

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 729

02/20/2013 Authored by Mahoney

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration

02/28/2013 Adoption of Report: Pass and re-referred to the Committee on Jobs and Economic Development Finance and Policy

04/08/2013 Adoption of Report: Pass as Amended and re-referred to the Committee on Ways and Means

04/10/2013 Adoption of Report: Pass as Amended and Read Second Time

A bill for an act

1.1 relating to state government; appropriating money for jobs and economic
 1.2 development, commerce and consumer protection, and housing; making
 1.3 changes to labor and industry provisions; modifying and providing for
 1.4 certain fees; modifying employment, economic development, and workforce
 1.5 development provisions; making unemployment insurance changes; reducing
 1.6 the unemployment insurance tax; establishing notice for contracts for deed
 1.7 involving residential property; providing remedies; establishing the Office of
 1.8 Broadband Development in the Department of Commerce and assigning it duties;
 1.9 requiring the Department of Transportation to post a database on its Web site;
 1.10 appropriating money to various boards, departments, and the Housing Finance
 1.11 Agency; requiring reports; amending Minnesota Statutes 2012, sections 60A.14,
 1.12 subdivision 1; 116J.70, subdivision 2a; 116J.8731, subdivisions 2, 3, 8, 9;
 1.13 116L.17, subdivision 4, by adding a subdivision; 116U.26; 136F.37; 154.001, by
 1.14 adding a subdivision; 154.003; 154.02; 154.05; 154.06; 154.065, subdivision 2;
 1.15 154.07, subdivision 1; 154.08; 154.09; 154.10, subdivision 1; 154.11, subdivision
 1.16 1; 154.12; 154.14; 154.15, subdivision 2; 154.26; 155A.23, subdivisions 3, 8, 11;
 1.17 155A.25, subdivisions 1a, 4; 155A.27, subdivisions 4, 10; 155A.29, subdivision
 1.18 2; 155A.30, by adding a subdivision; 177.27, subdivision 4; 237.012, subdivision
 1.19 3; 239.101, subdivision 3; 245.4712, subdivision 1; 268.051, subdivision 5;
 1.20 268.07, subdivision 3b; 268.125, subdivisions 1, 3, 4, 5; 268.136, subdivisions
 1.21 1, 2, 3, 4, 5, by adding a subdivision; 268.199; 268.23; 268A.13; 268A.14,
 1.22 subdivision 1; 326.02, subdivision 5; 326A.04, subdivisions 2, 3, 5, 7; 326A.10;
 1.23 326B.081, subdivision 3; 326B.082, subdivision 11; 326B.093, subdivision 4;
 1.24 326B.101; 326B.103, subdivision 11; 326B.121, subdivision 1; 326B.163, by
 1.25 adding subdivisions; 326B.184, subdivisions 1, 2, by adding a subdivision;
 1.26 326B.187; 326B.31, by adding a subdivision; 326B.33, subdivisions 19, 21;
 1.27 326B.36, subdivision 7; 326B.37, by adding a subdivision; 326B.43, subdivision
 1.28 2; 326B.49, subdivisions 2, 3; 326B.89, subdivision 1; 327B.04, subdivision
 1.29 4; 341.21, subdivision 3a; 341.221; 341.27; 341.29; 341.30, subdivision 4;
 1.30 341.32, subdivision 2; 341.321; 507.235, subdivision 2; 559.211, subdivision
 1.31 2; Laws 2011, First Special Session chapter 2, article 2, section 3, subdivision
 1.32 4; Laws 2012, chapter 201, article 1, section 3; proposing coding for new law
 1.33 in Minnesota Statutes, chapters 116J; 116L; 154; 155A; 161; 179; 237; 268;
 1.34 326B; 383D; 559; proposing coding for new law as Minnesota Statutes, chapter
 1.35 80G; repealing Minnesota Statutes 2012, sections 116W.01; 116W.02; 116W.03;
 1.36 116W.035; 116W.04; 116W.05; 116W.06; 116W.20; 116W.21; 116W.23;
 1.37 116W.24; 116W.25; 116W.26; 116W.27; 116W.28; 116W.29; 116W.30; 116W.31;
 1.38 116W.32; 116W.33; 116W.34; 155A.25, subdivision 1; 326A.03, subdivisions
 1.39

2.1 2, 5, 8; 326B.31, subdivisions 18, 19, 22; 326B.978, subdivision 4; 507.235,
 2.2 subdivision 4; Minnesota Rules, parts 1105.0600; 1105.2550; 1105.2700;
 2.3 1307.0032; 3800.3520, subpart 5, items C, D; 3800.3602, subpart 2, item B.

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

2.5 **ARTICLE 1**

2.6 **APPROPRIATIONS**

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

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

	<u>2014</u>	<u>2015</u>	<u>Total</u>
2.10 <u>General</u>	\$ 77,899,000	\$ 75,301,000	\$ 153,200,000
2.11 <u>Workforce Development</u>	17,476,000	17,476,000	34,952,000
2.12 <u>Remediation</u>	700,000	700,000	1,400,000
2.13 <u>Workers' Compensation</u>	22,784,000	22,574,000	45,358,000
2.14 <u>Total</u>	\$ 118,859,000	\$ 116,051,000	\$ 234,910,000

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

2.17 The sums shown in the columns marked "Appropriations" are appropriated to the
 2.18 agencies and for the purposes specified in this article. The appropriations are from the
 2.19 general fund, or another named fund, and are available for the fiscal years indicated
 2.20 for each purpose. The figures "2014" and "2015" used in this article mean that the
 2.21 appropriations listed under them are available for the fiscal year ending June 30, 2014, or
 2.22 June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal
 2.23 year 2015. "The biennium" is fiscal years 2014 and 2015.

2.24 **APPROPRIATIONS**
 2.25 **Available for the Year**
 2.26 **Ending June 30**
 2.27 **2014** **2015**

2.28 Sec. 3. **DEPARTMENT OF EMPLOYMENT**
 2.29 **AND ECONOMIC DEVELOPMENT**

2.30 Subdivision 1. **Total Appropriation** \$ **87,788,000** \$ **86,255,000**

2.31 Appropriations by Fund

	<u>2014</u>	<u>2015</u>
2.32 <u>General</u>	70,641,000	69,108,000
2.33 <u>Remediation</u>	700,000	700,000
2.34 <u>Workforce</u>		
2.35 <u>Development</u>	16,447,000	16,447,000

3.1 The amounts that may be spent for each
 3.2 purpose are specified in the following
 3.3 subdivisions.

3.4 Subd. 2. **Business and Community**
 3.5 **Development**

36,590,000

35,610,000

3.6 Appropriations by Fund

3.7 General 35,890,000 34,910,000

3.8 Remediation 700,000 700,000

3.9 (a)(1) \$10,000,000 each year is for
 3.10 the Minnesota investment fund under
 3.11 Minnesota Statutes, section 116J.8731.
 3.12 This appropriation is available until spent.
 3.13 The base funding for this appropriation is
 3.14 \$13,750,000 each year in the fiscal year
 3.15 2016-2017 biennium.

3.16 (2) Of the amount available under clause
 3.17 (1), up to \$3,000,000 in fiscal year 2014
 3.18 is for a loan to facilitate initial investment
 3.19 in the purchase and operation of a
 3.20 biopharmaceutical manufacturing facility.
 3.21 This loan is not subject to the loan limitations
 3.22 under Minnesota Statutes, section 116J.8731,
 3.23 and shall be forgiven by the commissioner
 3.24 of employment and economic development
 3.25 upon verification of meeting performance
 3.26 goals. Purchases related to and for the
 3.27 purposes of this loan award must be made
 3.28 between January 1, 2013, and June 30, 2015.

3.29 The amount under this clause is available
 3.30 until expended.

3.31 (3) Of the amount available under clause (1),
 3.32 up to \$2,000,000 is available for subsequent
 3.33 investment in the biopharmaceutical facility
 3.34 project in clause (2). The amount under this
 3.35 clause is available until expended. Loan
 3.36 thresholds under clause (2) must be achieved

4.1 and maintained to receive funding. Loans
4.2 are not subject to the loan limitations under
4.3 Minnesota Statutes, section 116J.8731, and
4.4 shall be forgiven by the commissioner of
4.5 employment and economic development
4.6 upon verification of meeting performance
4.7 goals. Purchases related to and for the
4.8 purposes of loan awards must be made during
4.9 the biennium the loan was received.

4.10 (4) Notwithstanding any law to the contrary,
4.11 the biopharmaceutical manufacturing facility
4.12 in this paragraph shall be deemed eligible
4.13 for the Minnesota job creation fund under
4.14 Minnesota Statutes, section 116J.8748.

4.15 (5) For purposes of clauses (1) to (4),
4.16 "biopharmaceutical" and "biologics" are
4.17 interchangeable and mean medical drugs
4.18 or medicinal preparations produced using
4.19 technology that uses biological systems,
4.20 living organisms, or derivatives of living
4.21 organisms, to make or modify products or
4.22 processes for specific use. The medical drugs
4.23 or medicinal preparations include but are not
4.24 limited to proteins, antibodies, nucleic acids,
4.25 and vaccines.

4.26 (b) \$6,000,000 the first year and \$12,500,000
4.27 the second year are for the Minnesota job
4.28 creation fund under Minnesota Statutes,
4.29 section 116J.8748. Of this amount, the
4.30 commissioner of employment and economic
4.31 development may use up to three percent for
4.32 administrative expenses. This appropriation
4.33 is available until spent.

4.34 (c) \$1,272,000 the first year and \$1,272,000
4.35 the second year are from the general fund for

5.1 contaminated site cleanup and development
5.2 grants under Minnesota Statutes, sections
5.3 116J.551 to 116J.558.

5.4 (d) \$700,000 the first year and \$700,000 the
5.5 second year are from the remediation fund for
5.6 contaminated site cleanup and development
5.7 grants under Minnesota Statutes, sections
5.8 116J.551 to 116J.558. This appropriation is
5.9 available until expended.

5.10 (e) \$1,425,000 the first year and \$1,425,000
5.11 the second year are from the general fund for
5.12 the business development competitive grant
5.13 program. Of this amount, up to five percent
5.14 is for administration and monitoring of the
5.15 business development competitive grant
5.16 program. All grant awards shall be for two
5.17 consecutive years. Grants shall be awarded
5.18 in the first year.

5.19 (f) \$5,320,000 each year is from the general
5.20 fund for the Minnesota job skills partnership
5.21 program under Minnesota Statutes, sections
5.22 116L.01 to 116L.17. If the appropriation for
5.23 either year is insufficient, the appropriation
5.24 for the other year is available. This
5.25 appropriation is available until spent.

5.26 The general fund base for this program
5.27 is \$4,195,000 each year in the fiscal year
5.28 2016-2017 biennium.

5.29 (g) \$5,580,000 the first year is from the
5.30 general fund for grants under Minnesota
5.31 Statutes, section 116J.571, for the
5.32 redevelopment program. This is a onetime
5.33 appropriation and is available until spent.

5.34 (h) \$1,900,000 the first year is from the
5.35 general fund for a onetime grant to the

6.1 Minnesota Film and TV Board for the film
 6.2 production jobs program under Minnesota
 6.3 Statutes, section 116U.26. This appropriation
 6.4 is available until expended.

6.5 (i) \$375,000 each year is from the general
 6.6 fund for a grant to Enterprise Minnesota, Inc.,
 6.7 for the small business growth acceleration
 6.8 program under Minnesota Statutes, section
 6.9 116O.115. This is a onetime appropriation.

6.10 (j) \$200,000 each year is from the general
 6.11 fund for a grant to develop and implement
 6.12 a southern and southwestern Minnesota
 6.13 initiative foundation collaborative pilot
 6.14 project. Funds available under this paragraph
 6.15 must be used to support and develop
 6.16 entrepreneurs in diverse populations in
 6.17 southern and southwestern Minnesota. This
 6.18 is a onetime appropriation and is available
 6.19 until expended.

6.20 (k) \$100,000 each year is from the general
 6.21 fund for the Center for Rural Policy
 6.22 and Development. This is a onetime
 6.23 appropriation.

6.24 **Subd. 3. Workforce Development** 14,726,000 14,108,000

	<u>Appropriations by Fund</u>	
6.25		
6.26	<u>General</u>	<u>5,134,000</u>
		<u>4,516,000</u>
6.27	<u>Workforce</u>	
6.28	<u>Development</u>	<u>9,592,000</u>
		<u>9,592,000</u>

6.29 (a) \$1,039,000 each year from the general
 6.30 fund and \$2,244,000 each year from the
 6.31 workforce development fund are for the adult
 6.32 workforce development competitive grant
 6.33 program. Of this amount, up to five percent
 6.34 is for administration and monitoring of the
 6.35 adult workforce development competitive

7.1 grant program. All grant awards shall be
7.2 for two consecutive years. Grants shall be
7.3 awarded in the first year.

7.4 (b) \$3,500,000 each year is from the
7.5 workforce development fund for the
7.6 Minnesota youth program under Minnesota
7.7 Statutes, sections 116L.56 and 116L.561.

7.8 (c) \$1,000,000 each year is from the
7.9 workforce development fund for the
7.10 youthbuild program under Minnesota
7.11 Statutes, sections 116L.361 to 116L.366.

7.12 (d) \$570,000 each year is from the general
7.13 fund and \$2,848,000 each year is from the
7.14 workforce development fund for the youth
7.15 workforce development competitive grant
7.16 program. Of this amount, up to five percent
7.17 is for administration and monitoring of the
7.18 youth workforce development competitive
7.19 grant program. All grant awards shall be
7.20 for two consecutive years. Grants shall be
7.21 awarded in the first year.

7.22 (e) \$2,500,000 each year is from the
7.23 general fund for a grant to the Minnesota
7.24 FastTRAC program. Up to ten percent
7.25 of this appropriation may be used to
7.26 provide leadership, oversight, and technical
7.27 assistance services. The base funding for this
7.28 program shall be \$2,225,000 each year in the
7.29 fiscal year 2016-2017 biennium.

7.30 (f) \$507,000 the first year and \$407,000 the
7.31 second year are from the general fund for a
7.32 grant to the Minnesota High Tech Association
7.33 to support SciTechsperience, a program that
7.34 supports science, technology, engineering,
7.35 and math (STEM) internship opportunities

8.1 for two- and four-year college and university
8.2 students in their field of study. The internship
8.3 opportunities must match students with
8.4 paid internships within STEM disciplines
8.5 at small, for-profit companies located in the
8.6 seven-county metropolitan area, with fewer
8.7 than 150 total employees, or at small or
8.8 medium, for-profit companies located outside
8.9 of the seven-county metropolitan area, with
8.10 fewer than 250 total employees. At least 125
8.11 students must be matched in the first year
8.12 and at least 175 students must be matched in
8.13 the second year. Selected hiring companies
8.14 shall receive from the grant 50 percent of the
8.15 wages paid to the intern, capped at \$2,500
8.16 per intern. Of this appropriation, at least 50
8.17 percent of the student interns must be women
8.18 or other underserved populations. This is a
8.19 onetime appropriation and is available until
8.20 expended.

8.21 (g) \$450,000 the first year is from the general
8.22 fund for the foreign-trained health care
8.23 professionals grant program modeled after
8.24 the pilot program conducted under Laws
8.25 2006, chapter 282, article 11, section 2,
8.26 subdivision 12, to encourage state licensure
8.27 of foreign-trained health care professionals,
8.28 including: physicians, with preference given
8.29 to primary care physicians who commit
8.30 to practicing for at least five years after
8.31 licensure in underserved areas of the state;
8.32 nurses; dentists; pharmacists; mental health
8.33 professionals; and other allied health care
8.34 professionals. The commissioner must
8.35 collaborate with health-related licensing
8.36 boards and Minnesota workforce centers to

9.1 award grants to foreign-trained health care
9.2 professionals sufficient to cover the actual
9.3 costs of taking a course to prepare health
9.4 care professionals for required licensing
9.5 examinations and the fee for the state
9.6 licensing examinations. When awarding
9.7 grants, the commissioner must consider the
9.8 following factors:

9.9 (1) whether the recipient's training involves
9.10 a medical specialty that is in high demand in
9.11 one or more communities in the state;

9.12 (2) whether the recipient commits to
9.13 practicing in a designated rural area or an
9.14 underserved urban community, as defined in
9.15 Minnesota Statutes, section 144.1501;

9.16 (3) whether the recipient's language skills
9.17 provide an opportunity for needed health care
9.18 access for underserved Minnesotans; and

9.19 (4) any additional criteria established
9.20 by the commissioner. This is a onetime
9.21 appropriation and is available until expended.

9.22 (h) \$68,000 the first year from the general
9.23 fund is for a grant to Olmsted County for
9.24 employment supports and independent
9.25 living services to county residents diagnosed
9.26 with high-functioning autism, Asperger's
9.27 syndrome, nonverbal learning disorders,
9.28 and pervasive development disorder, not
9.29 otherwise specified, and for education,
9.30 outreach, and support services to area
9.31 employers to encourage the hiring and
9.32 promotion of workers with high-functioning
9.33 autism, Asperger's syndrome, nonverbal
9.34 learning disorders, and pervasive
9.35 development disorder, not otherwise

10.1 specified. This is a onetime appropriation
 10.2 and is available until expended.

10.3 **Subd. 4. General Support Services** 1,509,000 1,604,000

10.4 (a) \$150,000 each year is from the general
 10.5 fund for the cost-of-living study required
 10.6 under Minnesota Statutes, section 116J.013.

10.7 (b) \$250,000 each year is from the general
 10.8 fund for the publication, dissemination,
 10.9 and use of labor market information under
 10.10 Minnesota Statutes, section 116J.4011.

10.11 **Subd. 5. Minnesota Trade Office** 2,322,000 2,292,000

10.12 (a) \$330,000 in fiscal year 2014 and \$300,000
 10.13 in fiscal year 2015 are for the STEP grants
 10.14 in Minnesota Statutes, section 116J.979. Of
 10.15 the fiscal year 2014 appropriation, \$30,000
 10.16 is for establishing trade and export relations
 10.17 between the state of Minnesota and east
 10.18 African nations.

10.19 (b) \$180,000 in fiscal year 2014 and
 10.20 \$180,000 in fiscal year 2015 are for the Invest
 10.21 Minnesota marketing initiative in Minnesota
 10.22 Statutes, section 116J.9801. Notwithstanding
 10.23 any other law, this provision does not expire.

10.24 (c) \$270,000 each year is from the general
 10.25 fund for the expansion of Minnesota Trade
 10.26 Offices under Minnesota Statutes, section
 10.27 116J.978.

10.28 (d) \$50,000 each year is from the general
 10.29 fund for the trade policy advisory group
 10.30 under Minnesota Statutes, section 116J.9661.

10.31 (e) The commissioner of employment and
 10.32 economic development, in consultation
 10.33 with the commissioner of agriculture, shall

11.1 identify and increase export opportunities for
 11.2 Minnesota agricultural products.

11.3 **Subd. 6. Vocational Rehabilitation** 26,716,000 26,716,000

	<u>Appropriations by Fund</u>	
11.4		
11.5	<u>General</u>	<u>19,861,000</u>
11.6	<u>Workforce</u>	
11.7	<u>Development</u>	<u>6,855,000</u>

11.8 (a) \$10,800,000 each year is from the general
 11.9 fund for the state's vocational rehabilitation
 11.10 program under Minnesota Statutes, chapter
 11.11 268A.

11.12 (b) \$2,261,000 each year is from the general
 11.13 fund for grants to centers for independent
 11.14 living under Minnesota Statutes, section
 11.15 268A.11.

11.16 (c) \$5,245,000 each year from the general
 11.17 fund and \$6,830,000 each year from the
 11.18 workforce development fund are for extended
 11.19 employment services for persons with severe
 11.20 disabilities under Minnesota Statutes, section
 11.21 268A.15.

11.22 (d) \$1,555,000 each year is from the general
 11.23 fund for grants to programs that provide
 11.24 employment support services to persons with
 11.25 mental illness under Minnesota Statutes,
 11.26 sections 268A.13 and 268A.14.

11.27 (e) \$25,000 each year is from the workforce
 11.28 development fund for grants to programs
 11.29 that provide employment support services to
 11.30 persons with mental illness under Minnesota
 11.31 Statutes, sections 268A.13 and 268A.14.

11.32 At least 50 percent of the funding must be
 11.33 used for projects that use the evidence-based
 11.34 practice of individual placement and
 11.35 supports. Grants may be used for special

12.1	<u>projects for young people with mental</u>		
12.2	<u>illness transitioning from school to work or</u>		
12.3	<u>experiencing a first psychotic episode.</u>		
12.4	<u>Subd. 7. Services for the Blind</u>	<u>5,925,000</u>	<u>5,925,000</u>
12.5	<u>Subd. 8. Competitive grant limitations.</u>		
12.6	<u>An organization that receives a direct</u>		
12.7	<u>appropriation under this section is not eligible</u>		
12.8	<u>to participate in competitive grant programs</u>		
12.9	<u>under this section during the fiscal years in</u>		
12.10	<u>which the direct appropriations are received.</u>		
12.11	<u>Sec. 4. DEPARTMENT OF LABOR AND</u>		
12.12	<u>INDUSTRY</u>		
12.13	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 23,859,000</u>	<u>\$ 22,948,000</u>
12.14	<u>Appropriations by Fund</u>		
12.15	<u>2014</u>	<u>2015</u>	
12.16	<u>General</u>	<u>1,959,000</u>	<u>1,048,000</u>
12.17	<u>Workers'</u>		
12.18	<u>Compensation</u>	<u>20,871,000</u>	<u>20,871,000</u>
12.19	<u>Workforce</u>		
12.20	<u>Development</u>	<u>1,029,000</u>	<u>1,029,000</u>
12.21	<u>The amounts that may be spent for each</u>		
12.22	<u>purpose are specified in the following</u>		
12.23	<u>subdivisions.</u>		
12.24	<u>Subd. 2. Workers' Compensation</u>	<u>10,678,000</u>	<u>10,678,000</u>
12.25	<u>This appropriation is from the workers'</u>		
12.26	<u>compensation fund.</u>		
12.27	<u>\$200,000 each year is for grants to the</u>		
12.28	<u>Vinland Center for rehabilitation services.</u>		
12.29	<u>Grants shall be distributed as the department</u>		
12.30	<u>refers injured workers to the Vinland Center</u>		
12.31	<u>for rehabilitation services.</u>		
12.32	<u>Subd. 3. Labor Standards and Apprenticeship</u>	<u>2,988,000</u>	<u>2,077,000</u>

13.1	<u>Appropriations by Fund</u>		
13.2	<u>General</u>	<u>1,959,000</u>	<u>1,048,000</u>
13.3	<u>Workforce</u>		
13.4	<u>Development</u>	<u>1,029,000</u>	<u>1,029,000</u>

- 13.5 (a) \$816,000 each year is from the
 13.6 general fund for the labor standards and
 13.7 apprenticeship program.
- 13.8 (b) \$150,000 each year is from the general
 13.9 fund for a child labor initiative for expanding
 13.10 education and outreach to high schools and
 13.11 targeted industries to ensure minors entering
 13.12 the workforce are safe.
- 13.13 (c) \$879,000 each year is appropriated from
 13.14 the workforce development fund for the
 13.15 apprenticeship program under Minnesota
 13.16 Statutes, chapter 178, and includes \$100,000
 13.17 for labor education and advancement
 13.18 program grants and to expand and promote
 13.19 registered apprenticeship training in
 13.20 nonconstruction trade programs.
- 13.21 (d) \$150,000 each year is appropriated
 13.22 from the workforce development fund for
 13.23 prevailing wage enforcement.
- 13.24 (e) \$70,000 in the second year is from
 13.25 the general fund for implementing and
 13.26 administering a minimum wage inflation
 13.27 adjustment. This appropriation is available
 13.28 only if a law is enacted in 2013 that includes
 13.29 an automatic inflation adjustment to the state
 13.30 minimum wage. The availability of this
 13.31 appropriation is effective in the same fiscal
 13.32 year that the inflation adjustment is first
 13.33 effective.
- 13.34 (f) \$987,000 in fiscal year 2014 is
 13.35 appropriated from the general fund to the

14.1 commissioner of labor and industry for
 14.2 the purposes of the job-based education
 14.3 and apprenticeship program (JEAP) for
 14.4 manufacturing industries under article 2.

