fee of \$40 for one year or \$80 for two years.~~

32.35 ~~(b) The commissioner shall in a manner determined by the commissioner, without~~
32.36 ~~the need for any rulemaking under chapter 14, phase in the bond registration from one year~~

~~to two years so that the expiration of bond registration corresponds with the expiration of the license issued under section 326B.475 or 326B.49, subdivision 1.~~

Subd. 5. **Exterior connections.** Persons licensed as manufactured home installers under chapter 327B are not required to be licensed under sections 326B.42 to 326B.49 when connecting the exterior building drain sewer outlets to the aboveground building sewer system and when connecting the exterior water line to the aboveground water system to the manufactured home as described in National Manufactured Housing Construction and Safety Standards Act of 1974, United States Code, title 42, section 5401 et seq. No additional licensure, bond, or insurance related to the scope of work permitted under this subdivision may be required of a licensed manufactured home installer by any unit of government.

Sec. 26. Minnesota Statutes 2008, section 326B.47, is amended to read:

326B.47 PLUMBER'S APPRENTICES.

Subdivision 1. **Registration; supervision; records.** (a) All plumber's apprentices must be registered. To be a registered plumber's apprentice, an individual must either:

(1) be an individual employed in the trade of plumbing under an apprenticeship agreement approved by the department under Minnesota Rules, part 5200.0300; or

(2) be an unlicensed individual registered with the commissioner under subdivision 3.

(b) A plumber's apprentice is authorized to assist in the installation of plumbing only while under the direct supervision of a master, restricted master, journeyman, or restricted journeyman plumber. The master, restricted master, journeyman, or restricted journeyman plumber is responsible for ensuring that all plumbing work performed by the plumber's apprentice complies with the plumbing code. The supervising master, restricted master, journeyman, or restricted journeyman must be licensed and must be employed by the same employer as the plumber's apprentice. Licensed individuals shall not permit plumber's apprentices to perform plumbing work except under the direct supervision of an individual actually licensed to perform such work. Plumber's apprentices shall not supervise the performance of plumbing work or make assignments of plumbing work to unlicensed individuals.

(c) Contractors employing plumber's apprentices to perform plumbing work shall maintain records establishing compliance with this subdivision that shall identify all plumber's apprentices performing plumbing work, and shall permit the department to examine and copy all such records.

34.1 Subd. 2. **Journeyman exam.** A plumber's apprentice who has completed four
34.2 years of practical plumbing experience is eligible to take the journeyman plumbing
34.3 examination. Up to 24 months of practical plumbing experience prior to becoming a
34.4 plumber's apprentice may be applied to the four-year experience requirement. However,
34.5 none of this practical plumbing experience may be applied if the individual did not have
34.6 any practical plumbing experience in the 12-month period immediately prior to becoming
34.7 a plumber's apprentice. The Plumbing Board may adopt rules to evaluate whether
34.8 the individual's past practical plumbing experience is applicable in preparing for the
34.9 journeyman's examination. If two years after completing the training the individual has
34.10 not taken the examination, the four years of experience shall be forfeited.

34.11 The commissioner may allow an extension of the two-year period for taking the
34.12 exam for cases of hardship or other appropriate circumstances.

34.13 Subd. 3. **Registration, rules, applications, renewals, and fees.** An unlicensed
34.14 individual may register by completing and submitting to the commissioner ~~a registration~~
34.15 an application form provided by the commissioner, with all fees required by section
34.16 326B.092. A completed ~~registration~~ application form must state the date the individual
34.17 began training, the individual's age, schooling, previous experience, and employer,
34.18 and other information required by the commissioner. The board may prescribe rules,
34.19 not inconsistent with this section, for the registration of unlicensed individuals. ~~Each~~
34.20 ~~applicant for initial registration as a plumber's apprentice shall pay the department an~~
34.21 ~~application fee of \$25.~~ Applications for initial registration may be submitted at any time.
34.22 Registration must be renewed annually and shall be for the period from July 1 of each year
34.23 to June 30 of the following year. ~~Applications for renewal registration must be received~~
34.24 ~~by the commissioner by June 30 of each registration period on forms provided by the~~
34.25 ~~commissioner, and must be accompanied by a fee of \$25. An application for renewal~~
34.26 ~~registration received on or after July 1 in any year but no more than three months after~~
34.27 ~~expiration of the previously issued registration must pay the past due renewal fee plus a~~
34.28 ~~late fee of \$25. No applications for renewal registration will be accepted more than three~~
34.29 ~~months after expiration of the previously issued registration.~~

34.30 Sec. 27. Minnesota Statutes 2008, section 326B.475, subdivision 2, is amended to read:

34.31 Subd. 2. **Use of license.** A restricted master plumber and restricted journeyman
34.32 plumber may engage in the plumbing trade in all areas of the state except in cities and
34.33 towns with a population of more than 5,000 according to the last federal census.