14.5 This appropriation is available until spent.

14.6 Of this appropriation:

14.7 (1) \$330,000 is for the commissioner of labor
 14.8 and industry to implement JEAP; and

14.9 (2) \$657,000 is for transfer to the Board of
 14.10 Trustees of the Minnesota State Colleges
 14.11 and Universities for grants to administer the
 14.12 JEAP related instruction component, to be
 14.13 dispersed as follows:

14.14 (i) \$187,000 is for Alexandria Technical and
 14.15 Community College's Customized Training
 14.16 Center;

14.17 (ii) \$380,000 is for Century College;

14.18 (iii) \$45,000 is for Hennepin Technical
 14.19 College; and

14.20 (iv) \$45,000 is for Central Lakes College.

14.21 Subd. 4. **Workplace Safety** 4,154,000 4,154,000

14.22 This appropriation is from the workers'
 14.23 compensation fund.

14.24 Subd. 5. **General Support** 6,039,000 6,039,000

14.25 This appropriation is from the workers'
 14.26 compensation fund.

14.27 Sec. 5. **BUREAU OF MEDIATION**
 14.28 **SERVICES** \$ 2,140,000 \$ 2,056,000

14.29 (a) \$68,000 each year is for grants to area
 14.30 labor management committees. Grants may
 14.31 be awarded for a 12-month period beginning
 14.32 July 1 each year. Any unencumbered balance

15.1 remaining at the end of the first year does not
 15.2 cancel but is available for the second year.

15.3 (b) \$100,000 in fiscal year 2014 is
 15.4 appropriated from the general fund to the
 15.5 Bureau of Mediation Services for transfer
 15.6 to the Office of Enterprise Technology to
 15.7 develop a new business management system
 15.8 for case and document management. This is
 15.9 a onetime appropriation and is available for
 15.10 spending until June 30, 2015. Any ongoing
 15.11 information technology support or costs for
 15.12 this application will be incorporated into the
 15.13 service level agreement and will be paid to
 15.14 the Office of Enterprise Technology by the
 15.15 Bureau of Mediation Services under the rates
 15.16 and mechanism specified in that agreement.

15.17 (c) \$256,000 each year is from the general
 15.18 fund for the Office of Collaboration and
 15.19 Dispute Resolution under Minnesota
 15.20 Statutes, section 179.90. Of this amount,
 15.21 \$160,000 each year is for grants under
 15.22 Minnesota Statutes, section 179.91, and
 15.23 \$96,000 each year is for intergovernmental
 15.24 and public policy collaboration and operation
 15.25 of the office.

15.26 (d) The bureau's general fund base
 15.27 is \$2,085,000 in fiscal year 2016 and
 15.28 \$2,089,000 in fiscal year 2017.

15.29	Sec. 6. <u>BOARD OF ACCOUNTANCY</u>	<u>\$</u>	<u>708,000</u>	<u>\$</u>	<u>624,000</u>
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15.30	Sec. 7. <u>BOARD OF ARCHITECTURE,</u>				
15.31	<u>ENGINEERING, LAND SURVEYING,</u>				
15.32	<u>LANDSCAPE ARCHITECTURE,</u>				
15.33	<u>GEOSCIENCE, AND INTERIOR DESIGN</u>	<u>\$</u>	<u>778,000</u>	<u>\$</u>	<u>783,000</u>

15.34	Sec. 8. <u>BOARD OF COSMETOLOGIST</u>				
15.35	<u>EXAMINERS</u>	<u>\$</u>	<u>1,354,000</u>	<u>\$</u>	<u>1,361,000</u>

16.1	Sec. 9. <u>BOARD OF BARBER EXAMINERS</u>	\$	<u>319,000</u>	\$	<u>321,000</u>
16.2	Sec. 10. <u>WORKERS' COMPENSATION</u>				
16.3	<u>COURT OF APPEALS</u>	\$	<u>1,913,000</u>	\$	<u>1,703,000</u>

16.4 This appropriation is from the workers'
 16.5 compensation fund.

16.6 Of this appropriation, \$210,000 in the first
 16.7 year is onetime and is available for spending
 16.8 until June 30, 2015. \$110,000 in fiscal
 16.9 year 2014 is for a onetime transfer to the
 16.10 Office of Enterprise Technology to develop
 16.11 a paperless case management system and
 16.12 to ensure that services and hardware are
 16.13 accessible and compatible with systems with
 16.14 which the Workers' Compensation Court
 16.15 of Appeals must interact. Any ongoing
 16.16 information technology support or costs for
 16.17 this application will be incorporated into the
 16.18 service level agreement and will be paid to
 16.19 the Office of Enterprise Technology by the
 16.20 Workers' Compensation Court of Appeals
 16.21 under the rates and mechanism specified in
 16.22 that agreement.

16.23 **Sec. 11. CANCELLATION.**

16.24 Of the appropriation to the commissioner of the department of employment and
 16.25 economic development for the Minnesota Investment Fund in Laws 2012, First Special
 16.26 Session chapter 1, article 1, section 5, \$7,000,000 is canceled to the general fund.

16.27 **ARTICLE 2**

16.28 **LABOR AND INDUSTRY**

16.29 Section 1. Minnesota Statutes 2012, section 116J.70, subdivision 2a, is amended to read:

16.30 Subd. 2a. **License; exceptions.** "Business license" or "license" does not include

16.31 the following:

- 17.1 (1) any occupational license or registration issued by a licensing board listed in
17.2 section 214.01 or any occupational registration issued by the commissioner of health
17.3 pursuant to section 214.13;
- 17.4 (2) any license issued by a county, home rule charter city, statutory city, township, or
17.5 other political subdivision;
- 17.6 (3) any license required to practice the following occupation regulated by the
17.7 following sections:
- 17.8 (i) abstracters regulated pursuant to chapter 386;
 - 17.9 (ii) accountants regulated pursuant to chapter 326A;
 - 17.10 (iii) adjusters regulated pursuant to chapter 72B;
 - 17.11 (iv) architects regulated pursuant to chapter 326;
 - 17.12 (v) assessors regulated pursuant to chapter 270;
 - 17.13 (vi) athletic trainers regulated pursuant to chapter 148;
 - 17.14 (vii) attorneys regulated pursuant to chapter 481;
 - 17.15 (viii) auctioneers regulated pursuant to chapter 330;
 - 17.16 (ix) barbers and cosmetologists regulated pursuant to chapter 154;
 - 17.17 (x) boiler operators regulated pursuant to chapter ~~183~~ 326B;
 - 17.18 (xi) chiropractors regulated pursuant to chapter 148;
 - 17.19 (xii) collection agencies regulated pursuant to chapter 332;
 - 17.20 (xiii) dentists, registered dental assistants, and dental hygienists regulated pursuant
17.21 to chapter 150A;
 - 17.22 (xiv) detectives regulated pursuant to chapter 326;
 - 17.23 (xv) electricians regulated pursuant to chapter ~~326~~ 326B;
 - 17.24 (xvi) mortuary science practitioners regulated pursuant to chapter 149A;
 - 17.25 (xvii) engineers regulated pursuant to chapter 326;
 - 17.26 (xviii) insurance brokers and salespersons regulated pursuant to chapter 60A;
 - 17.27 (xix) certified interior designers regulated pursuant to chapter 326;
 - 17.28 (xx) midwives regulated pursuant to chapter 147D;
 - 17.29 (xxi) nursing home administrators regulated pursuant to chapter 144A;
 - 17.30 (xxii) optometrists regulated pursuant to chapter 148;
 - 17.31 (xxiii) osteopathic physicians regulated pursuant to chapter 147;
 - 17.32 (xxiv) pharmacists regulated pursuant to chapter 151;
 - 17.33 (xxv) physical therapists regulated pursuant to chapter 148;
 - 17.34 (xxvi) physician assistants regulated pursuant to chapter 147A;
 - 17.35 (xxvii) physicians and surgeons regulated pursuant to chapter 147;
 - 17.36 (xxviii) plumbers regulated pursuant to chapter ~~326~~ 326B;

- 18.1 (xxix) podiatrists regulated pursuant to chapter 153;
- 18.2 (xxx) practical nurses regulated pursuant to chapter 148;
- 18.3 (xxxi) professional fund-raisers regulated pursuant to chapter 309;
- 18.4 (xxxii) psychologists regulated pursuant to chapter 148;
- 18.5 (xxxiii) real estate brokers, salespersons, and others regulated pursuant to chapters
- 18.6 82 and 83;
- 18.7 (xxxiv) registered nurses regulated pursuant to chapter 148;
- 18.8 (xxxv) securities brokers, dealers, agents, and investment advisers regulated
- 18.9 pursuant to chapter 80A;
- 18.10 (xxxvi) steamfitters regulated pursuant to chapter ~~326~~ 326B;
- 18.11 (xxxvii) teachers and supervisory and support personnel regulated pursuant to
- 18.12 chapter 125;
- 18.13 (xxxviii) veterinarians regulated pursuant to chapter 156;
- 18.14 (xxxix) water conditioning contractors and installers regulated pursuant to chapter
- 18.15 ~~326~~ 326B;
- 18.16 (xl) water well contractors regulated pursuant to chapter 103I;
- 18.17 (xli) water and waste treatment operators regulated pursuant to chapter 115;
- 18.18 (xlii) motor carriers regulated pursuant to chapter 221;
- 18.19 (xliii) professional firms regulated under chapter 319B;
- 18.20 (xliv) real estate appraisers regulated pursuant to chapter 82B;
- 18.21 (xlv) residential building contractors, residential remodelers, residential roofers,
- 18.22 manufactured home installers, and specialty contractors regulated pursuant to chapter
- 18.23 ~~326~~ 326B;
- 18.24 (xlvi) licensed professional counselors regulated pursuant to chapter 148B;
- 18.25 (4) any driver's license required pursuant to chapter 171;
- 18.26 (5) any aircraft license required pursuant to chapter 360;
- 18.27 (6) any watercraft license required pursuant to chapter 86B;
- 18.28 (7) any license, permit, registration, certification, or other approval pertaining to a
- 18.29 regulatory or management program related to the protection, conservation, or use of or
- 18.30 interference with the resources of land, air, or water, which is required to be obtained
- 18.31 from a state agency or instrumentality; and
- 18.32 (8) any pollution control rule or standard established by the Pollution Control
- 18.33 Agency or any health rule or standard established by the commissioner of health or any
- 18.34 licensing rule or standard established by the commissioner of human services.

18.35 Sec. 2. Minnesota Statutes 2012, section 177.27, subdivision 4, is amended to read:

19.1 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring
19.2 an employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031,
19.3 181.032, 181.101, 181.11, 181.12, 181.13, 181.14, 181.145, 181.15, 181.275, subdivision
19.4 2a, 181.722, and 181.79, or with any rule promulgated under section 177.28. The
19.5 commissioner shall issue an order requiring an employer to comply with sections 177.41
19.6 to 177.435 if the violation is repeated. For purposes of this subdivision only, a violation
19.7 is repeated if at any time during the two years that preceded the date of violation, the
19.8 commissioner issued an order to the employer for violation of sections 177.41 to 177.435
19.9 and the order is final or the commissioner and the employer have entered into a settlement
19.10 agreement that required the employer to pay back wages that were required by sections
19.11 177.41 to 177.435. The department shall serve the order upon the employer or the
19.12 employer's authorized representative in person or by certified mail at the employer's place
19.13 of business. An employer who wishes to contest the order must file written notice of
19.14 objection to the order with the commissioner within 15 calendar days after being served
19.15 with the order. A contested case proceeding must then be held in accordance with sections
19.16 14.57 to 14.69. If, within 15 calendar days after being served with the order, the employer
19.17 fails to file a written notice of objection with the commissioner, the order becomes a
19.18 final order of the commissioner.

19.19 Sec. 3. Minnesota Statutes 2012, section 326.02, subdivision 5, is amended to read:

19.20 Subd. 5. **Limitation.** The provisions of sections 326.02 to 326.15 shall not apply
19.21 to the preparation of plans and specifications for the erection, enlargement, or alteration
19.22 of any building or other structure by any person, for that person's exclusive occupancy
19.23 or use, unless such occupancy or use involves the public health or safety or the health
19.24 or safety of the employees of said person, or of the buildings listed in section 326.03,
19.25 subdivision 2, nor to any detailed or shop plans required to be furnished by a contractor
19.26 to a registered engineer, landscape architect, architect, or certified interior designer,
19.27 nor to any standardized manufactured product, nor to any construction superintendent
19.28 supervising the execution of work designed by an architect, landscape architect, engineer,
19.29 or certified interior designer licensed or certified in accordance with section 326.03, nor
19.30 to the planning for and supervision of the construction and installation of work by an
19.31 electrical or elevator contractor or master plumber as defined in and licensed pursuant to
19.32 chapter 326B, where such work is within the scope of such licensed activity and not
19.33 within the practice of professional engineering, or architecture, or where the person does
19.34 not claim to be a certified interior designer as defined in subdivision 2, 3, or 4b.

20.1 Sec. 4. Minnesota Statutes 2012, section 326B.081, subdivision 3, is amended to read:

20.2 Subd. 3. **Applicable law.** "Applicable law" means the provisions of sections
20.3 181.723, 325E.66, 327.31 to 327.36, ~~and this chapter,~~ and chapter 341, and all rules,
20.4 orders, stipulation agreements, settlements, compliance agreements, licenses, registrations,
20.5 certificates, and permits adopted, issued, or enforced by the department under sections
20.6 181.723, 325E.66, 327.31 to 327.36, ~~of this chapter,~~ or chapter 341.

20.7 Sec. 5. Minnesota Statutes 2012, section 326B.082, subdivision 11, is amended to read:

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

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

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

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

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

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

20.25 (5) violated: (i) a final administrative order issued under subdivision 7 ~~or,~~ (ii) a final
20.26 stop order issued under subdivision 10, ~~or~~ (iii) injunctive relief issued under subdivision 9,
20.27 or (iv) a consent order or final order of the commissioner;

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

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

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

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

21.4 (c) If the commissioner revokes or denies a person's permit, license, registration,
 21.5 or certificate under paragraph (b), the person is prohibited from reapplying for the same
 21.6 type of permit, license, registration, or certificate for at least two years after the effective
 21.7 date of the revocation or denial. The commissioner may, as a condition of reapplication,
 21.8 require the person to obtain a bond or comply with additional reasonable conditions the
 21.9 commissioner considers necessary to protect the public.

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

21.15 Sec. 6. Minnesota Statutes 2012, section 326B.093, subdivision 4, is amended to read:

21.16 Subd. 4. **Examination results.** If the applicant receives a passing score on the
 21.17 examination and meets all other requirements for licensure, the commissioner must
 21.18 approve the application and notify the applicant of the approval within 60 days of the
 21.19 date of the passing score. The applicant must, within ~~90~~ 180 days after the notification
 21.20 of approval, pay the license fee. Upon receipt of the license fee, the commissioner must
 21.21 issue the license. If the applicant does not pay the license fee within ~~90~~ 180 days after
 21.22 the notification of approval, the commissioner will rescind the approval and must deny
 21.23 the application. If the applicant does not receive a passing score on the examination,
 21.24 the commissioner must deny the application. If the application is denied because of the
 21.25 applicant's failure to receive a passing score on the examination, then the applicant cannot
 21.26 submit a new application for the license until at least 30 days after the notification of denial.

21.27 Sec. 7. Minnesota Statutes 2012, section 326B.101, is amended to read:

21.28 **326B.101 POLICY AND PURPOSE.**

21.29 The State Building Code governs the construction, reconstruction, alteration, ~~and~~
 21.30 repair, and use of buildings and other structures to which the code is applicable. The
 21.31 commissioner shall administer and amend a state code of building construction which will
 21.32 provide basic and uniform performance standards, establish reasonable safeguards for
 21.33 health, safety, welfare, comfort, and security of the residents of this state and provide for
 21.34 the use of modern methods, devices, materials, and techniques which will in part tend to

22.1 lower construction costs. The construction of buildings should be permitted at the least
22.2 possible cost consistent with recognized standards of health and safety.

22.3 Sec. 8. Minnesota Statutes 2012, section 326B.103, subdivision 11, is amended to read:

22.4 Subd. 11. **Public building.** "Public building" means a building and its grounds the
22.5 cost of which is paid for by the state or a state agency regardless of its cost, and a school
22.6 district building project or charter school building project the cost of which is \$100,000
22.7 or more.

22.8 Sec. 9. Minnesota Statutes 2012, section 326B.121, subdivision 1, is amended to read:

22.9 Subdivision 1. **Application.** (a) The State Building Code is the standard that applies
22.10 statewide for the construction, reconstruction, alteration, ~~and repair,~~ and use of buildings
22.11 and other structures of the type governed by the code.

22.12 (b) The State Building Code supersedes the building code of any municipality.

22.13 (c) The State Building Code does not apply to agricultural buildings except:

22.14 (1) with respect to state inspections required or rulemaking authorized by sections
22.15 103F.141; 216C.19, subdivision 9; and 326B.36; and

22.16 (2) translucent panels or other skylights without raised curbs shall be supported to
22.17 have equivalent load-bearing capacity as the surrounding roof.

22.18 Sec. 10. Minnesota Statutes 2012, section 326B.163, is amended by adding a
22.19 subdivision to read:

22.20 Subd. 9. **Direct supervision.** "Direct supervision" means:

22.21 (1) an unlicensed individual is being directly supervised by an individual licensed
22.22 to perform the elevator work being supervised during the entire time the unlicensed
22.23 individual is performing elevator work;

22.24 (2) the licensed individual is physically present at the location where the unlicensed
22.25 individual is performing elevator work and immediately available to the unlicensed
22.26 individual at all times for assistance and direction;

22.27 (3) the licensed individual shall review the elevator work performed by the
22.28 unlicensed individual before the elevator work is operated; and

22.29 (4) the licensed individual is able to and does determine that all elevator work
22.30 performed by the unlicensed individual is performed in compliance with the elevator code.

22.31 Sec. 11. Minnesota Statutes 2012, section 326B.163, is amended by adding a
22.32 subdivision to read:

23.1 Subd. 10. **Elevator contractor.** "Elevator contractor" means a licensed contractor
23.2 whose responsible licensed individual is a master elevator constructor. An elevator
23.3 contractor license does not itself qualify its holder to perform or supervise elevator work
23.4 authorized by holding a personal license issued by the commissioner.

23.5 Sec. 12. Minnesota Statutes 2012, section 326B.163, is amended by adding a
23.6 subdivision to read:

23.7 Subd. 11. **Limited elevator contractor.** "Limited elevator contractor" means a
23.8 licensed contractor whose responsible licensed individual is a limited master elevator
23.9 constructor. A limited elevator contractor or its employees may only install, test, or alter
23.10 residential elevators, platform lifts, stairway chairlifts, dumbwaiters, material lifts, limited
23.11 use or limited application elevator equipment, conveyors, and special purpose personnel
23.12 elevators.

23.13 Sec. 13. Minnesota Statutes 2012, section 326B.163, is amended by adding a
23.14 subdivision to read:

23.15 Subd. 11a. **Limited elevator work.** "Limited elevator work" means the installing,
23.16 maintaining, altering, repairing, testing, planning, or laying out of residential elevators,
23.17 platform lifts, stairway chairlifts, dumbwaiters, material lifts, limited use or limited
23.18 application elevator equipment, conveyors, and special purpose personnel elevators
23.19 as covered by Minnesota Rules, chapters 1307 and 1315. Limited elevator work also
23.20 includes electrical wiring on the load side of the elevator equipment disconnect and the
23.21 decommissioning of elevator equipment to enable safe removal.

23.22 Sec. 14. Minnesota Statutes 2012, section 326B.163, is amended by adding a
23.23 subdivision to read:

23.24 Subd. 12. **Elevator work.** "Elevator work" means the installing, maintaining,
23.25 altering, repairing, testing, planning, or laying out of elevator apparatus or equipment as
23.26 covered by Minnesota Rules, chapters 1307 and 1315. Elevator work also includes the
23.27 disconnection of electrical wiring on the load side of the elevator equipment disconnect
23.28 and the decommissioning of elevator equipment to enable safe removal.

23.29 Sec. 15. Minnesota Statutes 2012, section 326B.163, is amended by adding a
23.30 subdivision to read:

23.31 Subd. 13. **Master elevator constructor.** "Master elevator constructor" means
23.32 an individual having the necessary qualifications, training, experience, and technical

24.1 knowledge to properly plan, lay out, supervise, and perform the installation, maintenance,
24.2 altering, testing, wiring, and repair of apparatus and equipment for elevators, including
24.3 electrical wiring on the load side of the elevator equipment disconnect and who is licensed
24.4 as a master elevator constructor by the commissioner.

24.5 Sec. 16. Minnesota Statutes 2012, section 326B.163, is amended by adding a
24.6 subdivision to read:

24.7 Subd. 14. **Limited master elevator constructor.** "Limited master elevator
24.8 constructor" means an individual having the necessary qualifications, training, experience,
24.9 and technical knowledge to properly plan, lay out, supervise, and perform the testing,
24.10 altering, installation, maintenance, and repair of wiring, apparatus, and equipment for
24.11 residential elevators, platform lifts, stairway chairlifts, dumbwaiters, material lifts, limited
24.12 use or limited application elevator equipment, conveyors, and special purpose personnel
24.13 elevators, including wiring on the load side of the elevator equipment disconnect and who
24.14 is licensed as a limited master elevator constructor by the commissioner.

24.15 Sec. 17. Minnesota Statutes 2012, section 326B.163, is amended by adding a
24.16 subdivision to read:

24.17 Subd. 14a. **Limited journeyman elevator constructor.** "Limited journeyman
24.18 elevator constructor" means an individual having the necessary qualifications, training,
24.19 experience, and technical knowledge to install, maintain, alter, test, and repair apparatus
24.20 and equipment for residential elevators, platform lifts, stairway chairlifts, dumbwaiters,
24.21 material lifts, limited use or limited application elevator equipment, conveyors, and
24.22 special purpose personnel elevators, including electrical wiring on the load side of the
24.23 elevator equipment disconnect and who is licensed as a limited journeyman elevator
24.24 constructor by the commissioner.