Sec. 28. Minnesota Statutes 2009 Supplement, section 326B.475, subdivision 4, is amended to read:

Subd. 4. **Renewal; use period for license.** (a) A restricted master plumber and restricted journeyman plumber license must be renewed for as long as that licensee engages in the plumbing trade. Notwithstanding section 326B.094, failure to renew a restricted master plumber and restricted journeyman plumber license within 12 months after the expiration date will result in permanent forfeiture of the restricted master plumber and restricted journeyman plumber license.

(b) The commissioner shall in a manner determined by the commissioner, without the need for any rulemaking under chapter 14, phase in the renewal of restricted master plumber and restricted journeyman plumber licenses from one year to two years. By June 30, 2011, all restricted master plumber and restricted journeyman plumber licenses shall be two-year licenses.

Sec. 29. Minnesota Statutes 2009 Supplement, section 326B.49, subdivision 1, is amended to read:

Subdivision 1. **Application, examination, and license fees.** (a) Applications for master and journeyman plumber's license licenses shall be made to the commissioner, with ~~fee~~ all fees required by section 326B.092. Unless the applicant is entitled to a renewal, the applicant shall be licensed by the commissioner only after passing a satisfactory examination developed and administered by the commissioner, based upon rules adopted by the Plumbing Board, showing fitness. ~~Examination fees for both journeyman and master plumbers shall be \$50 for each examination. Upon being notified of having successfully passed the examination for original license the applicant shall submit an application, with the license fee herein provided. The license fee for each initial master plumber's license shall be \$240. The license fee for each initial journeyman plumber's license shall be \$110.~~

(b) All initial ~~master and~~ journeyman plumber's licenses shall be effective for more than one calendar year and shall expire on December 31 of the year after the year in which the application is made. ~~The license fee for each renewal master plumber's license shall be \$120 for one year or \$240 for two years. The license fee for each renewal journeyman plumber's license shall be \$55 for one year or \$110 for two years. All master plumber's licenses shall expire on December 31 of each even-numbered year after issuance or renewal.~~ The commissioner shall in a manner determined by the commissioner, without the need for any rulemaking under chapter 14, phase in the renewal of master and

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journeyman plumber's licenses from one year to two years. By June 30, 2011, all renewed master and journeyman plumber's licenses shall be two-year licenses.

~~(c) 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 journeyman or master plumber 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.~~
Applications for contractor licenses shall be made to the commissioner, with all fees required by section 326B.092. All contractor licenses shall expire on December 31 of each odd-numbered year after issuance or renewal.

(d) For purposes of calculating license fees and renewal license fees required under section 326B.092:

(1) the following licenses shall be considered business licenses: plumbing contractor and restricted plumbing contractor;

(2) the following licenses shall be considered master licenses: master plumber and restricted master plumber;

(3) the following licenses shall be considered journeyman licenses: journeyman plumber and restricted journeyman plumber; and

(4) the registration of a plumber's apprentice under section 326B.47, subdivision 3, shall be considered an entry level license.

(e) For each filing of a certificate of responsible person by an employer, the fee is \$100.

Sec. 30. Minnesota Statutes 2008, section 326B.50, is amended by adding a subdivision to read:

Subd. 1a. **Responsible licensed master.** "Responsible licensed master" means the licensed water conditioning master or licensed master plumber designated in writing by the water conditioning contractor in the water conditioning contractor's license application, or in another manner acceptable to the commissioner, as the individual responsible for the water conditioning contractor's compliance with sections 326B.50 to 326B.59, all rules adopted under these sections, the Minnesota Plumbing Code, and all orders issued under section 326B.082.

Sec. 31. Minnesota Statutes 2008, section 326B.50, is amended by adding a subdivision to read:

Subd. 2a. **Water conditioning contractor.** "Water conditioning contractor" means a person who performs or offers to perform any water conditioning installation or water conditioning servicing, with or without compensation, who is licensed as a water conditioning contractor by the commissioner.

Sec. 32. Minnesota Statutes 2008, section 326B.50, is amended by adding a subdivision to read:

Subd. 3a. **Water conditioning journeyman.** "Water conditioning journeyman" means an individual, other than a water conditioning master, who has demonstrated practical knowledge of water conditioning installation and servicing, and who is licensed by the commissioner as a water conditioning journeyman.

Sec. 33. Minnesota Statutes 2008, section 326B.50, is amended by adding a subdivision to read:

Subd. 3b. **Water conditioning master.** "Water conditioning master" means an individual who has demonstrated skill in planning, superintending, installing, and servicing water conditioning installations, and who is licensed by the commissioner as a water conditioning master.

Sec. 34. Minnesota Statutes 2008, section 326B.54, is amended to read:

326B.54 VIOLATIONS TO BE REPORTED TO COMMISSIONER.

Such local authority as may be designated by any such ordinance for the issuance of such water conditioning installation and servicing permits and approval of such plans shall report to the commissioner persistent or willful violations of the same and any incompetence of a licensed water conditioning contractor, licensed water conditioning master, or licensed water conditioning ~~installer~~ journeyman observed by the local authority.

Sec. 35. Minnesota Statutes 2008, section 326B.55, as amended by 2010 H.F. No. 927, section 13, if enacted, is amended to read:

326B.55 LICENSING IN CERTAIN CITIES; QUALIFICATIONS; RULES.

Subdivision 1. **Licensing.** (a) Except as provided in paragraph (d), no individual shall perform water conditioning installation or water conditioning servicing unless licensed by the commissioner as a master plumber, journeyman plumber, water conditioning master, or water conditioning journeyman, or, in all areas of the state except in cities and towns with a population of more than 5,000 according to the last federal census, as a restricted master plumber or restricted journeyman plumber.

(b) Except as provided in paragraph (e), no person shall perform or offer to perform water conditioning installation or water conditioning servicing with or without compensation unless the person obtains a water conditioning contractor's license. A water conditioning contractor's license does not of itself qualify its holder to perform the water conditioning installation or water conditioning servicing authorized by holding a water conditioning master or water conditioning journeyman license.

(c) Except as provided in paragraph (d), no person shall engage in or work at the business of water conditioning installation or servicing anywhere in the state unless (1) at all times an individual licensed as a master plumber or water conditioning contractor master by the commissioner ~~shall be~~, who is responsible for the proper installation and servicing, is in charge of the water conditioning installation and servicing work of such person, and (2) ~~all installations, other than~~.

If a water conditioning contractor employs a licensed master, restricted master, journeyman or restricted journeyman plumber, or a licensed water conditioning master or journeyman, then the licensed individual does not need a separate water conditioning contractor license to perform water conditioning installation or servicing on behalf of the employer within the scope of the individual's plumber license.

(d) No water conditioning contractor, water conditioning master, or water conditioning journeyman license is required:

(1) ~~for exchanges of portable water conditioning equipment, are performed by a licensed water conditioning contractor or licensed water conditioning installer. Any individual not so licensed may; or~~

(2) for an individual to perform water conditioning work that complies with the minimum standards prescribed by the Plumbing Board on premises or that part of premises owned and occupied by the ~~worker~~ individual as a residence, unless otherwise prohibited by a local ordinance.

Subd. 2. **Qualifications for licensing.** (a) A water conditioning ~~contractor master~~ license shall be issued only to an individual who has demonstrated skill in planning, superintending, and servicing water conditioning installations, and has successfully passed the examination for water conditioning ~~contractors masters~~. A water conditioning ~~installer journeyman~~ license shall only be issued to an individual other than a water conditioning ~~contractor master~~ who has demonstrated practical knowledge of water conditioning installation, and has successfully passed the examination for water conditioning ~~installers journeymen~~. A water conditioning ~~installer journeyman~~ must successfully pass the examination for water conditioning ~~contractors masters~~ before being licensed as a water conditioning ~~contractor master~~.

39.1 (b) Each water conditioning contractor must designate a responsible licensed master
39.2 plumber or a responsible licensed water conditioning master, who shall be responsible
39.3 for the performance of all water conditioning installation and servicing in accordance
39.4 with the requirements of sections 326B.50 to 326B.59, all rules adopted under these
39.5 sections, the Minnesota Plumbing Code, and all orders issued under section 326B.082. If
39.6 the water conditioning contractor is an individual or sole proprietorship, the responsible
39.7 licensed master must be the individual, proprietor, or managing employee. If the water
39.8 conditioning contractor is a partnership, the responsible licensed master must be a general
39.9 partner or managing employee. If the water conditioning contractor is a limited liability
39.10 company, the responsible licensed master must be a chief manager or managing employee.
39.11 If the water conditioning contractor is a corporation, the responsible licensed master must
39.12 be an officer or managing employee. If the responsible licensed master is a managing
39.13 employee, the responsible licensed master must be actively engaged in performing water
39.14 conditioning work on behalf of the water conditioning contractor, and cannot be employed
39.15 in any capacity as a water conditioning master or water conditioning journeyman for any
39.16 other water conditioning contractor. An individual must not be the responsible licensed
39.17 master for more than one water conditioning contractor.

39.18 (c) All applications and renewals for water conditioning contractor licenses shall
39.19 include a verified statement that the applicant or licensee has complied with paragraph (b).

39.20 (d) Each application and renewal for a water conditioning master license, water
39.21 conditioning journeyman license, or a water conditioning contractor license shall be
39.22 accompanied by all fees required by section 326B.092.

39.23 Subd. 3. **Commissioner.** The commissioner shall:

39.24 (1) license water conditioning contractors, water conditioning masters, and installers
39.25 water conditioning journeymen; and

39.26 (2) ~~collect an examination fee from each examinee for a license as a water~~
39.27 ~~conditioning contractor and an examination fee from each examinee for a license as a~~
39.28 ~~water conditioning installer in an amount set forth in section 326B.58~~ the fees required by
39.29 section 326B.092.

39.30 Subd. 4. **Plumber's apprentices.** (a) A plumber's apprentice who is registered
39.31 under section 326B.47 is authorized to assist in water conditioning installation and water
39.32 conditioning servicing only while under the direct supervision of a master plumber,
39.33 journeyman plumber, water conditioning master, or water conditioning journeyman.
39.34 The master or journeyman is responsible for ensuring that all water conditioning work
39.35 performed by the plumber's apprentice complies with the plumbing code and rules
39.36 adopted under sections 326B.50 to 326B.59. The supervising master or journeyman must

be licensed and must be employed by the same employer as the plumber's apprentice.
Licensed individuals shall not permit plumber's apprentices to perform water conditioning
work except under the direct supervision of an individual actually licensed to perform
such work. Plumber's apprentices shall not supervise the performance of plumbing work
or make assignments of plumbing work to unlicensed individuals.