24.25 Sec. 18. Minnesota Statutes 2012, section 326B.163, is amended by adding a
24.26 subdivision to read:

24.27 Subd. 15. **Journeyman elevator constructor.** "Journeyman elevator constructor"
24.28 means an individual having the necessary qualifications, training, experience, and
24.29 technical knowledge to install, maintain, alter, test, and repair apparatus and equipment for
24.30 elevators, including electrical wiring on the load side of the elevator equipment disconnect
24.31 and who is licensed as a journeyman elevator constructor by the commissioner.

25.1 Sec. 19. Minnesota Statutes 2012, section 326B.163, is amended by adding a
25.2 subdivision to read:

25.3 Subd. 16. **Registered unlicensed elevator constructor.** "Registered unlicensed
25.4 elevator constructor" means an individual who has registered with the department but is
25.5 not licensed by the commissioner to perform elevator work.

25.6 Sec. 20. Minnesota Statutes 2012, section 326B.163, is amended by adding a
25.7 subdivision to read:

25.8 Subd. 17. **Residential dwelling.** "Residential dwelling" is a single dwelling unit
25.9 that is contained in a one-family, two-family, or multifamily dwelling. A residential
25.10 dwelling also includes outdoor space at a one-family dwelling.

25.11 Sec. 21. Minnesota Statutes 2012, section 326B.163, is amended by adding a
25.12 subdivision to read:

25.13 Subd. 18. **Responsible licensed individual.** "Responsible licensed individual"
25.14 means an individual licensed as a master elevator constructor or limited master elevator
25.15 constructor who is identified as the responsible licensed individual on an elevator
25.16 contractor license application.

25.17 Sec. 22. **[326B.164] LICENSES.**

25.18 Subdivision 1. **Master elevator constructor.** (a) Except as otherwise provided by
25.19 law, no individual shall perform or supervise elevator work, unless:

25.20 (1) the individual is licensed by the commissioner as a master elevator constructor;

25.21 and

25.22 (2) the elevator work is for a licensed elevator contractor and the individual is an
25.23 employee, partner, or officer of, or is the licensed contractor.

25.24 (b) An applicant for a master elevator constructor license shall:

25.25 (1) have at least one year of experience, acceptable to the commissioner, as a
25.26 licensed journeyman elevator constructor; or

25.27 (2) have at least six years' experience, acceptable to the commissioner, in planning
25.28 for, laying out, supervising, and installing apparatus, equipment, and wiring for elevators.

25.29 (c) Individuals licensed as master elevator constructors under section 326B.33,
25.30 subdivision 11, as of December 31, 2013, shall not be required to pass an examination

25.31 under this section but, effective January 1, 2014, shall be subject to the requirements of
25.32 sections 326B.163 to 326B.191.

26.1 (d) Except for the initial license term, as a condition of license renewal, master
26.2 elevator constructors must attain a minimum of 16 hours of continuing education credit
26.3 approved by the commissioner every renewal period. Not less than 12 hours shall be based
26.4 on the Minnesota Elevator Code or elevator technology, and not less than four hours shall
26.5 be based on the National Electrical Code.

26.6 Subd. 2. **Limited master elevator constructor.** (a) Except as otherwise provided
26.7 by law, no individual shall perform or supervise elevator work on residential elevators,
26.8 platform lifts, stairway chairlifts, dumbwaiters, material lifts, limited use or limited
26.9 application elevator equipment, conveyors, and special purpose personnel elevators, unless:

26.10 (1) the individual is licensed by the commissioner as a limited master elevator
26.11 constructor; and

26.12 (2) the elevator work is for a limited elevator contractor and the individual is an
26.13 employee, partner, or officer of, or is the licensed contractor.

26.14 (b) An applicant for a limited master elevator constructor license shall have at
26.15 least three years of experience, acceptable to the commissioner, in installing apparatus,
26.16 equipment, and wiring for elevators.

26.17 (c) Except for the initial license term, as a condition of license renewal, limited
26.18 master elevator constructors must attain a minimum of eight hours of continuing education
26.19 credit approved by the commissioner every renewal period. Not less than six hours shall
26.20 be based on the Minnesota Elevator Code or elevator technology, and not less than two
26.21 hours on the National Electrical Code.

26.22 Subd. 3. **Journeyman elevator constructor.** (a) Except as otherwise provided
26.23 by law, no individual shall perform and supervise elevator work except for planning or
26.24 laying out of elevator work, unless:

26.25 (1) the individual is licensed by the commissioner as a journeyman elevator
26.26 constructor; and

26.27 (2) the elevator work is for an elevator contractor, and the individual is an employee,
26.28 partner, or officer of the licensed elevator contractor.

26.29 (b) An applicant for a journeyman elevator constructor license shall have completed
26.30 a four-year elevator mechanics apprenticeship registered with the United States
26.31 Department of Labor or worked at least 9,000 hours in five consecutive years for a
26.32 licensed elevator contractor, acceptable to the commissioner, installing, maintaining,
26.33 modernizing, testing, wiring, and repairing elevators.

26.34 (c) Individuals licensed as journeyman elevator constructors under section 326B.33,
26.35 subdivision 8, as of December 31, 2013, shall not be required to pass an examination

27.1 under this section but, effective January 1, 2014, shall be subject to the requirements of
27.2 sections 326B.163 to 326B.191.

27.3 (d) As a condition of license renewal, journeyman elevator constructors must attain
27.4 a minimum of 16 hours of continuing education credit approved by the commissioner
27.5 every renewal period. Not less than 12 hours shall be based on the Minnesota Elevator
27.6 Code or elevator technology, and not less than four hours shall be based on the National
27.7 Electrical Code.

27.8 Subd. 3a. **Limited journeyman elevator constructor.** (a) Except as otherwise
27.9 provided by law, no individual shall perform or supervise elevator work on residential
27.10 elevators, platform lifts, stairway chairlifts, dumbwaiters, material lifts, limited use
27.11 or limited application elevator equipment, conveyors, and special purpose personnel
27.12 elevators, except for planning or laying out of elevator work, unless:

27.13 (1) the individual is licensed by the commissioner as a limited journeyman elevator
27.14 constructor; and

27.15 (2) the elevator work is for a limited elevator contractor or an elevator contractor,
27.16 and the individual is an employee, partner, or officer of the licensed limited elevator
27.17 contractor or licensed elevator contractor.

27.18 (b) An applicant for a limited journeyman elevator constructor license shall have
27.19 at least two years of experience, acceptable to the commissioner, in installing apparatus,
27.20 equipment, and wiring for elevators.

27.21 (c) Except for the initial license term, as a condition of license renewal, limited
27.22 journeyman elevator constructors must attain a minimum of eight hours of continuing
27.23 education credit approved by the commissioner every renewal period. Not less than six
27.24 hours shall be based on the Minnesota Elevator Code or elevator technology, and not less
27.25 than two hours on the National Electrical Code.

27.26 Subd. 4. **Registered unlicensed elevator constructor.** (a) An unlicensed individual
27.27 shall not perform elevator work, unless the individual has first registered with the
27.28 department as an unlicensed elevator constructor. Except as allowed by subdivision 12, a
27.29 registered unlicensed elevator constructor shall not perform elevator work unless the work
27.30 is performed under the direct supervision of an individual actually licensed to perform
27.31 such work. The licensed elevator constructor and the registered unlicensed elevator
27.32 constructor must be employed by the same employer. Unlicensed individuals shall not
27.33 supervise the performance of elevator work or make assignments of elevator work to
27.34 unlicensed individuals. Licensed elevator constructors shall provide direct supervision for
27.35 no more than two registered unlicensed elevator constructors.

28.1 (b) Notwithstanding any other provision of this section, no individual other than a
28.2 master elevator constructor or limited master elevator constructor shall plan or lay out
28.3 elevator wiring, apparatus, or equipment.

28.4 (c) Contractors employing registered unlicensed elevator constructors performing
28.5 elevator work shall maintain records establishing compliance with this subdivision that
28.6 shall identify all unlicensed individuals performing elevator work and shall permit the
28.7 department to examine and copy all such records.

28.8 (d) When a licensed elevator constructor supervises the elevator work of an
28.9 unlicensed individual, the licensed elevator constructor is responsible for ensuring that the
28.10 elevator work complies with this section and the Minnesota Elevator Code.

28.11 (e) A registered unlicensed elevator constructor with a minimum of one year
28.12 experience may perform the following maintenance tasks for elevator equipment without
28.13 being provided with direct supervision: oiling, cleaning, greasing, painting, relamping,
28.14 and replacing of escalator and moving walk comb teeth.

28.15 **Subd. 5. Registration of unlicensed individuals.** (a) Unlicensed individuals
28.16 performing elevator work for a contractor shall register with the department in the manner
28.17 prescribed by the commissioner. Experience credit for elevator work performed in
28.18 Minnesota after January 1, 2009, by an applicant for a license identified in this section
28.19 shall not be granted where the applicant has not registered with the department or is
28.20 not licensed by the department.

28.21 (b) As a condition of renewal of registration, unlicensed individuals shall attain a
28.22 minimum of two hours of continuing education credit, approved by the commissioner,
28.23 every renewal period. The continuing education course shall be based on the Minnesota
28.24 Elevator Code or elevator technology.

28.25 (c) Individuals registered under section 326B.33, subdivision 13, whose registration
28.26 expires after July 31, 2013, shall be subject to the registration requirements of this
28.27 subdivision and the requirements of sections 326B.163 to 326B.191.

28.28 **Subd. 6. Contractor's license required.** (a) No individual, other than an employee,
28.29 partner, or officer of a licensed contractor, as defined by section 326B.163, subdivision
28.30 10, shall perform or offer to perform elevator work with or without compensation, unless
28.31 the individual obtains a contractor's license. A contractor's license does not of itself
28.32 qualify its holder to perform or supervise the elevator work authorized by holding any
28.33 class of personal license.

28.34 (b) Companies licensed under section 326B.33, subdivision 14, as of July 31, 2013,
28.35 shall not be required to comply with this subdivision.

29.1 Subd. 7. **Bond required.** As a condition of licensing, each contractor shall give
29.2 and maintain bond to the state in the sum of \$25,000, conditioned upon the faithful and
29.3 lawful performance of all work contracted for or performed by the contractor within the
29.4 state of Minnesota, and such bond shall be for the benefit of persons injured or suffering
29.5 financial loss by reason of failure of such performance. The bond shall be filed with
29.6 the commissioner and shall be in lieu of all other license bonds to any other political
29.7 subdivision. The bond shall be written by a corporate surety licensed to do business
29.8 in the state of Minnesota.

29.9 Subd. 8. **Insurance required.** Each elevator contractor shall have and maintain
29.10 in effect general liability insurance, which includes premises and operations insurance
29.11 and products and completed operations insurance, with limits of at least \$100,000 per
29.12 occurrence, \$300,000 aggregate limit for bodily injury, and property damage insurance
29.13 with limits of at least \$50,000, or a policy with a single limit for bodily injury and property
29.14 damage of \$300,000 per occurrence and \$300,000 aggregate limits. The insurance shall be
29.15 written by an insurer licensed to do business in the state of Minnesota, and each contractor
29.16 shall maintain on file with the commissioner a certificate evidencing such insurance. In the
29.17 event of a policy cancellation, the insurer shall send written notice to the commissioner at
29.18 the same time that a cancellation request is received from or a notice is sent to the insured.

29.19 Subd. 9. **Employment of responsible individual.** (a) Each elevator contractor
29.20 must designate a responsible master elevator constructor or limited master elevator
29.21 constructor who shall be the responsible individual for the performance of all elevator
29.22 work in accordance with the requirements of sections 326B.163 to 326B.191, all rules
29.23 adopted under these sections, and all orders issued under section 326B.082. The classes of
29.24 work that a licensed contractor is authorized to perform shall be limited to the classes of
29.25 work that the responsible individual is allowed to perform.

29.26 (b) When a contractor's license is held by an individual, sole proprietorship,
29.27 partnership, limited liability company, or corporation, and the individual, proprietor, one
29.28 of the partners, one of the members, or an officer of the corporation, respectively, is not the
29.29 responsible master elevator constructor or limited master elevator constructor, all elevator
29.30 permits shall be submitted by the responsible master elevator constructor or limited
29.31 master elevator constructor. If the contractor is an individual or a sole proprietorship,
29.32 the responsible master or limited master elevator constructor must be the individual,
29.33 proprietor, or managing employee. If the contractor is a partnership, the responsible
29.34 master or limited master elevator constructor must be a general partner or managing
29.35 employee. If the licensed contractor is a limited liability company, the responsible master
29.36 or limited master elevator constructor must be a chief manager or managing employee.

30.1 If the contractor is a corporation, the responsible master or limited master elevator
30.2 constructor must be an officer or managing employee. If the responsible master or limited
30.3 master elevator constructor is a managing employee, the responsible individual must be
30.4 actively engaged in performing elevator work on behalf of the contractor and cannot be
30.5 employed in any capacity performing elevator work for any other elevator contractor or
30.6 employer. An individual may be the responsible individual for only one contractor.

30.7 (c) All applications and renewals for contractor licenses shall include a verified
30.8 statement that the applicant and responsible individual are in compliance with this
30.9 subdivision.

30.10 Subd. 10. **Examination.** In addition to the other requirements described in this
30.11 section and sections 326B.091 to 326B.098, as a precondition to issuance of a personal
30.12 license, each applicant must pass a written or oral examination developed and administered
30.13 by the commissioner to ensure the competence of each applicant for license. An oral
30.14 examination shall be administered only to an applicant who furnishes a written statement
30.15 from a certified teacher or other professional, trained in the area of reading disabilities,
30.16 stating that the applicant has a specific reading disability that would prevent the applicant
30.17 from performing satisfactorily on a written test. The oral examination shall be structured
30.18 so that an applicant who passes the examination will not impair the applicant's own safety
30.19 or that of others while acting as a licensed individual.

30.20 Subd. 11. **License, registration, and renewal fees; expiration.** (a) Unless revoked
30.21 or suspended under this chapter, all licenses issued or renewed under this section expire on
30.22 the following schedule:

30.23 (1) master licenses expire March 1 of each odd-numbered year after issuance or
30.24 renewal;

30.25 (2) elevator contractor licenses expire March 1 of each even-numbered year after
30.26 issuance or renewal;

30.27 (3) journeyman elevator constructor licenses expire two years from the date of
30.28 original issuance and every two years thereafter; and

30.29 (4) registrations of unlicensed individuals expire one year from the date of original
30.30 issuance and every year thereafter.

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

30.33 (1) the registration of an unlicensed individual under subdivision 5 shall be
30.34 considered an entry-level license;

30.35 (2) the journeyman elevator constructor shall be considered a journeyman license;

31.1 (3) the master elevator constructor and limited master elevator constructor licenses
31.2 shall be considered master licenses; and

31.3 (4) an elevator contractor license shall be considered a business license.

31.4 Subd. 12. **Exemption from licensing.** Employees of a licensed elevator contractor
31.5 or licensed limited elevator contractor are not required to hold or obtain a license
31.6 under this section or be provided with direct supervision by a licensed master elevator
31.7 constructor, licensed limited master elevator constructor, licensed elevator constructor,
31.8 or licensed limited elevator constructor to install, maintain, or repair platform lifts and
31.9 stairway chairlifts. Unlicensed employees performing elevator work under this exemption
31.10 must comply with subdivision 5. This exemption does not include the installation,
31.11 maintenance, repair, or replacement of electrical wiring for elevator equipment.

31.12 Subd. 13. **Reciprocity.** (a) The commissioner may enter into reciprocity agreements
31.13 for personal licenses with another state and issue a personal license without requiring the
31.14 applicant to pass an examination provided the applicant:

31.15 (1) submits an application under this section;

31.16 (2) pays the application and examination fee and license fee required under section
31.17 326B.092; and

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

31.19 (b) Reciprocity agreements are subject to the following:

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

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

31.26 (3) the applicant must have acquired the license in the qualifying state through an
31.27 examination deemed equivalent to the same class of license examination in Minnesota.

31.28 A lesser class of license may be granted where the applicant has acquired a greater
31.29 class of license in the qualifying state, and the applicant otherwise meets the conditions
31.30 of this subdivision;

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

31.34 (5) an applicant is not eligible for a license under this subdivision if the applicant has
31.35 failed the same or greater class of license examination in Minnesota, or if the applicant's
31.36 license of the same or greater class has been revoked or suspended; and

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

32.3 Sec. 23. Minnesota Statutes 2012, section 326B.184, subdivision 1, is amended to read:

32.4 Subdivision 1. **Permits.** No person may construct, install, alter, repair, or remove
32.5 an elevator without first filing an application for a permit with the department or a
32.6 municipality authorized by subdivision 4 to inspect elevators. A permit issued by the
32.7 department is valid for work commenced within 12 months of application and completed
32.8 within two years of application. Where no work is commenced within 12 months of
32.9 application, an applicant may cancel the permit and request a refund of inspection fees.

32.10 Sec. 24. Minnesota Statutes 2012, section 326B.184, is amended by adding a
32.11 subdivision to read:

32.12 Subd. 1a. **Department permit and inspection fees.** (a) The department permit and
32.13 inspection fees to construct, install, alter, repair, or remove an elevator are as follows:

32.14 (1) the permit fee is \$100;

32.15 (2) the inspection fee is 0.015 of the total cost of the permitted work for labor and
32.16 materials, including related electrical and mechanical equipment. The inspection fee
32.17 covers two inspections. The inspection fee for additional inspections is \$80 per hour;

32.18 (3) when inspections scheduled by the permit submitter are not able to be completed
32.19 because the work is not complete, a fee equal to two hours at the hourly rate of \$80 must
32.20 be paid by the permit submitter; and

32.21 (4) when the owner or permit holder requests inspections be performed outside of
32.22 normal work hours or on weekends or holidays, an hourly rate of \$120 in addition to
32.23 the inspection fee must be paid.

32.24 (b) The department fees for inspection of existing elevators when requested by the
32.25 elevator owner or as a result of an accident resulting in personal injury are at an hourly rate
32.26 of \$80 during normal work hours or \$120 outside of normal work hours or on weekends or
32.27 holidays, with a one-hour minimum.

32.28 **EFFECTIVE DATE.** This section is effective January 1, 2014.

32.29 Sec. 25. Minnesota Statutes 2012, section 326B.184, subdivision 2, is amended to read:

32.30 Subd. 2. **Operating permits and fees; periodic inspections.** (a) No person may
32.31 operate an elevator without first obtaining an annual operating permit from the department
32.32 or a municipality authorized by subdivision 4 to issue annual operating permits. A \$100
32.33 annual operating permit fee must be paid to the department for each annual operating

33.1 permit issued by the department, except that the original annual operating permit must
 33.2 be included in the permit fee for the initial installation of the elevator. Annual operating
 33.3 permits must be issued at 12-month intervals from the date of the initial annual operating
 33.4 permit. For each subsequent year, an owner must be granted an annual operating permit
 33.5 for the elevator upon the owner's or owner's agent's submission of a form prescribed by
 33.6 the commissioner and payment of the \$100 fee. Each form must include the location of
 33.7 the elevator, the results of any periodic test required by the code, and any other criteria
 33.8 established by rule. An annual operating permit may be revoked by the commissioner upon
 33.9 an audit of the periodic testing results submitted with the application or a failure to comply
 33.10 with elevator code requirements, inspections, or any other law related to elevators. Except
 33.11 for an initial operating permit fee, hand-powered manlifts and electric endless belt manlifts,
 33.12 and vertical reciprocating conveyors are not subject to a subsequent operating permit fee.

33.13 (b) All elevators are subject to periodic inspections by the department or a
 33.14 municipality authorized by subdivision 4 to perform periodic inspections, except that
 33.15 hand-powered manlifts and electric endless belt manlifts are exempt from periodic
 33.16 inspections. Periodic inspections by the department shall be performed at the following
 33.17 intervals:

33.18 (1) a special purpose personnel elevator is subject to inspection not more than once
 33.19 every five years;

33.20 (2) an elevator located within a house of worship that does not have attached school
 33.21 facilities is subject to inspection not more than once every three years; and

33.22 (3) all other elevators are subject to inspection not more than once each year.

33.23 Sec. 26. Minnesota Statutes 2012, section 326B.187, is amended to read:

33.24 **326B.187 RULES.**

33.25 The commissioner may adopt rules for the following purposes:

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

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

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

33.32 (4) to establish elevator standards under sections 326B.106, subdivisions 1 and 3,
 33.33 and 326B.13;

33.34 (5) to establish procedures for appeals of decisions of the commissioner under
 33.35 chapter 14 and procedures allowing the commissioner, before issuing a decision, to seek

34.1 advice from the elevator trade, building owners or managers, and others knowledgeable in
34.2 the installation, construction, and repair of elevators; and

34.3 (6) to establish requirements for the registration of all elevators.

34.4 Sec. 27. Minnesota Statutes 2012, section 326B.31, is amended by adding a
34.5 subdivision to read:

34.6 Subd. 26a. **Request for inspection.** "Request for inspection" means the application
34.7 for and issuance of a permit for an electrical installation that is required to be inspected
34.8 under section 326B.36.

34.9 Sec. 28. Minnesota Statutes 2012, section 326B.33, subdivision 19, is amended to read:

34.10 Subd. 19. **License, registration, and renewal fees; expiration.** (a) Unless
34.11 revoked or suspended under this chapter, all licenses issued or renewed under this section
34.12 expire on the date specified in this subdivision. Master licenses expire March 1 of each
34.13 odd-numbered year after issuance or renewal. Electrical contractor licenses expire March
34.14 1 of each even-numbered year after issuance or renewal. Technology system contractor
34.15 and satellite system contractor licenses expire August 1 of each even-numbered year after
34.16 issuance or renewal. All other personal licenses expire two years from the date of original
34.17 issuance and every two years thereafter. Registrations of unlicensed individuals expire
34.18 one year from the date of original issuance and every year thereafter.

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

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

34.23 (2) the following licenses shall be considered journeyman licenses: Class A
34.24 journeyman electrician, Class B journeyman electrician, Class A installer, Class B
34.25 installer, ~~elevator constructor~~, lineman, maintenance electrician, satellite system installer,
34.26 and power limited technician;

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

34.29 (4) the following licenses shall be considered business licenses: Class A electrical
34.30 contractor, Class B electrical contractor, ~~elevator constructor~~, satellite system contractor,
34.31 and technology systems contractor.

34.32 (c) For each filing of a certificate of responsible person by an employer, the fee is
34.33 \$100.