(b) Water conditioning contractors employing plumber's apprentices to perform
water conditioning work shall maintain records establishing compliance with this
subdivision that shall identify all plumber's apprentices performing water conditioning
work, and shall permit the department to examine and copy all such records.

Sec. 36. Minnesota Statutes 2008, section 326B.56, as amended by Laws 2009, chapter
78, article 5, section 18, is amended to read:

326B.56 ~~ALTERNATIVE STATE BONDING AND INSURANCE~~
REGULATION.

Subdivision 1. **Bonds.** (a) ~~An applicant for a water conditioning contractor or~~
~~installer license or renewal thereof who is required by any political subdivision to give a~~
~~bond to obtain or maintain the license, may comply with any political subdivision bonding~~
~~requirement by giving~~ As a condition of licensing, each water conditioning contractor
shall give and maintain 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 sum of
\$3,000 conditioned upon the faithful and lawful performance of all water conditioning
~~contracting or installing work~~ installation or servicing 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 and shall be written by a corporate surety licensed to
do business in this state. 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 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~~ As a condition of licensing, each water conditioning
contractor shall have and maintain in effect 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 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 not required to meet the bond and insurance requirements of subdivisions 1 and 2 or of any political subdivision.

Subd. 4. **Fee.** (a) The commissioner shall collect a \$40 bond registration fee for one year or \$80 for two years from each applicant for issuance or renewal of a water conditioning contractor or installer license who elects to proceed under subdivisions 1 and 2.

(b) The commissioner shall in a manner determined by the commissioner, without the need for any rulemaking under chapter 14, phase in the bond registration from one year to two years so that the expiration of bond registration corresponds with the expiration of the license issued under section 326B.55.

Sec. 37. Minnesota Statutes 2009 Supplement, section 326B.58, is amended to read:

326B.58 FEES; RENEWAL.

~~(a) Examination fees for both water conditioning contractors and water conditioning installers shall be \$50 for each examination. Each initial water conditioning contractor and installer master and water conditioning journeyman license shall be effective for more than one calendar year and shall expire on December 31 of the year after the year in which the application is made. The license fee for each initial water conditioning contractor's license shall be \$140, except that the license fee shall be \$105 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 for one year or \$140 for two years. The license fee for each initial water conditioning installer license shall be \$70, except that the license fee shall be \$52.50 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 for one year or \$70 for two years.~~

(b) The commissioner shall in a manner determined by the commissioner, without the need for any rulemaking under chapter 14, phase in the renewal of water conditioning ~~contractor and installer~~ master and journeyman licenses from one year to two years. By June 30, 2011, all renewed water conditioning contractor and installer licenses shall be two-year licenses. The ~~commissioner~~ Plumbing Board may by rule prescribe for the expiration and renewal of licenses.

~~(c) 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. All water conditioning contractor licenses shall expire on December 31 of the year after issuance or renewal.~~

(d) For purposes of calculating license fees and renewal fees required under section 326B.092:

(1) a water conditioning journeyman license shall be considered a journeyman license;

(2) a water conditioning master license shall be considered a master license; and

(3) a water conditioning contractor license shall be considered a business license.

Sec. 38. Minnesota Statutes 2008, section 326B.805, subdivision 6, is amended to read:

Subd. 6. **Exemptions.** The license requirement does not apply to:

(1) an employee of a licensee performing work for the licensee;

(2) a material person, manufacturer, or retailer furnishing finished products, materials, or articles of merchandise who does not install or attach the items;

(3) an owner of residential real estate who builds or improves any structure on residential real estate, if the building or improving is performed by the owner's bona fide employees or by individual owners personally. This exemption does not apply to an owner who constructs or improves property for purposes of speculation if the building or improving is performed by the owner's bona fide employees or by individual owners personally. A residential building contractor or residential remodeler will be presumed to be building or improving for purposes of speculation if the contractor or remodeler constructs or improves more than one property within any 24-month period;

(4) an architect or professional engineer engaging in professional practice as defined by section 326.02, subdivisions 2 and 3;

(5) a person whose total gross annual receipts for performing specialty skills for which licensure would be required under this section do not exceed \$15,000;

(6) a mechanical contractor;

(7) a plumber, electrician, or other person whose profession is otherwise subject to statewide licensing, when engaged in the activity which is the subject of that licensure;

(8) specialty contractors who provide only one special skill as defined in section 326B.802;

(9) a school district, or a technical college governed under chapter 136F; and

(10) Habitat for Humanity and Builders Outreach Foundation, and their individual volunteers when engaged in activities on their behalf.