35.1 Sec. 29. Minnesota Statutes 2012, section 326B.33, subdivision 21, is amended to read:

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

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

35.8 (2) the individual is supervised by:

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

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

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

35.25 (b) Employees of a licensed electrical or technology systems contractor or other
35.26 employer where provided with supervision by a master electrician in accordance with
35.27 subdivision 1, or power limited technician in accordance with subdivision 7, paragraph
35.28 (a), clause (1), are not required to hold a license under sections 326B.31 to 326B.399
35.29 for the planning, laying out, installing, altering, and repairing of technology circuits or
35.30 systems except planning, laying out, or installing:

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

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

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

36.3 (c) Companies and their employees that plan, lay out, install, alter, or repair class
36.4 2 and class 3 remote control wiring associated with plug or cord and plug connected
36.5 appliances other than security or fire alarm systems installed in a residential dwelling are
36.6 not required to hold a license under sections 326B.31 to 326B.399.

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

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

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

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

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

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

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

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

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

37.1 (g) Companies and their employees licensed under section 326B.164 shall not be
37.2 required to hold or obtain a license under sections 326B.31 to 326B.399.

37.3 Sec. 30. Minnesota Statutes 2012, section 326B.36, subdivision 7, is amended to read:

37.4 Subd. 7. **Exemptions from inspections.** Installations, materials, or equipment shall
37.5 not be subject to inspection under sections 326B.31 to 326B.399:

37.6 (1) when owned or leased, operated and maintained by any employer whose
37.7 maintenance electricians are exempt from licensing under sections 326B.31 to 326B.399,
37.8 while performing electrical maintenance work only as defined by rule;

37.9 (2) when owned or leased, and operated and maintained by any electrical,
37.10 communications, or railway utility, cable communications company as defined in section
37.11 238.02, or telephone company as defined under section 237.01, in the exercise of its
37.12 utility, antenna, or telephone function; and

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

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

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

37.22 (3) when used in the street lighting operations of an electrical utility;

37.23 (4) when used as outdoor area lights which are owned and operated by an electrical
37.24 utility and which are connected directly to its distribution system and located upon the
37.25 utility's distribution poles, and which are generally accessible only to employees of such
37.26 utility or persons acting under its control or direction;

37.27 (5) when the installation, material, and equipment are in facilities subject to the
37.28 jurisdiction of the federal Mine Safety and Health Act; or

37.29 (6) when the installation, material, and equipment is part of an elevator installation
37.30 for which the elevator contractor, licensed under section ~~326B.33~~ 326B.164, is required to
37.31 obtain a permit from the authority having jurisdiction as provided by section 326B.184,
37.32 and the inspection has been or will be performed by an elevator inspector certified and
37.33 licensed by the department. This exemption shall apply only to installations, material, and
37.34 equipment permitted or required to be connected on the load side of the disconnecting
37.35 means required for elevator equipment under National Electrical Code Article 620, and

38.1 elevator communications and alarm systems within the machine room, car, hoistway, or
38.2 elevator lobby.

38.3 Sec. 31. Minnesota Statutes 2012, section 326B.37, is amended by adding a
38.4 subdivision to read:

38.5 Subd. 15. Utility interconnected wind generation installations. (a) Fees
38.6 associated with utility interconnected generation installations consisting of one or more
38.7 generator sources interconnected with a utility power system and not supplying other
38.8 premises loads are calculated according to paragraph (b) or (c).

38.9 (b) The inspection fee is calculated according to subdivisions 2, 3, 4, and 6,
38.10 paragraphs (d), (f), (j), and (k). A fee must be included for the generators and utility
38.11 interconnect feeders, but not for a utility service.

38.12 (c) There is a plan review fee and an inspection fee for the entire electrical
38.13 installation. The plan review fee is based on the valuation of the electrical installation
38.14 related to one of the generator systems that is part of the overall installation, not to include
38.15 the supporting tower or other nonelectrical equipment or structures, calculated according
38.16 to section 326B.153, subdivision 2. The inspection fee is \$80 for each individual tower,
38.17 including any voltage matching transformers located at the tower, and the fee for the
38.18 feeders interconnecting the individual towers to the utility power system is calculated
38.19 according to subdivisions 4 and 6, paragraph (k).

38.20 Sec. 32. Minnesota Statutes 2012, section 326B.43, subdivision 2, is amended to read:

38.21 **Subd. 2. Agreement with municipality.** The commissioner may enter into an
38.22 agreement with a municipality, in which the municipality agrees to perform plan and
38.23 specification reviews required to be performed by the commissioner under Minnesota
38.24 Rules, part 4715.3130, if:

38.25 (a) the municipality has adopted:

38.26 (1) the plumbing code;

38.27 (2) an ordinance that requires plumbing plans and specifications to be submitted to,
38.28 reviewed, and approved by the municipality, except as provided in paragraph (n);

38.29 (3) an ordinance that authorizes the municipality to perform inspections required by
38.30 the plumbing code; and

38.31 (4) an ordinance that authorizes the municipality to enforce the plumbing code in its
38.32 entirety, except as provided in paragraph (p);

39.1 (b) the municipality agrees to review plumbing plans and specifications for all
39.2 construction for which the plumbing code requires the review of plumbing plans and
39.3 specifications, except as provided in paragraph (n);

39.4 (c) the municipality agrees that, when it reviews plumbing plans and specifications
39.5 under paragraph (b), the review will:

39.6 (1) reflect the degree to which the plans and specifications affect the public health
39.7 and conform to the provisions of the plumbing code;

39.8 (2) ensure that there is no physical connection between water supply systems that
39.9 are safe for domestic use and those that are unsafe for domestic use; and

39.10 (3) ensure that there is no apparatus through which unsafe water may be discharged
39.11 or drawn into a safe water supply system;

39.12 (d) the municipality agrees to perform all inspections required by the plumbing
39.13 code in connection with projects for which the municipality reviews plumbing plans and
39.14 specifications under paragraph (b);

39.15 (e) the commissioner determines that the individuals who will conduct the inspections
39.16 and the plumbing plan and specification reviews for the municipality do not have any
39.17 conflict of interest in conducting the inspections and the plan and specification reviews;

39.18 (f) individuals who will conduct the plumbing plan and specification reviews for
39.19 the municipality are:

39.20 (1) licensed master plumbers;

39.21 (2) licensed professional engineers; or

39.22 (3) individuals who are working under the supervision of a licensed professional
39.23 engineer or licensed master plumber and who are licensed master or journeyman plumbers
39.24 or hold a postsecondary degree in engineering;

39.25 (g) individuals who will conduct the plumbing plan and specification reviews for
39.26 the municipality have passed a competency assessment required by the commissioner to
39.27 assess the individual's competency at reviewing plumbing plans and specifications;

39.28 (h) individuals who will conduct the plumbing inspections for the municipality
39.29 are licensed master or journeyman plumbers, or inspectors meeting the competency
39.30 requirements established in rules adopted under section 326B.135;

39.31 (i) the municipality agrees to enforce in its entirety the plumbing code on all
39.32 projects, except as provided in paragraph (p);

39.33 (j) the municipality agrees to keep official records of all documents received,
39.34 including plans, specifications, surveys, and plot plans, and of all plan reviews, permits
39.35 and certificates issued, reports of inspections, and notices issued in connection with
39.36 plumbing inspections and the review of plumbing plans and specifications;

40.1 (k) the municipality agrees to maintain the records described in paragraph (j) in the
40.2 official records of the municipality for the period required for the retention of public
40.3 records under section 138.17, and shall make these records readily available for review at
40.4 the request of the commissioner;

40.5 (l) the municipality and the commissioner agree that if at any time during the
40.6 agreement the municipality does not have in effect the plumbing code or any of ordinances
40.7 described in paragraph (a), or if the commissioner determines that the municipality is not
40.8 properly administering and enforcing the plumbing code or is otherwise not complying
40.9 with the agreement:

40.10 (1) the commissioner may, effective 14 days after the municipality's receipt of
40.11 written notice, terminate the agreement;

40.12 (2) the municipality may challenge the termination in a contested case before the
40.13 commissioner pursuant to the Administrative Procedure Act; and

40.14 (3) while any challenge is pending under clause (2), the commissioner shall perform
40.15 plan and specification reviews within the municipality under Minnesota Rules, part
40.16 4715.3130;

40.17 (m) the municipality and the commissioner agree that the municipality may terminate
40.18 the agreement with or without cause on 90 days' written notice to the commissioner;

40.19 (n) the municipality and the commissioner agree that the municipality shall forward
40.20 to the state for review all plumbing plans and specifications for the following types of
40.21 projects within the municipality:

40.22 (1) ~~hospitals, nursing homes, supervised living facilities licensed for eight or~~
40.23 ~~more individuals, and similar health-care-related facilities regulated by the Minnesota~~
40.24 ~~Department of Health~~ state-licensed facilities as defined in section 326B.103, subdivision
40.25 13;

40.26 (2) ~~buildings owned by the federal or state government~~ public buildings as defined
40.27 in section 326B.103, subdivision 11; and

40.28 (3) projects of a special nature for which department review is requested by either
40.29 the municipality or the state;

40.30 (o) where the municipality forwards to the state for review plumbing plans and
40.31 specifications, as provided in paragraph (n), the municipality shall not collect any fee for
40.32 plan review, and the commissioner shall collect all applicable fees for plan review; and

40.33 (p) no municipality shall revoke, suspend, or place restrictions on any plumbing
40.34 license issued by the state.

40.35 Sec. 33. Minnesota Statutes 2012, section 326B.49, subdivision 2, is amended to read:

41.1 Subd. 2. **Fees for plan reviews and audits.** Plumbing system plans and
41.2 specifications that are submitted to the commissioner for review shall be accompanied by
41.3 the appropriate plan examination fees. If the commissioner determines, upon review of
41.4 the plans, that inadequate fees were paid, the necessary additional fees shall be paid prior
41.5 to plan approval. The commissioner shall charge the following fees for plan reviews and
41.6 audits of plumbing installations for public, commercial, and industrial buildings:

41.7 (1) systems with both water distribution and drain, waste, and vent systems and
41.8 having:

41.9 (i) 25 or fewer drainage fixture units, \$150;

41.10 (ii) 26 to 50 drainage fixture units, \$250;

41.11 (iii) 51 to 150 drainage fixture units, \$350;

41.12 (iv) 151 to 249 drainage fixture units, \$500;

41.13 (v) 250 or more drainage fixture units, \$3 per drainage fixture unit to a maximum
41.14 of \$4,000; and

41.15 (vi) interceptors, separators, or catch basins, \$70 per interceptor, separator, or catch
41.16 basin design;

41.17 (2) building sewer service only, \$150;

41.18 (3) building water service only, \$150;

41.19 (4) building water distribution system only, no drainage system, \$5 per supply
41.20 fixture unit or \$150, whichever is greater;

41.21 (5) storm drainage system, a minimum fee of \$150 or:

41.22 (i) \$50 per drain opening, up to a maximum of \$500; and

41.23 (ii) \$70 per interceptor, separator, or catch basin design;

41.24 (6) manufactured home park or campground, one to 25 sites, \$300;

41.25 (7) manufactured home park or campground, 26 to 50 sites, \$350;

41.26 (8) manufactured home park or campground, 51 to 125 sites, \$400;

41.27 (9) manufactured home park or campground, more than 125 sites, \$500; and

41.28 ~~(10) accelerated review, double the regular fee, one-half to be refunded if no~~
41.29 ~~response from the commissioner within 15 business days; and~~

41.30 ~~(11)~~ (10) revision to previously reviewed or incomplete plans:

41.31 (i) review of plans for which the commissioner has issued two or more requests for
41.32 additional information, per review, \$100 or ten percent of the original fee, whichever
41.33 is greater;

41.34 (ii) proposer-requested revision with no increase in project scope, \$50 or ten percent
41.35 of original fee, whichever is greater; and

42.1 (iii) proposer-requested revision with an increase in project scope, \$50 plus the
 42.2 difference between the original project fee and the revised project fee.

42.3 **EFFECTIVE DATE.** This section is effective January 1, 2014.

42.4 Sec. 34. Minnesota Statutes 2012, section 326B.49, subdivision 3, is amended to read:

42.5 Subd. 3. **Inspection Permits; fees.** ~~The commissioner shall charge the following~~
 42.6 ~~fees for inspections under sections 326B.42 to 326B.49:~~

42.7	Residential inspection fee (each visit)	\$ 50
42.8	Public, Commercial, and Industrial Inspections	Inspection Fee
42.9	25 or fewer drainage fixture units	\$ 300
42.10	26 to 50 drainage fixture units	\$ 900
42.11	51 to 150 drainage fixture units	\$ 1,200
42.12	151 to 249 drainage fixture units	\$ 1,500
42.13	250 or more drainage fixture units	\$ 1,800
42.14	Callback fee (each visit)	\$ 100

42.15 (a) Before commencement of a plumbing installation to be inspected by the
 42.16 commissioner, the plumbing contractor or registered plumbing employer performing the
 42.17 plumbing work must submit to the commissioner an application for a permit and the
 42.18 permit and inspection fees in paragraphs (b) to (f).

42.19 (b) The permit fee is \$100.

42.20 (c) The residential inspection fee is \$50 for each inspection trip.

42.21 (d) The public, commercial, and industrial inspection fees are as follows:

42.22 (1) for systems with water distribution, drain, waste, and vent system connection:

42.23 (i) \$25 for each fixture, permanently connected appliance, floor drain, or other
 42.24 appurtenance;

42.25 (ii) \$25 for each water conditioning, water treatment, or water filtration system; and

42.26 (iii) \$25 for each interceptor, separator, catch basin, or manhole;

42.27 (2) roof drains, \$25 for each drain;

42.28 (3) building sewer service only, \$100;

42.29 (4) building water service only, \$100;

42.30 (5) building water distribution system only, no drainage system, \$5 for each fixture
 42.31 supplied;

42.32 (6) storm drainage system, a minimum fee of \$25 for each drain opening, interceptor,
 42.33 separator, or catch basin;

42.34 (7) manufactured home park or campground, \$25 for each site;

42.35 (8) reinspection fee to verify corrections, regardless of the total fee submitted, \$100
 42.36 for each reinspection; and

43.1 (9) each \$100 in fees paid covers one inspection trip.

43.2 (e) In addition to the fees in paragraph (c), the fee submitter must pay an hourly rate of
43.3 \$80 during regular business hours, or \$120 when inspections are requested to be performed
43.4 outside of normal work hours or on weekends and holidays, with a two-hour minimum
43.5 where the fee submitter requests inspections of installations as systems are being installed.

43.6 (f) The fee submitter must pay a fee equal to two hours at the hourly rate of \$80
43.7 when inspections scheduled by the submitter are not able to be completed because the
43.8 work is not complete.

43.9 Sec. 35. Minnesota Statutes 2012, section 326B.89, subdivision 1, is amended to read:

43.10 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms
43.11 have the meanings given them.

43.12 (b) "Gross annual receipts" means the total amount derived from residential
43.13 contracting or residential remodeling activities, regardless of where the activities are
43.14 performed, and must not be reduced by costs of goods sold, expenses, losses, or any
43.15 other amount.

43.16 (c) "Licensee" means a person licensed as a residential contractor or residential
43.17 remodeler.

43.18 (d) "Residential real estate" means a new or existing building constructed for
43.19 habitation by one to four families, and includes detached garages.

43.20 (e) "Fund" means the contractor recovery fund.

43.21 (f) "Owner" when used in connection with real property, means a person who has
43.22 any legal or equitable interest in real property and includes a condominium or townhome
43.23 association that owns common property located in a condominium building or townhome
43.24 building or an associated detached garage. Owner does not include any real estate
43.25 developer or any owner using, or intending to use, the property for a business purpose and
43.26 not as owner-occupied residential real estate.

43.27 Sec. 36. Minnesota Statutes 2012, section 327B.04, subdivision 4, is amended to read:

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

43.30 (a) the applicant has a permanent, established place of business at each licensed
43.31 location. An "established place of business" means a permanent enclosed building other
43.32 than a residence, or a commercial office space, either owned by the applicant or leased by
43.33 the applicant for a term of at least one year, located in an area where zoning regulations
43.34 allow commercial activity, and where the books, records and files necessary to conduct

44.1 the business are kept and maintained. The owner of a licensed manufactured home park
44.2 who resides in or adjacent to the park may use the residence as the established place of
44.3 business required by this subdivision, unless prohibited by local zoning ordinance.

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

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

44.10 (c) the applicant has secured: (1) a surety bond in the amount of \$20,000 for each
44.11 agency and each subagency location that bears the applicant's name and the name under
44.12 which the applicant will be licensed and do business in this state. Each bond is for the
44.13 protection of consumer customers, and must be executed by the applicant as principal and
44.14 issued by a surety company admitted to do business in this state. Each bond shall be
44.15 exclusively for the purpose of reimbursing consumer customers and shall be conditioned
44.16 upon the faithful compliance by the applicant with all of the laws and rules of this state
44.17 pertaining to the applicant's business as a dealer or manufacturer, including sections
44.18 325D.44, 325F.67 and 325F.69, and upon the applicant's faithful performance of all its
44.19 legal obligations to consumer customers; and (2) a certificate of liability insurance in
44.20 the amount of \$1,000,000 that provides aggregate coverage for the agency and each
44.21 subagency location. In the event of a policy cancellation, the insurer shall send written
44.22 notice to the commissioner at the same time that a cancellation request is received from
44.23 or a notice is sent to the insured;

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

44.27 (e) the applicant has provided evidence of having had at least two years' prior
44.28 experience in the sale of manufactured homes, working for a licensed dealer. The
44.29 applicant does not have to satisfy the two-year prior experience requirement if:

44.30 (1) the applicant sells or brokers used manufactured homes as permitted under
44.31 section 327B.01, subdivision 7; or

44.32 (2) the applicant:

44.33 (i) has met all other licensing requirements;

44.34 (ii) is the owner of a manufactured home park; and

44.35 (iii) is selling new manufactured homes installed in the manufactured home park
44.36 that the applicant owns.

45.1 Sec. 37. Minnesota Statutes 2012, section 341.21, subdivision 3a, is amended to read:

45.2 Subd. 3a. **Commissioner.** "Commissioner" means the commissioner of labor
45.3 and industry or a duly designated representative of the commissioner who is either an
45.4 employee of the Department of Labor and Industry or a person working under contract
45.5 with the department.

45.6 Sec. 38. Minnesota Statutes 2012, section 341.221, is amended to read:

45.7 **341.221 ADVISORY COUNCIL.**

45.8 (a) The commissioner must appoint a Combative Sports Advisory Council to advise
45.9 the commissioner on the administration of duties under this chapter.

45.10 (b) The council shall have nine members appointed by the commissioner. One
45.11 member must be a retired judge of the Minnesota District Court, Minnesota Court of
45.12 Appeals, Minnesota Supreme Court, the United States District Court for the District of
45.13 Minnesota, or the Eighth Circuit Court of Appeals. At least four members must have
45.14 knowledge of the boxing industry. At least four members must have knowledge of the
45.15 mixed martial arts industry. The commissioner shall make serious efforts to appoint
45.16 qualified women to serve on the council.

45.17 (c) Council members shall serve terms of four years with the terms ending on the
45.18 first Monday in January.

45.19 (d) The council shall annually elect from its membership a chair.

45.20 (e) ~~The commissioner shall convene the first meeting of the council by July 1, 2012.~~
45.21 ~~The council shall elect a chair at its first meeting.~~ Thereafter, Meetings shall be convened
45.22 by the commissioner, or by the chair with the approval of the commissioner.

45.23 (f) ~~For the first appointments to the council, the commissioner shall appoint the~~
45.24 ~~members currently serving on the Combative Sports Commission established under~~
45.25 ~~section 341.22, to the council.~~ The commissioner shall designate two of the members to
45.26 serve until the first Monday in January 2013; two members to serve until the first Monday
45.27 in January 2014; two members to serve until the first Monday in January 2015; and three
45.28 members to serve until the first Monday in January 2016.

45.29 (g) Removal of members, filling of vacancies, and compensation of members shall
45.30 be as provided in section 15.059.

45.31 Sec. 39. Minnesota Statutes 2012, section 341.27, is amended to read:

45.32 **341.27 COMMISSIONER DUTIES.**

45.33 The commissioner shall:

45.34 (1) issue, deny, renew, suspend, or revoke licenses;

- 46.1 (2) make and maintain records of its acts and proceedings including the issuance,
 46.2 denial, renewal, suspension, or revocation of licenses;
- 46.3 (3) keep public records of the council open to inspection at all reasonable times;
- 46.4 (4) develop rules to be implemented under this chapter;
- 46.5 (5) conform to the rules adopted under this chapter;
- 46.6 (6) develop policies and procedures for regulating boxing and mixed martial arts; ~~and~~
- 46.7 (7) immediately suspend an individual license for a medical condition, including but
 46.8 not limited to a medical condition resulting from an injury sustained during a match, bout,
 46.9 or contest that has been confirmed by the ringside physician. The medical suspension must
 46.10 be lifted after the commissioner receives written information from a physician licensed in
 46.11 the home state of the licensee indicating that the combatant may resume competition, and
 46.12 any other information that the commissioner may by rule require. Medical suspensions
 46.13 are not subject to section ~~214.10~~. 326B.082 or the contested case procedures provided
 46.14 in sections 14.57 to 14.69; and
- 46.15 (8) immediately suspend an individual combatant license for a mandatory rest period,
 46.16 which must commence at the conclusion of every combative sports contest in which the
 46.17 license holder competes and does not receive a medical suspension. A rest suspension
 46.18 must automatically lift after seven calendar days from the date the combative sports
 46.19 contest passed without notice or additional proceedings. Rest suspensions are not subject
 46.20 to section 326B.082 or the contested case procedures provided in sections 14.57 to 14.69.

46.21 Sec. 40. Minnesota Statutes 2012, section 341.29, is amended to read:

46.22 **341.29 JURISDICTION OF COMMISSIONER.**

46.23 The commissioner shall:

- 46.24 (1) have sole direction, supervision, regulation, control, and jurisdiction over all
 46.25 combative sport contests that are held within this state unless a contest is exempt from the
 46.26 application of this chapter under federal law;
- 46.27 (2) have sole control, authority, and jurisdiction over all licenses required by this
 46.28 chapter; ~~and~~
- 46.29 (3) grant a license to an applicant if, in the judgment of the commissioner, the
 46.30 financial responsibility, experience, character, and general fitness of the applicant are
 46.31 consistent with the public interest, convenience, or necessity and the best interests of
 46.32 combative sports and conforms with this chapter and the commissioner's rules; and
- 46.33 (4) deny, suspend, or revoke a license using the enforcement provisions of section
 46.34 326B.082.

47.1 Sec. 41. Minnesota Statutes 2012, section 341.30, subdivision 4, is amended to read:

47.2 Subd. 4. **Prelicensure requirements.** (a) Before the commissioner issues a license
47.3 to a promoter, corporation, or other business entity, the applicant shall:

47.4 (1) provide the commissioner with a copy of any agreement between a combatant
47.5 and the applicant that binds the applicant to pay the combatant a certain fixed fee or
47.6 percentage of the gate receipts;

47.7 (2) show on the application the owner or owners of the applicant entity and the
47.8 percentage of interest held by each owner holding a 25 percent or more interest in the
47.9 applicant;

47.10 (3) provide the commissioner with a copy of the latest financial statement of the
47.11 entity; and

47.12 (4) provide the commissioner with a copy or other proof acceptable to the
47.13 commissioner of the insurance contract or policy required by this chapter.

47.14 (b) Before the commissioner issues a license to a promoter, the applicant shall
47.15 deposit with the commissioner a cash bond or surety bond in an amount set by the
47.16 commissioner, which must not be less than \$10,000. The bond shall be executed in favor
47.17 of this state and shall be conditioned on the faithful performance by the promoter of the
47.18 promoter's obligations under this chapter and the rules adopted under it. An applicant for a
47.19 license as a promoter and licensed promoters shall submit an application for each event a
47.20 minimum of six weeks before the combative sport contest is scheduled to occur.

47.21 (c) Before the commissioner issues a license to a combatant, the applicant shall
47.22 submit to the commissioner:

47.23 (1) a mixed martial arts combatant national identification number or federal boxing
47.24 identification number that is unique to the applicant, or both; and

47.25 (2) the results of a current medical examination on forms furnished or approved
47.26 by the commissioner. The medical examination must include an ophthalmological and
47.27 neurological examination, and documentation of test results for HBV, HCV, and HIV, and
47.28 any other blood test as the commissioner by rule may require. The ophthalmological
47.29 examination must be designed to detect any retinal defects or other damage or condition
47.30 of the eye that could be aggravated by combative sports. The neurological examination
47.31 must include an electroencephalogram or medically superior test if the combatant has
47.32 been knocked unconscious in a previous contest. The commissioner may also order an
47.33 electroencephalogram or other appropriate neurological or physical examination before
47.34 any contest if it determines that the examination is desirable to protect the health of the
47.35 combatant. The commissioner shall not issue a license to an applicant submitting positive
47.36 test results for HBV, HCV, or HIV.

48.1 Sec. 42. Minnesota Statutes 2012, section 341.32, subdivision 2, is amended to read:

48.2 Subd. 2. **Expiration and renewal.** ~~A license issued after July 1, 2007, is valid for~~
48.3 ~~one year from the date it is issued and~~ Licenses expire annually on December 31, and may
48.4 be renewed by filing an application for renewal with the commissioner and payment of the
48.5 license fees established in section 341.321. An application for a license and renewal of a
48.6 license must be on a form provided by the commissioner. There is a 30-day grace period
48.7 during which a license may be renewed if a late filing penalty fee equal to the license fee
48.8 is submitted with the regular license fee. A licensee that files late shall not conduct any
48.9 activity regulated by this chapter until the commissioner has renewed the license. If the
48.10 licensee fails to apply to the commissioner within the 30-day grace period, the licensee
48.11 must apply for a new license under subdivision 1.

48.12 Sec. 43. Minnesota Statutes 2012, section 341.321, is amended to read:

48.13 **341.321 FEE SCHEDULE.**

48.14 (a) The fee schedule for professional licenses issued by the commissioner is as
48.15 follows:

- 48.16 (1) referees, ~~\$45~~ \$80 for each initial license and each renewal;
- 48.17 (2) promoters, ~~\$400~~ \$700 for each initial license and each renewal;
- 48.18 (3) judges and knockdown judges, ~~\$45~~ \$80 for each initial license and each renewal;
- 48.19 (4) trainers, ~~\$45~~ \$80 for each initial license and each renewal;
- 48.20 (5) ring announcers, ~~\$45~~ \$80 for each initial license and each renewal;
- 48.21 (6) seconds, ~~\$45~~ \$80 for each initial license and each renewal;
- 48.22 (7) timekeepers, ~~\$45~~ \$80 for each initial license and each renewal;
- 48.23 (8) combatants, ~~\$45~~ \$120 for each initial license and each renewal;
- 48.24 (9) managers, ~~\$45~~ \$80 for each initial license and each renewal; and
- 48.25 (10) ringside physicians, ~~\$45~~ \$80 for each initial license and each renewal.

48.26 In addition to the license fee and the late filing penalty fee in section 341.32, subdivision
48.27 2, if applicable, an individual who applies for a professional license on the same day the
48.28 combative sporting event is held shall pay a late fee of \$100 plus the original license fee of
48.29 ~~\$45~~ \$120 at the time the application is submitted.

48.30 (b) The fee schedule for amateur licenses issued by the commissioner is as follows:

- 48.31 (1) referees, ~~\$45~~ \$80 for each initial license and each renewal;
- 48.32 (2) promoters, ~~\$400~~ \$700 for each initial license and each renewal;
- 48.33 (3) judges and knockdown judges, ~~\$45~~ \$80 for each initial license and each renewal;
- 48.34 (4) trainers, ~~\$45~~ \$80 for each initial license and each renewal;
- 48.35 (5) ring announcers, ~~\$45~~ \$80 for each initial license and each renewal;

- 49.1 (6) seconds, ~~\$45~~ \$80 for each initial license and each renewal;
- 49.2 (7) timekeepers, ~~\$45~~ \$80 for each initial license and each renewal;
- 49.3 (8) combatant, ~~\$25~~ \$60 for each initial license and each renewal;
- 49.4 (9) managers, ~~\$45~~ \$80 for each initial license and each renewal; and
- 49.5 (10) ringside physicians, ~~\$45~~ \$80 for each initial license and each renewal.

49.6 (c) The commissioner shall establish a contest fee for each combative sport contest.

49.7 The professional combative sport contest fee is \$1,500 per event or not more than four

49.8 percent of the gross ticket sales, whichever is greater, as determined by the commissioner

49.9 when the combative sport contest is scheduled, ~~except that~~ the amateur combative sport

49.10 contest fee shall be ~~\$500~~ \$1,500 or not more than four percent of the gross ticket sales,

49.11 whichever is greater. The commissioner shall consider the size and type of venue when

49.12 establishing a contest fee. The commissioner may establish the maximum number

49.13 of complimentary tickets allowed for each event by rule. A professional or amateur

49.14 combative sport contest fee is nonrefundable.

49.15 (d) All fees and penalties collected by the commissioner must be deposited in the

49.16 commissioner account in the special revenue fund.

49.17 **Sec. 44. JOB-BASED EDUCATION AND APPRENTICESHIP PROGRAM**

49.18 **(JEAP) FOR MANUFACTURING INDUSTRIES.**

49.19 Subdivision 1. **Creation.** The commissioner of labor and industry, in collaboration

49.20 with the Board of Trustees of the Minnesota State Colleges and Universities (MnSCU)

49.21 and employers, shall develop JEAP for manufacturing industries that integrates academic

49.22 instruction and job-related learning in the workplace and through MnSCU institutions.

49.23 The commissioner shall actively recruit participants in JEAP, through the Web-based hub

49.24 created in subdivision 4 and other means, from the following groups: secondary and

49.25 postsecondary school systems; individuals with disabilities; dislocated workers; retired

49.26 and disabled veterans; individuals enrolled in MFIP under Minnesota Statutes, chapter

49.27 256J; minorities; previously incarcerated individuals; individuals residing in labor surplus

49.28 areas as defined by the United States Department of Labor; and any other disadvantaged

49.29 group as determined by the commissioner.

49.30 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this

49.31 subdivision have the meanings given them.

49.32 (b) "Board of Trustees of the Minnesota State Colleges and Universities" has the

49.33 meaning given in Minnesota Statutes, section 136F.01.

49.34 (c) "Commissioner" means the commissioner of labor and industry.

50.1 (d) "Employer" means a skilled manufacturing employer within the state who enters
50.2 into the agreements with MnSCU and the commissioner of labor under subdivisions 4 to 6.

50.3 (e) "Hub" or "the hub" means the Web-based listing of skilled manufacturing jobs
50.4 under subdivision 3.

50.5 (f) "MnSCU institution" means the local college or university providing instruction
50.6 to the participant.

50.7 (g) "Participant" means an employee who:

50.8 (1) enters into a JEAP participation agreement under subdivision 6; and

50.9 (2) is successfully admitted to a MnSCU institution, if applicable.

50.10 (h) "Related instruction" means classroom instruction or technical or vocational
50.11 training required to perform the duties of the skilled manufacturing job.

50.12 (i) "Skilled manufacturing" means occupations in manufacturing industry sectors 31
50.13 to 33 as defined by the North American Industry Classification System (NAICS).

50.14 Subd. 3. **Job-seekers hub.** (a) The commissioner shall develop a centralized
50.15 Web-based skilled manufacturing job-seekers hub that matches the needs of employers
50.16 with job seekers.

50.17 (b) An employer may advertise a JEAP or other job opportunity on the hub if the
50.18 employer:

50.19 (1) collaborates with a MnSCU institution to assist with the development of any
50.20 necessary classroom instruction or technical or vocational training that may be required to
50.21 perform the duties of the skilled manufacturing job;

50.22 (2) collaborates with the commissioner of labor and industry to create a JEAP under
50.23 subdivision 4;

50.24 (3) abides by the terms of the JEAP employer agreement under subdivision 4; and

50.25 (4) employs the participant under the terms of a JEAP participation agreement under
50.26 subdivision 5 for the duration of the modified apprenticeship program and, assuming
50.27 successful completion, makes reasonable efforts to continue to employ the participant as a
50.28 regular employee.

50.29 (c) Job seekers seeking skilled manufacturing jobs advertised on the hub agree to
50.30 abide by the terms of the JEAP participation agreement under subdivision 5.

50.31 (d) The Board of Trustees of MnSCU and MnSCU institutions shall provide
50.32 information for the hub describing the related instruction component of JEAP through
50.33 data exchange.

50.34 Subd. 4. **JEAP employer agreement.** (a) The commissioner, eligible employer,
50.35 and MnSCU institution shall enter into a JEAP employer agreement that is specific to the
50.36 identified manufacturing training needs of an employer.

51.1 (b) The agreement must contain the following:

51.2 (1) the name of the employer;

51.3 (2) a statement showing the number of hours to be spent by a participant in work and
51.4 the number of hours to be spent, if any, in concurrent, supplementary instruction in related
51.5 subjects. The maximum number of hours of work per week, not including time spent in
51.6 related instruction, for any participant shall not exceed either the number prescribed by
51.7 law or the customary regular number of hours per week for the employees of the company
51.8 by which the participant is employed. A participant may be allowed to work overtime
51.9 provided that the overtime work does not conflict with supplementary instruction course
51.10 attendance. All time spent by the participant in excess of the number of hours of work per
51.11 week as specified in the JEAP participation agreement shall be considered overtime;

51.12 (3) a statement showing the schedule of wages that a participant will earn, including
51.13 a probationary period, if any;

51.14 (4) an explanation of how the employer agreement or participant agreement may
51.15 be terminated;

51.16 (5) a statement setting forth a schedule of the processes in the occupation in which
51.17 the participant is to be trained and the approximate time to be spent at each process;

51.18 (6) a statement by the MnSCU institution and the employer describing the related
51.19 instruction that will be offered, if any, under subdivision 6, paragraph (c); and

51.20 (7) any other provision the commissioner deems necessary to carry out the purposes
51.21 of this section.

51.22 Subd. 5. **JEAP participation agreement.** (a) The commissioner, the prospective
51.23 participant, and the employer shall enter into a JEAP participation agreement that is
51.24 specific to the manufacturing training to be provided to the participant.

51.25 (b) The participation agreement must contain the following:

51.26 (1) the name of the employer;

51.27 (2) the name of the participant;

51.28 (3) a statement setting forth a schedule of the processes of the occupation in which
51.29 the participant is to be trained and the approximate time to be spent at each process;

51.30 (4) a description of any related instruction;

51.31 (5) a statement showing the number of hours to be spent by a participant in work and
51.32 the number of hours to be spent, if any, in concurrent, supplementary instruction in related
51.33 subjects. The maximum number of hours of work per week, not including time spent in
51.34 related instruction, for any participant shall not exceed either the number prescribed by
51.35 law or the customary regular number of hours per week for the employees of the company
51.36 by which the participant is employed. A participant may be allowed to work overtime

52.1 provided that the overtime work does not conflict with supplementary instruction course
52.2 attendance. All time spent by the participant in excess of the number of hours of work per
52.3 week as specified in the JEAP participation agreement shall be considered overtime;

52.4 (6) a statement showing the schedule of wages that a participant will earn, including
52.5 a probationary period, if any; and

52.6 (7) an explanation of how the parties may terminate the participation agreement.

52.7 (c) If a JEAP participation agreement meets the requirements of Minnesota
52.8 Statutes, section 178.07, the commissioner may approve the participation agreement
52.9 as an apprenticeship agreement.

52.10 (d) The commissioner may periodically review the adherence to the terms of
52.11 the JEAP participation agreement. If the commissioner determines that an employer
52.12 or participant has failed to comply with the terms of a participation agreement, the
52.13 commissioner shall terminate the participation agreement.

52.14 Subd. 6. **MnSCU instruction.** (a) MnSCU institutions shall collaborate with
52.15 employers to provide related instruction which the employer deems necessary to instruct
52.16 participants of JEAP. The related instruction provided must be, for the purposes of this
52.17 section, career-level, as negotiated by the commissioner and the MnSCU institution. The
52.18 related instruction may be for credit or noncredit, and credit earned may be transferable to
52.19 a degree program, as determined by the MnSCU institution.

52.20 (b) The commissioner, in conjunction with the MnSCU institution, shall issue a
52.21 certificate of completion to a participant who completes all required components of the
52.22 JEAP participation agreement.

52.23 (c) As part of the JEAP, an employer shall collaborate with a MnSCU institution for
52.24 any related instruction required to perform the skilled manufacturing job. The employer
52.25 agreement shall include:

52.26 (1) a detailed explanation of the related instruction; and

52.27 (2) the number of hours of related instruction needed to receive a certificate of
52.28 completion.

52.29 (d) Before entering into a JEAP participation agreement under subdivision 6, a
52.30 prospective participant must enroll in the MnSCU institution at which the required
52.31 instruction will occur. Acceptance into JEAP does not guarantee enrollment as a
52.32 degree-seeking student in good standing at a MnSCU institution. The MnSCU institution
52.33 may modify admission procedures and requirements for participants applying for JEAP
52.34 under this section.

52.35 Subd. 7. **Expiration.** JEAP does not expire unless jointly agreed to by both the
52.36 Board of Trustees of MnSCU and the commissioner.

53.1 Sec. 45. **IMPLEMENTATION; REPORT.**

53.2 The commissioner shall implement JEAP for manufacturing industries under
53.3 Minnesota Statutes, section 178A.10, at Century College, Alexandria Technical and
53.4 Community College, Hennepin Technical College, and Central Lakes College. By January
53.5 15, 2015, the commissioner and the Board of Trustees of MnSCU, in conjunction with
53.6 each MnSCU institution listed in this section, shall report to the legislative committees
53.7 with jurisdiction over jobs. The report must address the progress and success of the
53.8 implementation of JEAP at each individual MnSCU institution listed in this section. The
53.9 report must give recommendations on where JEAP should next be implemented, taking
53.10 into consideration all current and potential manufacturing training providers available.

53.11 Sec. 46. **REPEALER.**

53.12 (a) Minnesota Statutes 2012, sections 326B.31, subdivisions 18, 19, and 22; and
53.13 326B.978, subdivision 4, are repealed.

53.14 (b) Minnesota Rules, parts 1307.0032; 3800.3520, subpart 5, items C and D; and
53.15 3800.3602, subpart 2, item B, subitems (5) and (6), are repealed.

53.16 **ARTICLE 3**53.17 **EMPLOYMENT, ECONOMIC DEVELOPMENT, AND**
53.18 **WORKFORCE DEVELOPMENT**53.19 Section 1. **[116J.013] COST-OF-LIVING STUDY; ANNUAL REPORT.**

53.20 (a) The commissioner shall conduct an annual cost-of-living study in Minnesota.

53.21 The study shall include:

53.22 (1) a calculation of the statewide basic needs cost of living, adjusted for family size;

53.23 (2) a calculation of the basic needs cost of living, adjusted for family size, for each
53.24 county;

53.25 (3) an analysis of statewide and county cost-of-living data, employment data, and
53.26 job vacancy data; and

53.27 (4) recommendations to aid in the assessment of employment and economic
53.28 development planning needs throughout the state.

53.29 (b) The commissioner shall report on the cost-of-living study and recommendations
53.30 by February 1 of each year to the governor and to the chairs of the standing committees
53.31 of the house of representatives and the senate having jurisdiction over employment and
53.32 economic development issues.

54.1 Sec. 2. [116J.4011] LABOR MARKET INFORMATION DATA PRODUCTION
54.2 REQUIREMENT.

54.3 (a) As part of the commissioner's obligation under section 116J.401, the
54.4 commissioner must, in collaboration with the Office of Higher Education and local
54.5 workforce center boards, publish labor market analysis supply and demand reports,
54.6 statewide and by region. The supply and demand reports must:

54.7 (1) identify the state and regional industry sectors and occupations with the highest
54.8 current and projected job growth;

54.9 (2) identify top job vacancies by state and regional industry sectors and occupations;

54.10 (3) provide information on the education attainment of the current state and regional
54.11 workforce;

54.12 (4) identify the expected number of graduates in industry-recognized credential and
54.13 degree programs by career field;

54.14 (5) identify the completion rate and average debt per student of industry-recognized
54.15 credential and degree programs by career field;

54.16 (6) identify higher education institutions offering industry-recognized credential and
54.17 degree programs in high job-growth career fields;

54.18 (7) make projections on future state and regional job growth by education level; and

54.19 (8) utilize employer surveys to identify the credentials and skills needed for
54.20 employment in high job-growth occupations.

54.21 (b) The statewide report and regional reports shall each present side-by-side
54.22 comparisons of:

54.23 (1) new job growth and total job openings by education level compared with
54.24 educational attainment levels of current workforce;

54.25 (2) current and projected top high-growth, high-pay industries by number of new
54.26 jobs and median salaries compared with top annual graduates by major or credential; and

54.27 (3) top job vacancies requiring some postsecondary credential. Each of these
54.28 vacancies should be directly linked to information about what credentials are required,
54.29 where in the state and region those credentials can be obtained, the completion and
54.30 credential attainment rate of each of those credential programs, the average debt per
54.31 student who attains each credential, and median wages for the job vacancy.

54.32 (c) Reports required by this section must be regularly reviewed by regional
54.33 employers and educators to ensure accuracy.

54.34 (d) Reports required by this section must be easily accessible, easily readable, and
54.35 prominently presented on the Department of Employment and Economic Development
54.36 Web site and Web sites of workforce centers.

55.1 Sec. 3. Minnesota Statutes 2012, section 116J.8731, subdivision 2, is amended to read:

55.2 Subd. 2. **Administration.** Except as otherwise provided in this section, the
55.3 commissioner shall administer the fund as part of the Small Cities Development Block
55.4 Grant Program; and funds shall be made available to local communities and recognized
55.5 Indian tribal governments in accordance with the rules adopted for economic development
55.6 grants in the small cities community development block grant program, except that,
55.7 All units of general purpose local government are eligible applicants for Minnesota
55.8 investment funds. The commissioner may provide forgivable loans directly to a private
55.9 enterprise and not require a local community or recognized Indian tribal government
55.10 application other than a resolution supporting the assistance. Eligible applicants for the
55.11 state-funded portion of the fund also include development authorities as defined in section
55.12 116J.552, subdivision 4, provided that the governing body of the municipality approves,
55.13 by resolution, the application of the development authority. The commissioner may also
55.14 make funds available within the department for eligible expenditures under subdivision 3,
55.15 clause (2). A home rule charter or statutory city, county, or town may loan or grant money
55.16 received from repayment of funds awarded under this section to a regional development
55.17 commission, other regional entity, or statewide community capital fund as determined by
55.18 the commissioner, to capitalize or to provide the local match required for capitalization of
55.19 a regional or statewide revolving loan fund.

55.20 Sec. 4. Minnesota Statutes 2012, section 116J.8731, subdivision 3, is amended to read:

55.21 Subd. 3. **Eligible expenditures.** The money appropriated for this section may
55.22 be used to:

55.23 (1) fund loans or grants for infrastructure, loans, loan guarantees, interest buy-downs,
55.24 and other forms of participation with private sources of financing, provided that a loan to
55.25 a private enterprise must be for a principal amount not to exceed one-half of the cost of
55.26 the project for which financing is sought;

55.27 (2) fund strategic investments in renewable energy market development, such as
55.28 low interest loans for renewable energy equipment manufacturing, training grants to
55.29 support renewable energy workforce, development of a renewable energy supply chain
55.30 that represents and strengthens the industry throughout the state, and external marketing
55.31 to garner more national and international investment into Minnesota's renewable sector.
55.32 Expenditures in external marketing for renewable energy market development are not
55.33 subject to the limitations in clause (1); and

55.34 (3) provide private entrepreneurs with training, other technical assistance, and
55.35 financial assistance, as provided in the small cities development block grant program.

56.1 Sec. 5. Minnesota Statutes 2012, section 116J.8731, subdivision 8, is amended to read:

56.2 Subd. 8. **Disaster contingency account; repayments.** There is created a Minnesota
56.3 investment fund disaster contingency account in the special revenue fund. Repayment of
56.4 loan amounts to the local government unit or development authority under this section
56.5 shall be forwarded to the commissioner and deposited in the disaster contingency account
56.6 in the Minnesota investment fund to be appropriated by law for future disaster relief.

56.7 Sec. 6. Minnesota Statutes 2012, section 116J.8731, subdivision 9, is amended to read:

56.8 Subd. 9. **Requirements for assistance.** (a) All awards under section 12A.07 are
56.9 subject to the following requirements in this subdivision.

56.10 ~~(a) Eligible applicants include the following:~~

56.11 (b) Eligible applicants are subject to the following requirements:

56.12 (1) Applicants may be any business or nonprofit organization in the area included
56.13 in the disaster declaration that was directly and adversely affected by the disaster. This
56.14 includes: businesses, cooperatives, utilities, industrial, commercial, retail, and nonprofit
56.15 organizations, including those nonprofits that provide residential, health care, child care,
56.16 social, or other services on behalf of the Department of Human Services to residents
56.17 included in the disaster area.

56.18 (2) Business applicants must be organized as a proprietorship, partnership, LLC, or
56.19 a corporation.

56.20 (3) Applicants must have been in operation before the date of the disaster.

56.21 ~~(b) Eligible activities:~~ (c) Loan funds may be used to assist businesses only in their
56.22 recovery efforts but are not available to provide relief from economic losses.

56.23 ~~(e) Eligible costs:~~ (d) Eligible costs may include the following: repair of buildings,
56.24 leasehold improvements, fixtures and/or equipment, loss of inventory, and cleanup costs.

56.25 ~~(d) (e) Ineligible activities include all of the following:~~

56.26 (1) ~~Ineligible applicants:~~ Any applicants not meeting the eligibility requirements
56.27 outlined in this subdivision are ineligible to receive recovery loan funds.

56.28 (2) ~~Ineligible activities:~~ Funds may not be used for lending or investment operations,
56.29 land speculation, or any activity deemed illegal by federal, state, or local law or ordinance.

56.30 (3) ~~Ineligible costs:~~ Ineligible costs include but are not limited to: economic injury
56.31 losses, relocation, management fees, financing costs, franchise fees, debt consolidation,
56.32 moving costs, refinancing debt existing prior to the date of the disaster, and operating costs.