To qualify for the exemption in clause (5), a person must obtain a certificate of exemption from licensure from the commissioner. A certificate of exemption will be issued upon the applicant's filing with the commissioner, an affidavit stating that the applicant does not expect to exceed \$15,000 in gross annual receipts derived from performing services which require licensure under this section during the calendar year in which the affidavit is received. For the purposes of calculating fees under section 326B.092, a certificate of exemption is an entry level license. To renew the exemption in clause (5), the applicant must file an affidavit stating that the applicant did not exceed \$15,000 in gross annual receipts during the past calendar year. If a person, operating under the exemption in clause (5), exceeds \$15,000 in gross receipts during any calendar year, the person must immediately surrender the ~~exemption~~ certificate of exemption and apply for the appropriate license. The person must remain licensed until such time as the person's gross annual receipts during a calendar year fall below \$15,000. The person may then apply for an exemption for the next calendar year.

Sec. 39. Minnesota Statutes 2009 Supplement, section 326B.815, subdivision 1, is amended to read:

Subdivision 1. ~~**Licensing fee Fees.**~~ (a) ~~The licensing fee for persons licensed pursuant to sections 326B.802 to 326B.885, except for manufactured home installers, is \$200 for a two-year period. The~~ For the purposes of calculating fees under section 326B.092, an initial or renewed residential contractor, residential remodeler, or residential roofer license is a business license. Notwithstanding section 326B.092, the licensing fee for manufactured home installers under section 327B.041 is \$300 for a three-year period.

(b) All initial and renewal licenses, except for manufactured home installer licenses, shall be effective for two years and shall expire on March 31 of the year after the year in which the application is made. ~~The license fee for each renewal of a residential contractor, residential remodeler, or residential roofer license shall be \$100 for one year and \$200 for two years.~~

(c) The commissioner shall in a manner determined by the commissioner, without the need for any rulemaking under chapter 14, phase in the renewal of residential contractor, residential remodeler, and residential roofer licenses from one year to two years. By June 30, 2011, all renewed residential contractor, residential remodeler, and residential roofer licenses shall be two-year licenses.

Sec. 40. Minnesota Statutes 2008, section 326B.83, subdivision 1, is amended to read:

Subdivision 1. **Form.** (a) An applicant for a license under sections 326B.802 to 326B.885 must submit an application, under oath and accompanied by the ~~license fee~~ fees required by section ~~326B.815~~ 326B.092, on a form prescribed by the commissioner. ~~Within 30 business days of receiving all required information, the commissioner must act on the license request.~~

(b) If one of the categories in the application does not apply, the applicant must identify the category and state the reason the category does not apply. The commissioner may refuse to issue a license if the application is not complete or contains unsatisfactory information.

Sec. 41. Minnesota Statutes 2008, section 326B.83, subdivision 3, is amended to read:

Subd. 3. **Examination.** (a) Each qualifying person must ~~satisfactorily complete~~ pass a written examination for the type of license requested. The commissioner may establish the examination qualifications, including related education experience and education, the examination procedure, and the examination for each licensing group. The examination must include at a minimum the following areas:

(1) appropriate knowledge of technical terms commonly used and the knowledge of reference materials and code books to be used for technical information; and

(2) understanding of the general principles of business management and other pertinent state laws.

(b) Each examination must be designed for the specified type of license requested.

~~(c) An individual's passing examination results expire two years from the examination date. An individual who passes the examination but does not choose to apply~~

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~~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 326B.821 in the manner required for a qualifying person of a licensee for each license period after the expiration of the examination results.~~

Sec. 42. Minnesota Statutes 2008, section 326B.83, subdivision 6, is amended to read:

Subd. 6. **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 326B.092 to 326B.098 and 326B.802 to 326B.885.

Sec. 43. Minnesota Statutes 2009 Supplement, section 326B.86, subdivision 1, is amended to read:

Subdivision 1. **Bond.** (a) Licensed manufactured home installers and licensed residential roofers must post a biennial 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 biennial 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 \$15,000.

(c) A licensed manufactured home installer must post a bond of at least \$2,500.

Bonds issued under sections 326B.802 to 326B.885 are not state bonds or contracts for purposes of sections 8.05 and 16C.05, subdivision 2.

Sec. 44. Minnesota Statutes 2008, section 326B.865, is amended to read:

326B.865 SIGN CONTRACTOR; BOND.

(a) A sign contractor may post a compliance bond with the commissioner, conditioned that the sign contractor shall faithfully perform duties and comply with laws, ordinances, rules, and contracts entered into for the installation of signs. The bond must be renewed ~~annually~~ biennially and maintained for so long as determined by the

commissioner. 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 annual 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 United States mail.

(b) The amount of the bond shall be \$8,000. The bond may be drawn upon only by a local unit of government that requires sign contractors to post a compliance bond. The bond is in lieu of any compliance bond required by a local unit of government.

(c) For purposes of this section, "sign" means a device, structure, fixture, or placard using graphics, symbols, or written copy that is erected on the premises of an establishment including the name of the establishment or identifying the merchandise, services, activities, or entertainment available on the premises.