56.33 ~~(e) (f) Loan application:~~

56.34 ~~(1) Application process:~~ All parties seeking recovery loan funds must file an
56.35 application with the local unit of government or development authority. Small Business

57.1 Administration (SBA) application forms may be used. Applications must be transmitted
57.2 in the form and manner prescribed by the commissioner.

57.3 ~~(f) Application information.~~ (g) Only completed applications will be reviewed for
57.4 consideration. Submittal of the following information constitutes a complete application:

57.5 (1) Minnesota investment fund recovery loan fund application;

57.6 (2) business SBA disaster application, if applicable;

57.7 (3) regional development organization or responsible local government application,
57.8 if applicable;

57.9 (4) administrative contact;

57.10 (5) business release for local government to review SBA damage assessment/loss
57.11 verification, if applicable;

57.12 (6) proof of loss statement from insurer;

57.13 (7) construction cost estimates;

57.14 (8) invoices for work completed;

57.15 (9) quotes for equipment;

57.16 (10) proposed security;

57.17 (11) company historical financial statements for the 24 months immediately prior to
57.18 the application date;

57.19 (12) credit check release;

57.20 (13) number of jobs to be retained;

57.21 (14) wages paid;

57.22 (15) amount of loan request;

57.23 (16) documentation of damages incurred;

57.24 (17) property taxes paid and current;

57.25 (18) judgments, liens, agreements, consent decrees, stipulations for settlements, or
57.26 other such actions which would prevent the applicant from participating in any program
57.27 administered by the responsible local, state, or regional government;

57.28 (19) compliance with all applicable local ordinances and plans;

57.29 (20) documentation through financial and tax records that the business was a viable
57.30 operating entity at the time of the flood;

57.31 (21) business tax identification number; and

57.32 (22) other documentation as requested.

57.33 ~~(g)~~ (h) Incomplete applications will be assigned pending status and the applicant
57.34 will be informed in writing of the missing documentation.

57.35 ~~(h) Determination of eligibility.~~ (i) Applicant eligibility will be determined using
57.36 criteria enumerated in paragraph ~~(a)~~ (b). A credit check for the company and each of its

58.1 principal owners may be conducted. An owner's encumbrance report will be completed
58.2 by the Recorder's Office.

58.3 (j) A grant recipient is eligible for assistance provided under this section only after the
58.4 recipient has claimed all applicable private insurance and the recipient has utilized all other
58.5 sources of applicable assistance available under the act appropriating funding for the grant.

58.6 **Sec. 7. [116J.8748] MINNESOTA JOB CREATION FUND.**

58.7 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms
58.8 have the meanings given them.

58.9 (b) "Agreement" or "business subsidy agreement" means a business subsidy
58.10 agreement under section 116J.994 that must include, but is not limited to: specification
58.11 of the duration of the agreement, job goals and a timeline for achieving those goals over
58.12 the duration of the agreement, construction and other investment goals and a timeline for
58.13 achieving those goals over the duration of the agreement, and the value of benefits the
58.14 firm may receive following achievement of construction and employment goals. The local
58.15 government and business must report to the commissioner on the business performance
58.16 using the forms developed by the commissioner.

58.17 (c) "Business" means an individual, corporation, partnership, limited liability
58.18 company, association, or other entity.

58.19 (d) "Capital investment" means money that is expended for the purpose of building
58.20 or improving real fixed property where employees under paragraphs (g) and (h) are or will
58.21 be employed and also includes construction materials, services, and supplies.

58.22 (e) "Commissioner" means the commissioner of employment and economic
58.23 development.

58.24 (f) "Minnesota job creation fund business" means a business that is designated
58.25 by the commissioner under subdivision 3.

58.26 (g) "New full-time employee" means an employee who:

58.27 (1) begins work at a Minnesota job creation fund business facility noted in a business
58.28 subsidy agreement and following the designation as a job creation fund business; and

58.29 (2) has expected work hours of at least 2,080 hours annually.

58.30 (h) "Retained job" means a full-time position:

58.31 (1) that existed at the facility prior to the designation as a job creation fund business;

58.32 and

58.33 (2) has expected work hours of at least 2,080 hours annually.

58.34 (i) "Wages" has the meaning given in section 290.92, subdivision 1, clause (1).

59.1 Subd. 2. **Application.** (a) In order to qualify for designation as a Minnesota job
59.2 creation fund business under subdivision 3, a business must submit an application to the
59.3 local government entity where the facility is or will be located.

59.4 (b) A local government must submit the business application along with other
59.5 application materials to the commissioner for approval.

59.6 (c) The applications required under paragraphs (a) and (b) must be in the form and
59.7 be made under the procedures specified by the commissioner.

59.8 Subd. 3. **Minnesota job creation fund business designation; requirements.** (a)
59.9 To receive designation as a Minnesota job creation fund business, a business must satisfy
59.10 all of the following conditions:

59.11 (1) the business is or will be engaged in, within Minnesota, one of the following
59.12 as its primary business activity:

59.13 (i) manufacturing;

59.14 (ii) warehousing;

59.15 (iii) distribution;

59.16 (iv) information technology;

59.17 (v) finance;

59.18 (vi) insurance; or

59.19 (vii) professional or technical services;

59.20 (2) the business must not be primarily engaged in lobbying, gambling, entertainment,
59.21 professional sports, political consulting, leisure, hospitality, or professional services
59.22 provided by attorneys, accountants, business consultants, physicians, or health care
59.23 consultants, or primarily engaged in making retail sales to purchasers who are physically
59.24 present at the business's location;

59.25 (3) the business must enter into a binding construction and job creation business
59.26 subsidy agreement with the commissioner to expend at least \$500,000 in capital
59.27 investment in a construction project that includes a new, expanded, or remodeled facility
59.28 within one year following designation as a Minnesota job creation fund business and:

59.29 (i) create at least ten new full-time employee positions within two years of the
59.30 benefit date following the designation as a Minnesota job creation fund business; or

59.31 (ii) expend at least \$25,000,000 in capital investment and retain at least 50 employees;

59.32 (4) positions or employees moved or relocated from another Minnesota location
59.33 of the Minnesota job creation fund business must not be included in any calculation or
59.34 determination of job creation or new positions under this paragraph; and

60.1 (5) a Minnesota job creation fund business must not terminate, lay off, or reduce
60.2 the working hours of an employee for the purpose of hiring an individual to satisfy job
60.3 creation goals under this subdivision.

60.4 (b) Prior to approving the proposed designation of a business under this subdivision,
60.5 the commissioner shall consider the following:

60.6 (1) the economic outlook of the industry in which the business engages;

60.7 (2) the projected sales of the business that will be generated from outside the state
60.8 of Minnesota;

60.9 (3) how the business will build on existing regional, national, and international
60.10 strengths to diversify the state's economy;

60.11 (4) whether the business activity would occur without financial assistance;

60.12 (5) whether the business is unable to expand at an existing Minnesota operation
60.13 due to facility or land limitations;

60.14 (6) whether the business has viable location options outside Minnesota;

60.15 (7) the effect of financial assistance on industry competitors in Minnesota;

60.16 (8) financial contributions to the project made by local governments; and

60.17 (9) any other criteria the commissioner deems necessary.

60.18 (c) Upon receiving notification of local approval under subdivision 2, the
60.19 commissioner shall review the determination by the local government and consider the
60.20 conditions listed in paragraphs (a) and (b) to determine whether it is in the best interests of
60.21 the state and local area to designate a business as a Minnesota job creation fund business.

60.22 (d) If the commissioner designates a business as a Minnesota job creation fund
60.23 business, the business subsidy agreement shall include the performance outcome
60.24 commitments and the expected financial value of any Minnesota job creation fund benefits.

60.25 (e) The commissioner may amend an agreement once, upon request of a local
60.26 government on behalf of a business, only if the performance is expected to exceed
60.27 thresholds stated in the original agreement.

60.28 (f) A business may apply to be designated as a Minnesota job creation fund business
60.29 at the same location more than once only if all goals under a previous Minnesota job
60.30 creation fund agreement have been met and the agreement is completed.

60.31 Subd. 4. **Certification; benefits.** (a) The commissioner may certify a Minnesota job
60.32 creation fund business as eligible to receive a specific value of benefit under paragraphs
60.33 (b) and (c) when the business has achieved its job creation and construction goals noted in
60.34 its agreement under subdivision 3.

60.35 (b) A qualified Minnesota job creation fund business may be certified eligible for the
60.36 benefits in this paragraph for up to five years for projects located in the metropolitan area

61.1 as defined in section 200.02, subdivision 24, and seven years for projects located outside
61.2 the metropolitan area, as determined by the commissioner when considering the best
61.3 interests of the state and local area. The eligibility for the following benefits begins the
61.4 date the commissioner certifies the business as a qualified Minnesota job creation fund
61.5 business under this subdivision:

61.6 (1) up to five percent rebate for projects located in the metropolitan area as
61.7 defined in section 200.02, subdivision 24, and 7.5 percent for projects located outside
61.8 the metropolitan area, on capital investment on qualifying purchases as provided in
61.9 subdivision 5 with the total rebate for a project not to exceed \$500,000;

61.10 (2) an award of up to \$500,000 based on full-time job creation and wages paid as
61.11 provided in subdivision 6 with the total award not to exceed \$500,000;

61.12 (3) up to \$1,000,000 in capital investment rebates and \$1,000,000 in job creation
61.13 awards for projects that have at least \$25,000,000 in capital investment and 200 new
61.14 employees; and

61.15 (4) up to \$1,000,000 in capital investment rebates for projects that have at least
61.16 \$25,000,000 in capital investment and 50 retained employees.

61.17 (c) The job creation award may be provided in multiple years as long as the qualified
61.18 Minnesota job creation fund business continues to meet the job creation goals provided
61.19 for in its agreement under subdivision 3 and the total award does not exceed \$500,000
61.20 except as provided under paragraph (b), clauses (3) and (4).

61.21 (d) No rebates or award may be provided until the Minnesota job creation fund
61.22 business has at least \$500,000 in capital investment in the project and at least ten full-time
61.23 jobs have been created and maintained for at least one year or the retained employees, as
61.24 provided in paragraph (b), clause (4), remain for at least one year. The agreement may
61.25 require additional performance outcomes that need to be achieved before rebates and
61.26 awards are provided. If fewer retained jobs are maintained, but still above the minimum
61.27 under this subdivision, the capital investment award shall be reduced on a proportionate
61.28 basis.

61.29 (e) The forms needed to be submitted to document performance by the Minnesota
61.30 job creation fund business must be in the form and be made under the procedures specified
61.31 by the commissioner. The forms shall include documentation and certification by the
61.32 business that it is in compliance with the business subsidy agreement, sections 116J.871
61.33 and 116L.66, and other provisions as specified by the commissioner.

61.34 (f) Minnesota job creation fund businesses must pay each new full-time employee
61.35 added pursuant to the agreement total compensation, including benefits not mandated by

62.1 law, that on an annualized basis is equal to at least 110 percent of the federal poverty
62.2 level for a family of four.

62.3 (g) A Minnesota job creation fund business must demonstrate reasonable progress
62.4 on its capital investment expenditures within six months following designation as a
62.5 Minnesota job creation fund business to ensure that the capital investment goal in the
62.6 agreement under subdivision 1 will be met. The commissioner may determine that
62.7 a business not making reasonable progress will not be eligible for benefits under the
62.8 submitted application and will need to work with the local government unit to submit a
62.9 new application and request to be a Minnesota job creation fund business. Notwithstanding
62.10 any six-month goals noted in its agreement under subdivision 1, this action shall not be
62.11 considered a default of the business subsidy agreement.

62.12 Subd. 5. **Capital investment rebate.** (a) A qualified Minnesota job creation fund
62.13 business is eligible for a rebate on the purchase and use of construction materials, services,
62.14 and supplies used for or consumed in the construction project as described in the goals
62.15 under the agreement provided under subdivision 1, paragraph (b).

62.16 (b) The rebate under this subdivision applies regardless of whether the purchases are
62.17 made by the qualified Minnesota job creation fund business or a contractor hired to perform
62.18 work or provide services at the qualified Minnesota job creation fund business location.

62.19 (c) Minnesota job creation fund businesses seeking the rebate for capital investment
62.20 provided under subdivision 4 must submit forms and applications to the Department of
62.21 Employment and Economic Development as prescribed by the commissioner of each
62.22 department.

62.23 Subd. 6. **Job creation award.** (a) A qualified Minnesota job creation fund business
62.24 is eligible for an annual award for each new job created and maintained by the business
62.25 using the following schedule: \$1,000 for each job position paying annual wages at least
62.26 \$26,000 but less than \$35,000; \$2,000 for each job position paying at least \$35,000 but
62.27 less than \$45,000; and \$3,000 for each job position paying at least \$45,000; and as noted
62.28 in the goals under the agreement provided under subdivision 1.

62.29 (b) The job creation award schedule must be adjusted annually using the percentage
62.30 increase in the federal poverty level for a family of four.

62.31 (c) Minnesota job creation fund businesses seeking an award credit provided under
62.32 subdivision 4 must submit forms and applications to the Department of Employment and
62.33 Economic Development as prescribed by the commissioner.

62.34 **EFFECTIVE DATE.** This section is effective January 1, 2014.

62.35 Sec. 8. **[116J.9661] TRADE POLICY ADVISORY GROUP.**

63.1 Subdivision 1. **Establishment.** A trade policy advisory group is established to
63.2 advise and assist the governor and the legislature regarding government procurement
63.3 agreements of United States trade agreements.

63.4 Subd. 2. **Membership.** (a) The trade policy advisory group shall be appointed by
63.5 the governor and comprised of 12 members as follows:

63.6 (1) two representatives of organized labor;

63.7 (2) a representative of an organization representing environmental interests;

63.8 (3) a representative of organizations representing family farmers;

63.9 (4) two representatives from business and industry;

63.10 (5) a representative of a nonprofit organization focused on international trade and
63.11 development;

63.12 (6) the commissioner of employment and economic development or the
63.13 commissioner's designee;

63.14 (7) two senators, including one member from the majority party and one member
63.15 from the minority party, appointed by the Subcommittee on Committees of the Committee
63.16 on Rules and Administration of the senate; and

63.17 (8) two members of the house of representatives, including one member appointed
63.18 by the speaker of the house and one member appointed by the minority leader.

63.19 (b) Members of the trade policy advisory group shall serve for a term of two years
63.20 and may be reappointed. Members shall serve until their successors have been appointed.

63.21 (c) The trade policy advisory group may invite representatives from other state
63.22 agencies, industries, trade and labor organizations, nongovernmental organizations, and
63.23 local governments to join the group as nonvoting ex officio members.

63.24 Subd. 3. **Administration.** (a) The commissioner of employment and economic
63.25 development or the commissioner's designee shall:

63.26 (1) coordinate with the other appointing authorities to designate their representatives;
63.27 and

63.28 (2) provide meeting space and administrative services for the group.

63.29 (b) The members shall elect a chair from the legislative members of the working
63.30 group. The chair will assume responsibility for convening future meetings of the group.

63.31 (c) Public members of the advisory group serve without compensation or payment of
63.32 expenses.

63.33 Subd. 4. **Duties.** The trade policy advisory group shall:

63.34 (1) serve as an advisory group to the governor and the legislature on matters relating
63.35 to government procurement agreements of United States trade agreements;

64.1 (2) assess the potential impact of government procurement agreements on the state's
 64.2 economy;

64.3 (3) advise the governor and the legislature of the group's findings and make
 64.4 recommendations, including any draft legislation necessary to implement the
 64.5 recommendations, to the governor and the legislature;

64.6 (4) determine, on a case-by-case basis, the impact of a specific government
 64.7 procurement agreement by requesting input from state agencies, seeking expert advice,
 64.8 convening public hearings, and taking other reasonable and appropriate actions;

64.9 (5) provide advice on other issues related to trade agreements other than government
 64.10 procurement agreements when specifically requested by the governor or the legislature;

64.11 (6) request information from the Office of the United States Trade Representative
 64.12 necessary to conduct an appropriate review of government procurement agreements or
 64.13 other trade issues as directed by the governor or the legislature; and

64.14 (7) receive information obtained by the United States Trade Representative's single
 64.15 point of contact for Minnesota.

64.16 Subd. 5. **Report.** The trade policy advisory group shall issue a report to the
 64.17 legislature with its findings and recommendations no less than once per fiscal year.

64.18 Sec. 9. **[116J.978] MINNESOTA TRADE OFFICES IN FOREIGN MARKETS.**

64.19 (a) The commissioner of employment and economic development shall establish
 64.20 three new Minnesota Trade Offices in key foreign markets selected for their potential to
 64.21 increase Minnesota exports and attract foreign direct investment.

64.22 (b) The commissioner shall establish a performance rating system for the new offices
 64.23 established under this section and create specific annual goals for the offices to meet. The
 64.24 commissioner shall monitor activities of the office, including, but not limited to, the number
 64.25 of inquiries and projects received and completed, meetings arranged between Minnesota
 64.26 companies and potential investors, distributors, or customers, and agreements signed.

64.27 Sec. 10. **[116J.979] MINNESOTA STEP GRANTS.**

64.28 Subdivision 1. **Establishment.** The commissioner of employment and economic
 64.29 development shall create a State Trade and Export Promotion grants program, hereafter
 64.30 STEP grants, to provide financial and technical assistance to eligible Minnesota small
 64.31 businesses with an active interest in exporting products or services to foreign markets.

64.32 Subd. 2. **Grants.** Recipients may apply, on an application devised by the
 64.33 commissioner, for up to \$7,500 in reimbursement for approved export-development
 64.34 activities, including, but not limited to:

- 65.1 (1) participation in trade missions;
 65.2 (2) export training;
 65.3 (3) exhibition at trade shows or industry-specific events;
 65.4 (4) translation of marketing materials;
 65.5 (5) development of foreign language Web sites, Gold Key, or other business
 65.6 matchmaking services;
 65.7 (6) company-specific international sales activities; and
 65.8 (7) testing and certification required to sell products in foreign markets.

65.9 **Sec. 11. [116J.9801] INVEST MINNESOTA.**

65.10 The commissioner shall establish the Invest Minnesota marketing initiative. This
 65.11 initiative must focus on branding the state's economic development initiatives and
 65.12 promoting Minnesota business opportunities. The initiative may include measures to
 65.13 communicate the benefits of doing business in Minnesota to companies considering
 65.14 relocating, establishing a United States presence, or expanding.

65.15 **Sec. 12. [116L.191] WORKFORCE CENTER; CREDENTIAL ASSISTANCE.**

65.16 (a) The commissioner shall provide at local workforce centers services that
 65.17 assist individuals in identifying and obtaining industry-recognized credentials for jobs,
 65.18 particularly jobs in high demand. The workforce centers must consult and cooperate
 65.19 with training institutions, particularly postsecondary institutions, to identify credential
 65.20 programs to individuals.

65.21 (b) Each workforce center shall provide information under section 116J.4011,
 65.22 paragraph (b), clause (3), linked as a shortcut from the desktop of each workforce center
 65.23 computer and available in hard copy. Prominent signs should be posted in workforce
 65.24 centers directing individuals to where they can find a list of top job vacancies and related
 65.25 credential information.

65.26 **Sec. 13. Minnesota Statutes 2012, section 116U.26, is amended to read:**

65.27 **116U.26 FILM PRODUCTION JOBS PROGRAM.**

65.28 (a) The film production jobs program is created. The program shall be operated
 65.29 by the Minnesota Film and TV Board with administrative oversight and control by the
 65.30 commissioner of ~~administration~~ employment and economic development. The program
 65.31 shall make payment to producers of feature films, national television or Internet programs,
 65.32 documentaries, music videos, and commercials that directly create new film jobs in
 65.33 Minnesota. To be eligible for a payment, a producer must submit documentation to the

66.1 Minnesota Film and TV Board of expenditures for production costs incurred in Minnesota
66.2 that are directly attributable to the production in Minnesota of a film product.

66.3 The Minnesota Film and TV Board shall make recommendations to the
66.4 commissioner of ~~administration~~ employment and economic development about program
66.5 payment, but the commissioner has the authority to make the final determination on
66.6 payments. The commissioner's determination must be based on proper documentation of
66.7 eligible production costs submitted for payments. No more than five percent of the funds
66.8 appropriated for the program in any year may be expended for administration, including
66.9 costs for independent audits and financial reviews of projects.

66.10 (b) For the purposes of this section:

66.11 (1) "production costs" means the cost of the following:

66.12 (i) a story and scenario to be used for a film;

66.13 (ii) salaries of talent, management, and labor, including payments to personal
66.14 services corporations for the services of a performing artist;

66.15 (iii) set construction and operations, wardrobe, accessories, and related services;

66.16 (iv) photography, sound synchronization, lighting, and related services;

66.17 (v) editing and related services;

66.18 (vi) rental of facilities and equipment; ~~or~~

66.19 (vii) other direct costs of producing the film in accordance with generally accepted
66.20 entertainment industry practice; ~~and~~

66.21 (viii) above-the-line talent fees for nonresident talent; or

66.22 (ix) costs incurred during postproduction; and

66.23 (2) "film" means a feature film, television or Internet ~~show~~, pilot, program, series,
66.24 documentary, music video, or television commercial, whether on film, video, or digital
66.25 media. Film does not include news, current events, public programming, or a program
66.26 that includes weather or market reports; a talk show; a production with respect to a
66.27 questionnaire or contest; a sports event or sports activity; a gala presentation or awards
66.28 show; a finished production that solicits funds; or a production for which the production
66.29 company is required under United States Code, title 18, section 2257, to maintain records
66.30 with respect to a performer portrayed in a single-media or multimedia program.

66.31 (c) Notwithstanding any other law to the contrary, the Minnesota Film and TV Board
66.32 may make reimbursements of: (1) up to ~~20~~ 25 percent of ~~film~~ production costs for films that
66.33 locate production outside the metropolitan area, as defined in section 473.121, subdivision
66.34 2, or that incur production costs in excess of \$5,000,000 ~~in the metropolitan area~~ within a
66.35 12-month period; or (2) up to ~~15~~ 20 percent of ~~film~~ production costs for films that incur
66.36 production costs of \$5,000,000 or less in the metropolitan area within a 12-month period.

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

67.2 Sec. 14. Minnesota Statutes 2012, section 136F.37, is amended to read:

67.3 **136F.37 JOB PLACEMENT IMPACT ON PROGRAM REVIEW;**
67.4 **INFORMATION TO STUDENTS.**

67.5 Subdivision 1. **Colleges; technical occupational program.** The board must
67.6 assess labor market data when conducting college program reviews. Colleges must
67.7 provide prospective students with the job placement rate for graduates of technical and
67.8 occupational programs offered at the colleges.

67.9 Subd. 2. **DEED labor market survey; MnSCU usage and disclosure.** The data
67.10 assessed under subdivision 1 must include labor market data compiled by the Department
67.11 of Employment and Economic Development under section 116J.4011. The board and its
67.12 colleges and universities must use this market data when deciding upon course and program
67.13 offerings. The board must provide a link to this labor market data on its Internet portal.