Sec. 45. Minnesota Statutes 2008, section 326B.921, subdivision 2, is amended to read:

Subd. 2. **High pressure pipefitting business license.** Before obtaining a permit for high pressure piping work, a person must obtain or utilize a business with a high pressure piping business license.

A person must have at all times as a full-time employee at least one individual holding a contracting high pressure pipefitter competency license. Only full-time employees who hold contracting high pressure pipefitter licenses are authorized to obtain high pressure piping permits in the name of the business. The contracting high pressure pipefitter competency license holder can be the employee of only one high pressure piping business at a time. An application for a high pressure piping business license shall include a verified statement that the applicant or licensee has complied with this subdivision.

To retain its business license without reapplication, a person holding a high pressure piping business license that ceases to employ an individual holding a contracting high pressure pipefitter competency license shall have 60 days from the last day of employment of its previous contracting pipefitter competency license holder to employ another license holder. The department 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 a 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 board shall prescribe by rule procedures for application for and issuance of business licenses.

Sec. 46. Minnesota Statutes 2008, section 326B.921, subdivision 4, is amended to read:

Subd. 4. **Registration with commissioner.** An unlicensed individual may register to assist in the practical construction and installation of high pressure piping and appurtenances while in the employ of a licensed high pressure piping business by completing and submitting to the commissioner a registration form provided by the commissioner, with all fees required by section 326B.092. The board may prescribe rules, not inconsistent with this section, for the registration of unlicensed individuals.

~~An unlicensed individual applying for initial registration shall pay the department an application fee of \$50. Applications for initial registration may be submitted at any time. Registration must be renewed annually and shall be valid for one calendar year beginning January 1. Applications for renewal registration must be submitted to the commissioner before December 31 of each registration period on forms provided by the commissioner, and must be accompanied by a fee of \$50. There shall be no refund of fees paid.~~

Sec. 47. Minnesota Statutes 2008, section 326B.921, subdivision 7, is amended to read:

Subd. 7. **License fee, registration, and renewal fees.** ~~The department shall charge the following license fees:~~

~~(a) application for journeyman high pressure pipefitter competency license, \$120;~~
~~(b) renewal of journeyman high pressure pipefitter competency license, \$80;~~
~~(c) application for contracting high pressure pipefitter competency license, \$270;~~
~~(d) renewal of contracting high pressure pipefitter competency license, \$240;~~
~~(e) application for high pressure piping business license, \$450;~~
~~(f) application to inactivate a contracting high pressure pipefitter competency license or inactivate a journeyman high pressure pipefitter competency license, \$40; and~~
~~(g) renewal of an inactive contracting high pressure pipefitter competency license or inactive journeyman high pressure pipefitter competency license, \$40.~~

~~If an application for renewal of an active or inactive journeyman high pressure pipefitter competency license or active or inactive contracting high pressure pipefitter competency license is received by the department after the date of expiration of the license, a \$30 late renewal fee shall be added to the license renewal fee.~~

~~Payment must accompany the application for a license or renewal of a license. There shall be no refund of fees paid.~~

For purposes of calculating license, registration, and renewal fees required under section 326B.092:

(1) the registration of an unlicensed individual under subdivision 4 is an entry level license;

(2) a journeyman high pressure pipefitter license is a journeyman license;

(3) a contracting high pressure pipefitter license is a master license; and

(4) a high pressure piping business license is a business license.

Sec. 48. Minnesota Statutes 2008, section 326B.922, is amended to read:

326B.922 LICENSE APPLICATION AND RENEWAL.

(a) Application for a contracting high pressure pipefitter competency or, a journeyman high pressure pipefitter competency, or a high pressure piping business license shall be made to the department, with all fees required by section 326B.092.

(b) The applicant for a contracting high pressure pipefitter or a journeyman high pressure pipefitter license shall be licensed only after passing an examination developed and administered by the department in accordance with rules adopted by the board. A competency license issued by the department shall expire on December 31 of each year. A renewal application must be received by the department within one year after expiration of the competency license. A license that has been expired for more than one year cannot be renewed, and can only be reissued if the applicant submits a new application for the competency license, pays a new application fee, and retakes and passes the applicable license examination.

(c) All initial contracting high pressure pipefitter licenses, journeyman high pressure pipefitter licenses, and high pressure piping business licenses are effective for more than one calendar year and expire on December 31 of the year after the year in which the application is made. The commissioner shall in a manner determined by the commissioner, without the need for any rulemaking under chapter 14, phase in the renewal of contracting high pressure pipefitter, journeyman high pressure pipefitter, and high pressure piping business licenses from one year to two years. By June 30, 2012, all such licenses shall be two-year licenses.

Sec. 49. Minnesota Statutes 2009 Supplement, section 326B.94, subdivision 4, is amended to read:

Subd. 4. Examinations, licensing. Every individual that operates a boat must hold a current master's license issued by the commissioner, unless the individual holds a valid, current Charter Boat Captain's license issued by the United States Coast Guard. The commissioner shall develop and administer an examination for all masters of boats carrying passengers for hire on the inland waters of the state as to their qualifications and fitness. If found qualified and competent to perform their duties as a master of a boat carrying passengers for hire, they shall be issued a license authorizing them to act as such

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on the inland waters of the state. All initial master's licenses shall be for two years. The commissioner shall in a manner determined by the commissioner, without the need for any rulemaking under chapter 14, phase in the renewal of master's licenses from one year to two years. By June 30, 2011, all renewed master's licenses shall be two-year licenses. Fees for the original issue and renewal of the license authorized under this section shall be pursuant to section ~~326B.986, subdivision 2~~ 326B.092.