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

67.15 Sec. 15. Minnesota Statutes 2012, section 245.4712, subdivision 1, is amended to read:

67.16 Subdivision 1. **Availability of community support services.** (a) County boards
67.17 must provide or contract for sufficient community support services within the county to
67.18 meet the needs of adults with serious and persistent mental illness who are residents of the
67.19 county. Adults may be required to pay a fee according to section 245.481. The community
67.20 support services program must be designed to improve the ability of adults with serious
67.21 and persistent mental illness to:

67.22 (1) ~~work in a regular or supported work environment~~ find and maintain competitive
67.23 employment;

67.24 (2) handle basic activities of daily living;

67.25 (3) participate in leisure time activities;

67.26 (4) set goals and plans; and

67.27 (5) obtain and maintain appropriate living arrangements.

67.28 The community support services program must also be designed to reduce the
67.29 need for and use of more intensive, costly, or restrictive placements both in number of
67.30 admissions and length of stay.

67.31 (b) Community support services are those services that are supportive in nature and
67.32 not necessarily treatment oriented, and include:

68.1 (1) conducting outreach activities such as home visits, health and wellness checks,
68.2 and problem solving;

68.3 (2) connecting people to resources to meet their basic needs;

68.4 (3) finding, securing, and supporting people in their housing;

68.5 (4) attaining and maintaining health insurance benefits;

68.6 (5) assisting with job applications, finding and maintaining employment, and
68.7 securing a stable financial situation;

68.8 (6) fostering social support, including support groups, mentoring, peer support, and
68.9 other efforts to prevent isolation and promote recovery; and

68.10 (7) educating about mental illness, treatment, and recovery.

68.11 (c) Community support services shall use all available funding streams. The county
68.12 shall maintain the level of expenditures for this program, as required under section
68.13 245.4835. County boards must continue to provide funds for those services not covered
68.14 by other funding streams and to maintain an infrastructure to carry out these services. The
68.15 county is encouraged to fund evidence-based practices such as individual placement and
68.16 support supported employment and illness management and recovery.

68.17 (d) The commissioner shall collect data on community support services programs,
68.18 including, but not limited to, demographic information such as age, sex, race, the number
68.19 of people served, and information related to housing, employment, hospitalization,
68.20 symptoms, and satisfaction with services.

68.21 Sec. 16. Minnesota Statutes 2012, section 268A.13, is amended to read:

68.22 **268A.13 EMPLOYMENT SUPPORT SERVICES FOR PERSONS WITH**
68.23 **MENTAL ILLNESS.**

68.24 The commissioner of employment and economic development, in cooperation
68.25 with the commissioner of human services, shall develop a statewide program of grants
68.26 as outlined in section 268A.14 to provide services for persons with mental illness who
68.27 want to work in supported employment. Projects funded under this section must: (1)
68.28 assist persons with mental illness in obtaining and retaining competitive employment; (2)
68.29 emphasize individual ~~community placements for clients~~ client preferences; (3) ensure
68.30 interagency collaboration at the local level between vocational rehabilitation field offices,
68.31 county service agencies, community support programs operating under the authority of
68.32 section 245.4712, and community rehabilitation providers, in assisting clients; (4) ensure
68.33 services are integrated with mental health treatment; (5) provide benefits counseling;
68.34 (6) conduct rapid job search; and ~~(4)~~ (7) involve clients in the planning, development,
68.35 oversight, and delivery of support services. Project funds may not be used to provide

69.1 services in segregated settings such as the center-based employment subprograms as
69.2 defined in section 268A.01.

69.3 The commissioner of employment and economic development, in consultation
69.4 with the commissioner of human services, shall develop a request for proposals which is
69.5 consistent with the requirements of this section and section 268A.14 and which specifies
69.6 the types of services that must be provided by grantees. Priority for funding shall be given
69.7 to organizations ~~with experience in developing innovative employment support services~~
69.8 ~~for persons with mental illness~~ carrying out evidence-based practices. Each applicant for
69.9 funds under this section shall submit an evaluation protocol as part of the grant application.

69.10 Sec. 17. Minnesota Statutes 2012, section 268A.14, subdivision 1, is amended to read:

69.11 Subdivision 1. **Employment support services and programs.** The commissioner
69.12 of employment and economic development, in cooperation with the commissioner of
69.13 human services, shall operate a statewide system to reimburse providers for employment
69.14 support services for persons with mental illness. The system shall be operated to support
69.15 employment programs and services where:

69.16 (1) services provided are readily accessible to all persons with mental illness who
69.17 want to work, including rapid competitive job search, so they can make progress toward
69.18 economic self-sufficiency;

69.19 (2) services provided are made an integral part of all mental health treatment and
69.20 rehabilitation programs for persons with mental illness to ensure that they have the ability
69.21 and opportunity to consider a variety of work options;

69.22 (3) programs help persons with mental illness form long-range plans for employment
69.23 that fit their skills and abilities by ensuring that ongoing time-unlimited support, crisis
69.24 management, placement, and career planning services are available;

69.25 (4) services provided give persons with mental illness the information needed
69.26 to make informed choices about employment expectations and options, including
69.27 information on the types of employment available in the local community, the types of
69.28 employment services available, the impact of employment on eligibility for governmental
69.29 benefits, and career options;

69.30 (5) programs assess whether persons with mental illness being serviced are satisfied
69.31 with the services and outcomes. Satisfaction assessments shall address at least whether
69.32 persons like their jobs, whether quality of life is improved, whether potential for
69.33 advancement exists, and whether there are adequate support services in place;

69.34 (6) programs encourage persons with mental illness being served to be involved in
69.35 employment support services issues by allowing them to participate in the development of

70.1 individual rehabilitation plans and to serve on boards, committees, task forces, and review
 70.2 bodies that shape employment services policies and that award grants, and by encouraging
 70.3 and helping them to establish and participate in self-help and consumer advocacy groups;

70.4 (7) programs encourage employers to expand employment opportunities for
 70.5 persons with mental illness and, to maximize the hiring of persons with mental illness,
 70.6 educate employers about the needs and abilities of persons with mental illness and the
 70.7 requirements of the Americans with Disabilities Act;

70.8 (8) programs encourage persons with mental illness, vocational rehabilitation
 70.9 professionals, and mental health professionals to learn more about current work incentive
 70.10 provisions in governmental benefits programs;

70.11 (9) programs establish and maintain linkages with a wide range of other programs
 70.12 and services, including educational programs, housing programs, economic assistance
 70.13 services, community support services, and clinical services to ensure that persons with
 70.14 mental illness can obtain and maintain employment;

70.15 (10) programs participate in ongoing training across agencies and service delivery
 70.16 systems so that providers in human services systems understand their respective roles,
 70.17 rules, and responsibilities and understand the options that exist for providing employment
 70.18 and community support services to persons with mental illness; and

70.19 (11) programs work with local communities to expand system capacity to provide
 70.20 access to employment services to all persons with mental illness who want them.

70.21 Sec. 18. **[383D.412] DAKOTA COUNTY COMMUNITY DEVELOPMENT**
 70.22 **AGENCY; MINNESOTA INVESTMENT FUND.**

70.23 Subdivision 1. **Treatment.** As long as the conditions set forth in subdivision 2 are met
 70.24 and notwithstanding the provisions of section 116J.8731, the Dakota County Community
 70.25 Development Agency will be treated as if it were a general purpose local governmental unit
 70.26 and may apply for and receive state-funded money from the Minnesota investment fund.

70.27 Subd. 2. **Conditions precedent.** Conditions precedent to the treatment of the
 70.28 Dakota County Community Development Agency as a general purpose local governmental
 70.29 unit as described in subdivision 1 are:

70.30 (a) the board of commissioners of Dakota County shall have adopted a resolution
 70.31 approving such treatment of the Dakota County Community Development Agency, and
 70.32 such resolution shall be in full force and effect and shall not have been revoked by
 70.33 Dakota County; and

71.1 (b) the members of the board of commissioners of Dakota County shall be the same
 71.2 persons as the members of the board of commissioners of the Dakota County Community
 71.3 Development Agency.

71.4 Sec. 19. **EMPLOYMENT SUPPORT AND INDEPENDENT LIVING SERVICES**
 71.5 **FOR INDIVIDUALS WITH HIGH-FUNCTIONING AUTISM, ASPERGER'S**
 71.6 **SYNDROME, NONVERBAL LEARNING DISORDERS, AND PERVASIVE**
 71.7 **DEVELOPMENT DISORDER, NOT OTHERWISE SPECIFIED; PILOT**
 71.8 **PROGRAM.**

71.9 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms
 71.10 have the meanings given them.

71.11 (b) "Communication" means the ability to effectively give and receive information
 71.12 through spoken words, writing, speaking, listening, or other means of communication,
 71.13 including but not limited to nonverbal expressions, gestures, or other adaptive methods.

71.14 (c) "Functional areas" means communication, interpersonal skills, mobility, self-care,
 71.15 self-direction, preemployment skills, work tolerance, and independent living skills.

71.16 (d) "Independent living assessment" means an active, performance-based skill
 71.17 assessment in the functional areas of communication, interpersonal skills, mobility,
 71.18 self-care, self-direction, preemployment skills, and independent living skills, that provides
 71.19 an analysis of the individual's ability to independently achieve certain skills and which
 71.20 is performed through direct observation.

71.21 (e) "Interpersonal skills" means the ability to establish and maintain personal,
 71.22 family, work, and community relationships.

71.23 (f) "Mobility" means the physical and psychological ability to move about from
 71.24 place to place, including travel to and from destinations in the community for activities
 71.25 of daily living, training, or work.

71.26 (g) "Natural supports" means the process of assisting an employer to expand its
 71.27 capacity for training, supervising, and supporting workers with disabilities.

71.28 (h) "Ongoing employment support services" means any of the following services:

71.29 (1) facilitation of natural supports at the work site;

71.30 (2) disability awareness training for the worker, the worker's employer, supervisor,
 71.31 or coworkers;

71.32 (3) services necessary to increase the worker's inclusion at the work site;

71.33 (4) job skills training at the work site;

71.34 (5) regular observation or supervision of the worker;

71.35 (6) coordination of support services;

- 72.1 (7) job-related safety training;
- 72.2 (8) job-related advocacy skills training to advance employment;
- 72.3 (9) training in independent living skills and support including self-advocacy, money
- 72.4 management and organization, grooming and personal care, communication, interpersonal
- 72.5 skills, problem solving, orientation and mobility, and using public transportation or
- 72.6 driver's training;
- 72.7 (10) follow-up services necessary to reinforce and stabilize employment, including
- 72.8 regular contact with the worker's employer, supervisor or coworkers, parents, family
- 72.9 members, advocates, legal representatives, other suitable professionals, and informed
- 72.10 advisors;
- 72.11 (11) training in job seeking skills; and
- 72.12 (12) internships or career planning to assist the individual's advancement in
- 72.13 meaningful employment.
- 72.14 (i) "Preemployment skills" means the abilities and skills to successfully apply for,
- 72.15 secure, and maintain competitive employment.
- 72.16 (j) "Self-care" means skills needed to manage one's self or living environment,
- 72.17 including but not limited to money management, personal health care, personal hygiene,
- 72.18 and safety needs, including medication management.
- 72.19 (k) "Self-direction" means the ability to plan, initiate, organize, or carry out
- 72.20 goal-directed activities or solve problems related to self-care, socialization, recreation, and
- 72.21 working independently.
- 72.22 (l) "Severe impairment to employment" means limitations experienced by persons
- 72.23 diagnosed with high-functioning autism, Asperger's syndrome, nonverbal learning
- 72.24 disorders, or pervasive development disorder, not otherwise specified, due to an extended
- 72.25 history of unemployment or underemployment; limited education, training, or job skills;
- 72.26 and physical, intellectual, or emotional characteristics that seriously impair the individual's
- 72.27 ability to obtain and retain permanent employment.
- 72.28 (m) "Work tolerance" means the ability to effectively and efficiently perform jobs
- 72.29 with various levels of sensory and environmental components including scent, noise,
- 72.30 visual stimuli, physical space, and psychological demands.
- 72.31 **Subd. 2. Employment support plan and outcomes. An individual participating in**
- 72.32 **the program under this section must develop an employment support plan that includes:**
- 72.33 **(1) employment goals;**
- 72.34 **(2) ongoing support services;**
- 72.35 **(3) program outcomes that focus on competitive employment in the community; and**

73.1 (4) ongoing independent living services and employment supports necessary for the
 73.2 individual to secure, maintain, and advance in employment that best fits the individual's
 73.3 strengths and career goals.

73.4 **ARTICLE 4**

73.5 **UNEMPLOYMENT INSURANCE**

73.6 Section 1. Minnesota Statutes 2012, section 116L.17, subdivision 4, is amended to read:

73.7 Subd. 4. **Use of funds.** Funds granted by the board under this section may be used
 73.8 for any combination of the following, except as otherwise provided in this section:

73.9 (1) employment transition services such as developing readjustment plans for
 73.10 individuals; outreach and intake; early readjustment; job or career counseling; testing;
 73.11 orientation; assessment of skills and aptitudes; provision of occupational and labor market
 73.12 information; job placement assistance; job search; job development; prelayoff assistance;
 73.13 relocation assistance; and programs provided in cooperation with employers or labor
 73.14 organizations to provide early intervention in the event of plant closings or substantial
 73.15 layoffs; and entrepreneurial training and business consulting;

73.16 (2) support services, including assistance to help the participant relocate to employ
 73.17 existing skills; out-of-area job search assistance; family care assistance, including child
 73.18 care; commuting assistance; emergency housing and rental assistance; counseling
 73.19 assistance, including personal and financial; health care; emergency health assistance;
 73.20 emergency financial assistance; work-related tools and clothing; and other appropriate
 73.21 support services that enable a person to participate in an employment and training program
 73.22 with the goal of reemployment;

73.23 (3) specific, short-term training to help the participant enhance current skills
 73.24 in a similar occupation or industry; entrepreneurial training, customized training, or
 73.25 on-the-job training; basic and remedial education to enhance current skills; and literacy
 73.26 and work-related English training for non-English speakers; and

73.27 (4) long-term training in a new occupation or industry, including occupational skills
 73.28 training or customized training in an accredited program recognized by one or more
 73.29 relevant industries. Long-term training shall only be provided to dislocated workers
 73.30 whose skills are obsolete and who have no other transferable skills likely to result in
 73.31 employment at a comparable wage rate. Training shall only be provided for occupations or
 73.32 industries with reasonable expectations of job availability based on the service provider's
 73.33 thorough assessment of local labor market information where the individual currently
 73.34 resides or is willing to relocate. This clause shall not restrict training in personal services
 73.35 or other such industries.

74.1 Sec. 2. Minnesota Statutes 2012, section 116L.17, is amended by adding a subdivision
74.2 to read:

74.3 Subd. 11. **Converting layoffs into Minnesota businesses (CLIMB).** Converting
74.4 layoffs into Minnesota businesses (CLIMB) is created to assist dislocated workers in
74.5 starting or growing a business. CLIMB must offer entrepreneurial training, business
74.6 consulting, and technical assistance to dislocated workers seeking to start or grow a
74.7 business. The commissioner, in cooperation with local workforce councils, must provide
74.8 the assistance in this subdivision by:

74.9 (1) encouraging closer ties between the Small Business Development Center
74.10 network, Small Business Development Center training providers, and workforce centers,
74.11 as well as other dislocated worker program service providers; and

74.12 (2) eliminating grantee performance data disincentives that would otherwise prevent
74.13 enrollment of dislocated workers in entrepreneurship-related training.

74.14 Sec. 3. Minnesota Statutes 2012, section 268.051, subdivision 5, is amended to read:

74.15 Subd. 5. **Tax rate for new employers.** (a) Each new taxpaying employer that does
74.16 not qualify for an experience rating under subdivision 3, except new employers in a high
74.17 experience rating industry, must be assigned, for a calendar year, a tax rate the higher of
74.18 (1) one percent, or (2) the tax rate computed, to the nearest 1/100 of a percent, by dividing
74.19 the total amount of unemployment benefits paid all applicants during the 48 calendar
74.20 months ending on June 30 of the prior calendar year by the total taxable wages of all
74.21 taxpaying employers during the same period, plus the applicable base tax rate and any
74.22 additional assessments under subdivision 2, paragraph (c).

74.23 (b) Each new taxpaying employer in a high experience rating industry that does not
74.24 qualify for an experience rating under subdivision 3, must be assigned, for a calendar year,
74.25 a tax rate the higher of (1) that assigned under paragraph (a), or (2) the tax rate, computed
74.26 to the nearest 1/100 of a percent, by dividing the total amount of unemployment benefits
74.27 paid to all applicants from high experience rating industry employers during the 48
74.28 calendar months ending on June 30 of the prior calendar year by the total taxable wages
74.29 of all high experience rating industry employers during the same period, to a maximum
74.30 provided for under subdivision 3, paragraph (b), plus the applicable base tax rate and any
74.31 additional assessments under subdivision 2, paragraph (c).

74.32 (c) An employer is considered to be in a high experience rating industry if:

74.33 (1) the employer is engaged in residential, commercial, or industrial construction,
74.34 including general contractors;

74.35 (2) the employer is engaged in sand, gravel, or limestone mining;

75.1 (3) the employer is engaged in the manufacturing of concrete, concrete products,
75.2 or asphalt; or

75.3 (4) the employer is engaged in road building, repair, or resurfacing, including bridge
75.4 and tunnels and residential and commercial driveways and parking lots.

75.5 (d) Regardless of any law to the contrary, a taxpaying employer must be assigned a
75.6 tax rate under this subdivision if:

75.7 ~~(1) the employer registers for a tax account under section 268.042 and for each of~~
75.8 ~~the five calendar quarters after registering files a "no wages paid" report on wage detail~~
75.9 ~~under section 268.044; or had no taxable wages during the experience rating period under~~
75.10 ~~subdivision 3.~~

75.11 ~~(2) the employer has filed 14 consecutive quarterly "no wages paid" reports on~~
75.12 ~~wage detail under section 268.044.~~

75.13 (e) The commissioner must send to the new employer, by mail or electronic
75.14 transmission, a determination of tax rate. An employer may appeal the determination of
75.15 tax rate in accordance with the procedures in subdivision 6, paragraph (c).

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

75.17 Sec. 4. Minnesota Statutes 2012, section 268.07, subdivision 3b, is amended to read:

75.18 Subd. 3b. **Limitations on applications and benefit accounts.** (a) An application for
75.19 unemployment benefits is effective the Sunday of the calendar week that the application
75.20 was filed. An application for unemployment benefits may be backdated one calendar week
75.21 before the Sunday of the week the application was actually filed if the applicant requests
75.22 the backdating at the time the application is filed. An application may be backdated only if
75.23 the applicant ~~had no employment~~ was unemployed during the period of the backdating.
75.24 If an individual attempted to file an application for unemployment benefits, but was
75.25 prevented from filing an application by the department, the application is effective the
75.26 Sunday of the calendar week the individual first attempted to file an application.

75.27 (b) A benefit account established under subdivision 2 is effective the date the
75.28 application for unemployment benefits was effective.

75.29 (c) A benefit account, once established, may later be withdrawn only if:

75.30 (1) the applicant has not been paid any unemployment benefits on that benefit
75.31 account; and

75.32 (2) a new application for unemployment benefits is filed and a new benefit account is
75.33 established at the time of the withdrawal.

76.1 A determination or amended determination of eligibility or ineligibility issued under
 76.2 section 268.101, that was sent before the withdrawal of the benefit account, remains in
 76.3 effect and is not voided by the withdrawal of the benefit account.

76.4 (d) An application for unemployment benefits is not allowed before the Sunday
 76.5 following the expiration of the benefit year on a prior benefit account. Except as allowed
 76.6 under paragraph (c), an applicant may establish only one benefit account each 52 calendar
 76.7 weeks.

76.8 Sec. 5. Minnesota Statutes 2012, section 268.125, subdivision 1, is amended to read:

76.9 Subdivision 1. **Additional unemployment benefits; when available.** Additional
 76.10 unemployment benefits are available if:

76.11 (1) MS 2008 [Expired, 2008 c 300 s 15]

76.12 (2)(i) at a facility that had 100 or more employees, the employer reduced operations,
 76.13 resulting within a one-month period in the layoff of 50 percent or more of the facility's
 76.14 work force, including reductions caused as a result of a major natural disaster declared by
 76.15 the president;

76.16 (ii) the employer has no expressed plan to resume operations that would lead to the
 76.17 reemployment of those employees in the immediate future; and

76.18 (iii) the seasonally adjusted unemployment rate in the county that the facility is
 76.19 located was ten percent or more during the month of the reduction or any of the three
 76.20 months before or after the month of the reduction; or

76.21 (3) the applicant stopped working because of a lockout. The term "lockout" has the
 76.22 meaning given in section 179.01, subdivision 9.

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

76.24 Sec. 6. Minnesota Statutes 2012, section 268.125, subdivision 3, is amended to read:

76.25 Subd. 3. **Eligibility conditions.** (a) An applicant is eligible to receive additional
 76.26 unemployment benefits for any week during the applicant's benefit year if:

76.27 ~~(1) for any week during which benefits are available under subdivision 1, clause (1):~~

76.28 ~~(i) the applicant resides in a county that meets the requirements of subdivision 1,~~
 76.29 ~~clause (1), and resided in that county each week that regular unemployment benefits~~
 76.30 ~~were paid;~~

76.31 ~~(ii) the applicant was not paid unemployment benefits for any week in the 12 months~~
 76.32 ~~before the effective date of the applicant's benefit account;~~

76.33 ~~(iii) the applicant meets the same eligibility requirements that are required for~~
 76.34 ~~regular unemployment benefits under section 268.069; and~~

77.1 ~~(iv) MS 2008 [Expired, 2008 c 300 s 17]~~

77.2 ~~(2)~~ (1) the applicant was laid off from employment as a result of a reduction under
 77.3 subdivision 1, clause (2), or was laid off because of lack of work from that employer
 77.4 during the three-month period before, or the three-month period after, the month of the
 77.5 reduction under subdivision 1, clause (2);

77.6 ~~(3)~~ (2) the applicant meets the same eligibility requirements that are required for
 77.7 regular unemployment benefits under section 268.069;

77.8 ~~(4)~~ (3) the applicant has exhausted regular unemployment benefits under section
 77.9 268.07, is not entitled to receive extended unemployment benefits under section 268.115,
 77.10 and is not entitled to receive unemployment benefits under any other state or federal law
 77.11 for that week; and

77.12 ~~(5)~~ (4) a majority of the applicant's wage credits were from the employer that had a
 77.13 reduction in operations under subdivision 1, clause (2).

77.14 (b) An applicant who stopped working because of a lockout is eligible to receive
 77.15 additional unemployment benefits for any week if:

77.16 (1) the applicant meets the eligibility requirements under section 268.069;

77.17 (2) the applicant has exhausted regular unemployment benefits under section 268.07
 77.18 or the law of another state;

77.19 (3) the applicant is not eligible for extended unemployment benefits or
 77.20 unemployment benefits under any federal law; and

77.21 (4) the lockout is in active progress.