Sec. 50. Minnesota Statutes 2008, section 326B.978, subdivision 2, is amended to read:

Subd. 2. **Applications.** Any individual who desires an engineer's license shall submit an application on a written or electronic form prescribed by the commissioner, ~~at least 15 days before the requested exam date. If the commissioner approves the applicant for examination, the applicant may take the examination on one occasion within one year from the date the commissioner receives the application~~ with all fees required by section 326B.092.

Sec. 51. Minnesota Statutes 2008, section 326B.978, is amended by adding a subdivision to read:

Subd. 19. **Applicability.** This section shall not apply to traction or hobby boiler engineer's licenses or provisional licenses.

Sec. 52. Minnesota Statutes 2009 Supplement, section 326B.986, subdivision 5, is amended to read:

Subd. 5. **Boiler engineer license fees.** ~~(a) For the following licenses, the nonrefundable license and application fee is:~~

~~(1) chief engineer's license, \$70;~~

~~(2) first class engineer's license, \$70;~~

~~(3) second class engineer's license, \$70;~~

~~(4) special engineer's license, \$40;~~

~~(5) traction or hobby boiler engineer's license, \$50; and~~

~~(6) provisional license, \$50.~~

~~(b) An engineer's license, except a provisional license, may be renewed upon application and payment of a renewal fee of \$20 for one year or \$40 for two years. If the renewal fee is paid later than 30 days after expiration, then a late fee of \$15 will be added to the renewal fee.~~

(a) For purposes of calculating license fees and renewal license fees required under section 326B.092:

50.1 (1) the boiler special engineer license is an entry level license;

50.2 (2) the following licenses are journeyman licenses: first class engineer, Grade A;
50.3 first class engineer, Grade B; first class engineer, Grade C; second class engineer, Grade
50.4 A; second class engineer, Grade B; second class engineer, Grade C; and provisional
50.5 license; and

50.6 (3) the following licenses are master licenses: boiler chief engineer, Grade A; boiler
50.7 chief engineer, Grade B; boiler chief engineer, Grade C; boiler commissioner inspector; or
50.8 traction or hobby boiler engineer.

50.9 (b) Notwithstanding section 326B.092, subdivision 7, paragraph (a), the license
50.10 duration for steam traction and hobby engineer licenses are one year only for the purpose
50.11 of calculating license fees under section 326B.092, subdivision 7, paragraph (b).

50.12 Sec. 53. Minnesota Statutes 2008, section 327B.04, subdivision 2, is amended to read:

50.13 Subd. 2. **Subagency licenses.** Any dealer who has a place of business at more than
50.14 one location shall designate one location as its principal place of business, one name as its
50.15 principal name, and all other established places of business as subagencies. A subagency
50.16 license shall be required for each subagency. Subagency license renewal must coincide
50.17 with the principal license date. No dealer shall do business as a dealer under any other
50.18 name than the name on its license.

50.19 Sec. 54. Minnesota Statutes 2009 Supplement, section 327B.04, subdivision 7, is
50.20 amended to read:

50.21 Subd. 7. **Licenses; ~~when granted~~ renewal.** In addition to the requirements of this
50.22 section, each application for a license or license renewal must be accompanied by a fee in
50.23 an amount established by subdivision 7a all applicable fees required by section 326B.092.
50.24 The fees shall be set in an amount which over the fiscal biennium will produce revenues
50.25 approximately equal to the expenses which the commissioner expects to incur during that
50.26 fiscal biennium while administering and enforcing sections 327B.01 to 327B.12. ~~The~~
50.27 ~~commissioner shall grant or deny a license application or a renewal application within 60~~
50.28 ~~days of its filing.~~ If the license is granted, the commissioner shall license the applicant as a
50.29 dealer or manufacturer for the remainder of the licensure period. Upon application by the
50.30 licensee, the commissioner shall renew the license for a two-year period, if:

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

50.32 (2) the renewal applicant has made all listings, registrations, notices and reports
50.33 required by the commissioner during the preceding licensure period; and

51.1 (3) the renewal applicant has paid all fees owed pursuant to sections 327B.01 to
51.2 327B.12 and all taxes, arrearages, and penalties owed to the state.

51.3 Sec. 55. Minnesota Statutes 2009 Supplement, section 327B.04, subdivision 7a,
51.4 is amended to read:

51.5 Subd. 7a. **Fees.** (a) Fees for licenses issued pursuant to this section ~~are as follows:~~
51.6 shall be calculated pursuant to section 326B.092.

51.7 ~~(1) initial dealer license for principal location, \$400. Fee is not refundable;~~

51.8 ~~(2) initial dealer license for subagency location, \$80;~~

51.9 ~~(3) dealer license biennial renewal, principal location, \$400; dealer subagency~~
51.10 ~~location biennial renewal, \$160. Subagency license renewal must coincide with the~~
51.11 ~~principal license date;~~

51.12 ~~(4) initial limited dealer license, \$200;~~

51.13 ~~(5) change of bonding company, \$10;~~

51.14 ~~(6) reinstatement of bond after cancellation notice has been received, \$10;~~

51.15 ~~(7) checks returned without payment, \$15; and~~

51.16 ~~(8) change of address, \$10.~~

51.17 (b) All initial limited dealer licenses shall be effective for more than one calendar
51.18 year and shall expire on December 31 of the year after the year in which the application
51.19 is made.

51.20 (c) ~~The license fee for each renewed limited dealer license shall be \$100 for one year~~
51.21 ~~and \$200 for two years. For the purposes of calculating fees under section 326B.092, any~~
51.22 license issued under this section is a business license, except that a subagency license is a
51.23 master license. The commissioner shall in a manner determined by the commissioner,
51.24 without the need for any rulemaking under chapter 14, phase in the renewal of limited
51.25 dealer licenses from one year to two years. By June 30, 2011, all renewed limited dealer
51.26 licenses shall be two-year licenses.

51.27 ~~(d) All fees are not refundable.~~

51.28 Sec. 56. Minnesota Statutes 2009 Supplement, section 327B.04, subdivision 8, is
51.29 amended to read:

51.30 Subd. 8. **Limited dealer's license.** The commissioner shall issue a limited dealer's
51.31 license to an owner of a manufactured home park authorizing the licensee as principal
51.32 only to engage in the sale, offering for sale, soliciting, or advertising the sale of used
51.33 manufactured homes located in the owned manufactured home park. The licensee must be
51.34 the title holder of the homes and may engage in no more than ten sales during each year of

the two-year licensure period. 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 20 homes per license period 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;
 - (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 the license fee established by subdivision 7a; 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 the renewal ~~fee fees~~ established by ~~subdivision 7a~~ section 326B.092. "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.

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

53.4 Sec. 57. Minnesota Statutes 2009 Supplement, section 327B.041, is amended to read:

53.5 **327B.041 MANUFACTURED HOME INSTALLERS.**

53.6 (a) Manufactured home installers are subject to all of the fees in section 326B.092
53.7 and the requirements of sections 326B.802 to 326B.885, except for the following:

53.8 (1) manufactured home installers are not subject to the continuing education
53.9 requirements of section 326B.821, but are subject to the continuing education requirements
53.10 established in rules adopted under section 327B.10;

53.11 (2) the examination requirement of section 326B.83, subdivision 3, for manufactured
53.12 home installers shall be satisfied by successful completion of a written examination
53.13 administered and developed specifically for the examination of manufactured home
53.14 installers. The examination must be administered and developed by the commissioner. The
53.15 commissioner and the state building official shall seek advice on the grading, monitoring,
53.16 and updating of examinations from the Minnesota Manufactured Housing Association;

53.17 (3) a local government unit may not place a surcharge on a license fee, and may not
53.18 charge a separate fee to installers;

53.19 (4) a dealer or distributor who does not install or repair manufactured homes is
53.20 exempt from licensure under sections 326B.802 to 326B.885;

53.21 (5) the exemption under section 326B.805, subdivision 6, clause (5), does not
53.22 apply; and

53.23 (6) manufactured home installers are not subject to the contractor recovery fund
53.24 in section 326B.89.

53.25 (b) The commissioner may waive all or part of the requirements for licensure
53.26 as a manufactured home installer for any individual who holds an unexpired license or
53.27 certificate issued by any other state or other United States jurisdiction if the licensing
53.28 requirements of that jurisdiction meet or exceed the corresponding licensing requirements
53.29 of the department and the individual complies with section 326B.092, subdivisions 1
53.30 and 3 to 7. For the purposes of calculating fees under section 326B.092, licensure as a
53.31 manufactured home installer is a business license.

53.32 Sec. 58. **REVISOR'S INSTRUCTION.**

53.33 In Minnesota Rules, the Revisor of Statutes shall change all references to Minnesota
53.34 Rules, part 1350.8300 to Minnesota Statutes, section 327B.04.

54.1 Sec. 59. **REPEALER.**

54.2 (a) Minnesota Statutes 2008, sections 326B.133, subdivisions 9 and 10; 326B.37,
54.3 subdivision 13; 326B.475, subdivisions 5 and 6; 326B.56, subdivision 3; 326B.885,
54.4 subdivisions 3 and 4; and 326B.976, are repealed.

54.5 (b) Minnesota Statutes 2009 Supplement, section 326B.56, subdivision 4, is repealed.

54.6 (c) Minnesota Rules, parts 1301.0500; 1301.0900; 1301.1100, subparts 2, 3, and 4;
54.7 1350.7200, subpart 3; and 1350.8000, subpart 2, are repealed.

54.8 Sec. 60. **EFFECTIVE DATE.**

54.9 Sections 1 to 59 are effective January 1, 2012.