77.22 Section 268.085, subdivision 1, clause (2), does not apply to this paragraph.

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

77.24 Sec. 7. Minnesota Statutes 2012, section 268.125, subdivision 4, is amended to read:

77.25 Subd. 4. **Weekly unemployment benefit amount.** An applicant's weekly additional
 77.26 unemployment benefit amount is the same as the applicant's weekly regular unemployment
 77.27 benefit amount ~~during the current benefit year~~ under section 268.07.

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

77.29 Sec. 8. Minnesota Statutes 2012, section 268.125, subdivision 5, is amended to read:

77.30 Subd. 5. **Maximum amount of unemployment benefits.** (a) For an applicant
 77.31 who qualifies for additional unemployment benefits under subdivision 1, clause (2), the
 77.32 maximum amount of additional unemployment benefits available in the applicant's benefit
 77.33 year is one-half of the applicant's maximum amount of regular unemployment benefits

78.1 available under section 268.07, subdivision 2. Extended unemployment benefits paid and
 78.2 unemployment benefits paid under any federal law other than regular unemployment
 78.3 benefits must be deducted from the maximum amount of additional unemployment
 78.4 benefits available.

78.5 (b) For an applicant who qualifies for additional unemployment benefits under
 78.6 subdivision 1, clause (3), the applicant may receive additional unemployment benefits for
 78.7 up to 156 weeks so long as the lockout is in active progress.

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

78.9 Sec. 9. **[268.133] UNEMPLOYMENT BENEFITS WHILE IN**
 78.10 **ENTREPRENEURIAL TRAINING.**

78.11 Unemployment benefits are available to dislocated workers participating in the
 78.12 converting layoffs into Minnesota businesses (CLIMB) program under section 116L.17,
 78.13 subdivision 11. Applicants participating in CLIMB are considered in reemployment
 78.14 assistance training under section 268.035, subdivision 21c. All requirements under section
 78.15 268.069, subdivision 1, must be met, except the commissioner may waive:

78.16 (1) the earnings deductible provisions in section 268.085, subdivision 5; and
 78.17 (2) the 32 hours of work limitation in section 268.085, subdivision 2, clause (6). A
 78.18 maximum of 500 applicants may receive a waiver at any given time.

78.19 Sec. 10. Minnesota Statutes 2012, section 268.136, subdivision 1, is amended to read:

78.20 Subdivision 1. **Shared work agreement plan requirements.** (a) An employer
 78.21 may submit a proposed shared work plan for an employee group to the commissioner
 78.22 for approval in a manner and format set by the commissioner. The proposed ~~agreement~~
 78.23 shared work plan must include:

78.24 (1) a certified statement that the normal weekly hours of work of all of the proposed
 78.25 participating employees were full time or regular part time but are now reduced, or will be
 78.26 reduced, with a corresponding reduction in pay, in order to prevent layoffs;

78.27 (2) the name and Social Security number of each participating employee;

78.28 (3) the number of layoffs that would have occurred absent the employer's ability to
 78.29 participate in a shared work plan;

78.30 (4) a certified statement of ~~when~~ that each participating employee was first hired by
 78.31 the employer, ~~which must be~~ at least one year before the proposed ~~agreement~~ shared work
 78.32 plan is submitted and is not a seasonal, temporary, or intermittent worker;

78.33 ~~(4)~~ (5) the hours of work each participating employee will work each week for the
 78.34 duration of the ~~agreement~~ shared work plan, which must be at least ~~20~~ one-half the normal

79.1 weekly hours and but no more than 32 hours per week, except that the agreement plan
 79.2 may provide for a uniform vacation shutdown of up to two weeks;

79.3 (6) a certified statement that any health benefits and pension benefits provided by
 79.4 the employer to participating employees will continue to be provided under the same
 79.5 terms and conditions as though the participating employees' hours of work each week had
 79.6 not been reduced;

79.7 (7) a certified statement that the terms and implementation of the shared work plan is
 79.8 consistent with the employer's obligations under state and federal law;

79.9 (8) an acknowledgement that the employer understands that unemployment benefits
 79.10 paid under a shared work plan will be used in computing the future tax rate of a taxpaying
 79.11 employer or charged to the reimbursable account of a nonprofit or government employer;

79.12 ~~(5)~~ (9) the proposed duration of the agreement shared work plan, which must be
 79.13 at least two months and not more than one year, although an agreement a plan may be
 79.14 extended for up to an additional year upon approval of the commissioner;

79.15 ~~(6)~~ (10) a starting date beginning on a Sunday at least 15 calendar days after the date
 79.16 the proposed agreement shared work plan is submitted; and

79.17 ~~(7)~~ (11) a signature of an owner or officer of the employer who is listed as an owner
 79.18 or officer on the employer's account under section 268.045.

79.19 ~~(b) An agreement may not be approved for an employer that:~~

79.20 ~~(1) has any unemployment tax or reimbursements, including any interest, fees,~~
 79.21 ~~or penalties, due but unpaid; or~~

79.22 ~~(2) has the maximum experience rating provided for under section 268.051,~~
 79.23 ~~subdivision 3.~~

79.24 Sec. 11. Minnesota Statutes 2012, section 268.136, subdivision 2, is amended to read:

79.25 Subd. 2. **Agreement Approval by commissioner.** (a) The commissioner must
 79.26 promptly review a proposed agreement shared work plan and notify the employer, by mail
 79.27 or electronic transmission, within 15 days of receipt, whether the proposal satisfies the
 79.28 requirements of this section and has been approved. If the proposal does not comply
 79.29 with this section, the commissioner must specifically state why the proposal is not in
 79.30 compliance. If a proposed ~~agreement complies with this section~~ shared work plan has
 79.31 been approved, it must be implemented according to its terms.

79.32 (b) The commissioner may ~~reject an agreement~~ not approve a proposed shared work
 79.33 plan if the commissioner has cause to believe the proposal ~~is not~~ was submitted for ~~the a~~
 79.34 purpose of other than preventing layoffs due to lack of work.

80.1 (c) The commissioner may not approve a proposed shared work plan if the employer
80.2 has any unemployment tax or reimbursements, including any interest, fees, or penalties,
80.3 due but unpaid.

80.4 (d) A shared work plan that has been approved by the commissioner is considered
80.5 a contract that is binding on the employer and the department. This contract may be
80.6 canceled or modified under subdivision 5.

80.7 Sec. 12. Minnesota Statutes 2012, section 268.136, is amended by adding a subdivision
80.8 to read:

80.9 Subd. 2a. **Notice to participating employee.** The employer must provide written
80.10 notification to each participating employee that the employer has submitted a proposed
80.11 shared work plan. The notification must be provided to the employee no later than the
80.12 time the commissioner notifies the employer that a proposed shared work plan has been
80.13 approved. The notification must inform the employee of the proposed terms of the
80.14 shared work plan along with notice to the employee of the employee's right to apply for
80.15 unemployment benefits.

80.16 Sec. 13. Minnesota Statutes 2012, section 268.136, subdivision 3, is amended to read:

80.17 Subd. 3. **Applicant requirements.** (a) An applicant, in order to be paid
80.18 unemployment benefits under this section, must meet all of the requirements under section
80.19 268.069, subdivision 1. The following provisions of section 268.085 do not apply to an
80.20 applicant ~~under this section~~ in an approved shared work plan:

80.21 (1) ~~the deductible earnings provision of section 268.085,~~ under subdivision 5;

80.22 (2) the restriction under ~~section 268.085,~~ subdivision ~~6 2,~~ clause (6), if the applicant
80.23 works exactly 32 hours in a week;

80.24 (3) the requirement of being available for suitable employment under subdivision 1,
80.25 clause (4), but only if the applicant is (i) available for the normal hours of work per week
80.26 with the shared work employer, or (ii) is in a training program when not working; and

80.27 (4) the requirement of actively seeking suitable employment under subdivision
80.28 1, clause (5).

80.29 (b) An applicant is ineligible for unemployment benefits under this section for
80.30 any week, if:

80.31 (1) the applicant works more than 32 hours in a week in employment with one or
80.32 more employer; ~~or,~~

80.33 (2) ~~the applicant works more hours in a week for the shared work employer than~~
80.34 ~~the reduced weekly hours provided for in the agreement.~~

81.1 Sec. 14. Minnesota Statutes 2012, section 268.136, subdivision 4, is amended to read:

81.2 Subd. 4. **Amount of unemployment benefits available.** (a) The weekly benefit
81.3 amount and maximum amount of unemployment benefits available are computed
81.4 according to section 268.07, except that ~~an applicant is paid~~ the amount of benefits
81.5 available is a reduced amount in direct proportion to the reduction in hours set out in the
81.6 shared work plan from the normal weekly hours.

81.7 (b) Regardless of paragraph (a), if the applicant works more hours in a week for the
81.8 shared work employer than the reduced weekly hours provided for in the shared work
81.9 plan, the amount of unemployment benefits available is a reduced amount in direct
81.10 proportion to the reduction in hours actually worked from the normal weekly hours.

81.11 (c) If an applicant works fewer hours in a week for the shared work employer than
81.12 set out in the shared work plan, the amount of unemployment benefits are available in
81.13 accordance with paragraph (a).

81.14 Sec. 15. Minnesota Statutes 2012, section 268.136, subdivision 5, is amended to read:

81.15 Subd. 5. **Cancellation; modification.** (a) An employer may cancel ~~an agreement a~~
81.16 shared work plan at any time upon seven calendar days' notice to the commissioner in a
81.17 manner and format prescribed by the commissioner. The cancellation must be signed by
81.18 an owner or officer of the employer.

81.19 (b) An employer may request that the commissioner allow modification of the shared
81.20 work plan as to the hours of work each participating employee will work each week. The
81.21 request must be sent in a manner and form prescribed by the commissioner. The request
81.22 must be signed by an owner or officer of the employer. The commissioner must notify the
81.23 employer as soon as possible if the modification is allowed.

81.24 ~~(b)~~ (c) An employer that cancels an agreement or requests modification of a shared
81.25 work plan must provide written notice to each participating employee in the group of the
81.26 cancellation or requested modification at the time notice is sent to the commissioner.

81.27 ~~(e)~~ (d) If an employer cancels an agreement a shared work plan before the expiration
81.28 date provided for in subdivision 1, a new agreement shared work plan may not be entered
81.29 into with approved for that employer under this section for at least 60 calendar days.

81.30 ~~(d)~~ (e) The commissioner may immediately cancel any agreement shared work plan
81.31 if the commissioner determines the agreement plan was based upon false information or
81.32 the employer is in breach has failed to adhere to the terms of the contract shared work plan.
81.33 The commissioner must immediately send written notice of cancellation to the employer.
81.34 An employer that receives notice of cancellation by the commissioner must provide
81.35 written notice to each participating employer in the group employee of the cancellation.

82.1 Sec. 16. Minnesota Statutes 2012, section 268.199, is amended to read:

82.2 **268.199 CONTINGENT ACCOUNT.**

82.3 (a) There is created in the state treasury a special account, to be known as the
 82.4 contingent account, ~~that does not lapse nor revert to any other fund or account.~~ This
 82.5 account consists of all money collected under this chapter that is required to be placed
 82.6 in this account and any interest earned on the account. ~~All money in this account is~~
 82.7 ~~appropriated and available for administration of the Minnesota unemployment insurance~~
 82.8 ~~program unless otherwise appropriated by session law.~~ The money deposited in the
 82.9 account is transferred to the general fund.

82.10 (b) ~~All money in this account must be deposited, administered, and disbursed in the~~
 82.11 ~~same manner and under the same conditions and requirements as is provided by law for~~
 82.12 ~~the other special accounts in the state treasury.~~

82.13 **EFFECTIVE DATE.** This section is effective July 1, 2013.

82.14 Sec. 17. Minnesota Statutes 2012, section 268.23, is amended to read:

82.15 **268.23 SEVERABLE.**

82.16 ~~In the event that~~ If the United States Department of Labor determines that any
 82.17 provision of the Minnesota Unemployment Insurance Law, ~~or any other provision of~~
 82.18 ~~Minnesota Statutes relating to the unemployment insurance program,~~ is not in conformity
 82.19 with, or is inconsistent with, the requirements of federal law, the provision has no force
 82.20 or effect; ~~but~~. If only a portion of the provision, or the application to any person or
 82.21 circumstances, is ~~held~~ determined not in conformity, or determined inconsistent, the
 82.22 remainder of the provision and the application of the provision to other persons or
 82.23 circumstances are not affected.

82.24 Sec. 18. Laws 2012, chapter 201, article 1, section 3, the effective date, is amended to
 82.25 read:

82.26 **EFFECTIVE DATE.** This section is effective July 1, 2012, except the amendments
 82.27 to paragraph (d) are effective for penalties ~~imposed~~ credited on or after July 1, 2013.

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

82.29 Sec. 19. **UNEMPLOYMENT INSURANCE EMPLOYER TAX REDUCTION.**

82.30 (a) Notwithstanding Minnesota Statutes, section 268.051, subdivision 2, if, on
 82.31 September 30, 2013, the balance in the Minnesota Unemployment Trust Fund is more than

83.1 \$800,000,000, the base tax rate for calendar year 2014 is 0.1 percent, and there will be no
 83.2 additional assessment assigned. If, on September 30, 2014, the balance in the Minnesota
 83.3 Unemployment Trust Fund is more than \$900,000,000, the base tax rate for calendar year
 83.4 2015 is 0.1 percent, and there will be no additional assessment assigned.

83.5 (b) This section expires December 31, 2015.

83.6 Sec. 20. **COMMISSIONER AUTHORIZED TO REQUEST SHARED WORK**
 83.7 **FUNDS.**

83.8 The commissioner of employment and economic development is authorized to
 83.9 request federal funding for Minnesota's shared work unemployment benefit program
 83.10 under Minnesota Statutes, section 268.136. Federal funding is available under the Middle
 83.11 Class Tax Relief and Job Creation Act of 2012, Public Law 112-96. Federal funding
 83.12 provided under that act for the shared work program must be immediately deposited in
 83.13 the Minnesota Unemployment Insurance Trust Fund. The exception under Minnesota
 83.14 Statutes, section 268.047, subdivision 2, clause (10), does not apply to the federal money.

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

83.16 **ARTICLE 5**

83.17 **MISCELLANEOUS**

83.18 Section 1. Minnesota Statutes 2012, section 154.001, is amended by adding a
 83.19 subdivision to read:

83.20 Subd. 4. **Comprehensive examination.** "Comprehensive examination" means all
 83.21 parts of a test administered by the board, including but not limited to written, oral, and
 83.22 practical components.

83.23 Sec. 2. Minnesota Statutes 2012, section 154.003, is amended to read:

83.24 **154.003 FEES.**

83.25 (a) The fees collected, as required in this chapter, chapter 214, and the rules of the
 83.26 board, shall be paid to the board. The board shall deposit the fees in the general fund
 83.27 in the state treasury.

83.28 (b) The board shall charge the following fees:

- 83.29 (1) examination and certificate, registered barber, \$85;
 83.30 (2) retake of written examination, registered barber, \$10;
 83.31 ~~(2)~~ (3) examination and certificate, apprentice, \$80;
 83.32 (4) retake of written examination, apprentice, \$10;

- 84.1 ~~(3)~~ (5) examination, instructor, \$180;
- 84.2 ~~(4)~~ (6) certificate, instructor, \$65;
- 84.3 ~~(5)~~ (7) temporary teacher or apprentice permit, \$80;
- 84.4 ~~(6)~~ (8) renewal of license, registered barber, \$80;
- 84.5 ~~(7)~~ (9) renewal of license, apprentice, \$70;
- 84.6 ~~(8)~~ (10) renewal of license, instructor, \$80;
- 84.7 ~~(9)~~ (11) renewal of temporary teacher permit, \$65;
- 84.8 ~~(10)~~ (12) student permit, \$45;
- 84.9 (13) renewal of student permit, \$25;
- 84.10 ~~(11)~~ (14) initial shop registration, \$85;
- 84.11 ~~(12)~~ (15) initial school registration, \$1,030;
- 84.12 ~~(13)~~ (16) renewal shop registration, \$85;
- 84.13 ~~(14)~~ (17) renewal school registration, \$280;
- 84.14 ~~(15)~~ (18) restoration of registered barber license, \$95;
- 84.15 ~~(16)~~ (19) restoration of apprentice license, \$90;
- 84.16 ~~(17)~~ (20) restoration of shop registration, \$105;
- 84.17 ~~(18)~~ (21) change of ownership or location, \$55;
- 84.18 ~~(19)~~ (22) duplicate license, \$40; and
- 84.19 ~~(20)~~ (23) home study course, ~~\$95~~ \$75;
- 84.20 (24) letter of license verification, \$25; and
- 84.21 (25) reinspection, \$100.

84.22 Sec. 3. Minnesota Statutes 2012, section 154.02, is amended to read:

84.23 **154.02 WHAT CONSTITUTES BARBERING.**

84.24 Any one or any combination of the following practices when done upon the head
 84.25 and neck for cosmetic purposes and not for the treatment of disease or physical or mental
 84.26 ailments and when done for payment directly or indirectly or without payment for the
 84.27 public generally constitutes the practice of barbering within the meaning of sections
 84.28 154.001, 154.002, 154.003, 154.01 to 154.161, 154.19 to 154.21, and 154.24 to 154.26:
 84.29 to shave the face or neck, trim the beard, cut or bob the hair of any person of either sex
 84.30 for compensation or other reward received by the person performing such service or any
 84.31 other person; to give facial and scalp massage or treatments with oils, creams, lotions,
 84.32 or other preparations either by hand or mechanical appliances; to singe, shampoo the
 84.33 hair, or apply hair tonics; or to apply cosmetic preparations, antiseptics, powders, oils,
 84.34 clays, or lotions to hair, scalp, face, or neck.

85.1 Sec. 4. Minnesota Statutes 2012, section 154.05, is amended to read:

85.2 **154.05 WHO MAY RECEIVE CERTIFICATES OF REGISTRATION AS A**
 85.3 **REGISTERED BARBER.**

85.4 A person is qualified to receive a certificate of registration as a registered barber:

85.5 (1) who is qualified under the provisions of section 154.06;

85.6 (2) who has practiced as a registered apprentice for a period of 12 months under the
 85.7 immediate personal supervision of a registered barber; and

85.8 (3) who has passed an examination conducted by the board to determine fitness to
 85.9 practice barbering.

85.10 An apprentice applicant for a certificate of registration to practice as a registered
 85.11 barber who fails to pass the comprehensive examination conducted by the board and
 85.12 who fails to pass a onetime retake of the written examination, shall continue to practice
 85.13 as an apprentice for an additional ~~two months~~ 300 hours before being ~~again entitled to~~
 85.14 ~~take~~ eligible to retake the comprehensive examination ~~for a registered barber~~ as many
 85.15 times as necessary to pass.

85.16 Sec. 5. Minnesota Statutes 2012, section 154.06, is amended to read:

85.17 **154.06 WHO MAY RECEIVE CERTIFICATES OF REGISTRATION AS A**
 85.18 **REGISTERED APPRENTICE.**

85.19 A person is qualified to receive a certificate of registration as a registered apprentice:

85.20 (1) who has completed at least ten grades of an approved school;

85.21 (2) who has graduated from a barber school approved by ~~the~~ a barber board within
 85.22 the previous four years; and

85.23 (3) who has passed an examination conducted by the board to determine fitness to
 85.24 practice as a registered apprentice. An applicant who graduated from a barber school
 85.25 approved by a barber board more than four years prior to application is required to
 85.26 complete a further course of study of at least 500 hours.

85.27 An applicant for a an initial certificate of registration to practice as an apprentice,
 85.28 who fails to pass the comprehensive examination conducted by the board, and who fails to
 85.29 pass a onetime retake of the written examination, is required to complete a further course
 85.30 of study of at least 500 hours, of not more than eight hours in any one working day, in a
 85.31 barber school approved by the board before being eligible to retake the comprehensive
 85.32 examination as many times as necessary to pass.

85.33 A certificate of registration of an apprentice shall be valid for four years ~~from the~~
 85.34 ~~date the certificate of registration is issued by the board~~ and shall not be renewed for a fifth
 85.35 year. During the four-year period the certificate of registration shall remain in full force

86.1 and effect only if the apprentice complies with all the provisions of sections 154.001,
86.2 154.002, 154.003, 154.01 to 154.161, 154.19 to 154.21, and 154.24 to 154.26, including
86.3 the payment of an annual fee, and the rules of the board.

86.4 If a registered apprentice, during the term in which the certificate of registration is in
86.5 effect, enters full-time active duty in the armed forces of the United States of America,
86.6 the expiration date of the certificate of registration shall be extended by a period of time
86.7 equal to the period or periods of active duty.

86.8 If a registered apprentice graduates from a barber school approved by the board and
86.9 is issued a certificate of registration while incarcerated by the Department of Corrections
86.10 of the Federal Bureau of Prisons, the expiration date of the certificate of registration shall
86.11 be extended one time so that it expires four years from the date of first release from a
86.12 correctional facility.

86.13 Sec. 6. Minnesota Statutes 2012, section 154.065, subdivision 2, is amended to read:

86.14 Subd. 2. **Qualifications.** A person is qualified to receive a certificate of registration
86.15 as an instructor of barbering who:

86.16 (1) is a graduate ~~from~~ of an approved high school, or its equivalent, as determined
86.17 by examination by the Department of Education;

86.18 (2) ~~has qualified for a teacher's or instructor's vocational certificate;~~ successfully
86.19 completed vocational instructor training from a board-approved program or accredited
86.20 college or university program that includes the following courses or their equivalents as
86.21 determined by the board:

86.22 (i) introduction to career and technical education training;

86.23 (ii) philosophy and practice of career and technical education;

86.24 (iii) course development for career and technical education;

86.25 (iv) instructional methods for career and technical education; and

86.26 (v) human relations;

86.27 (3) is currently a registered barber and has at least three years experience as a
86.28 registered barber in this state, or its equivalent as determined by the board; and

86.29 (4) has passed an examination conducted by the board to determine fitness to
86.30 instruct in barbering.

86.31 ~~A certificate of registration under this section is provisional until a teacher's or~~
86.32 ~~instructor's vocational certificate has been issued by the Department of Education. A~~
86.33 ~~provisional certificate of registration is valid for 30 days and is not renewable.~~

86.34 Sec. 7. Minnesota Statutes 2012, section 154.07, subdivision 1, is amended to read:

87.1 Subdivision 1. **Admission requirements; course of instruction.** No barber school
 87.2 shall be approved by the board unless it requires, as a prerequisite to admission, ten grades
 87.3 of an approved school or its equivalent, as determined by an examination conducted by
 87.4 the commissioner of education, which shall issue a certificate that the student has passed
 87.5 the required examination, and unless it requires, as a prerequisite to graduation, a course
 87.6 of instruction of at least 1,500 hours, of not more than eight hours in any one working day.
 87.7 The course of instruction must include the following subjects: scientific fundamentals
 87.8 for barbering; hygiene; practical study of the hair, skin, muscles, and nerves; structure of
 87.9 the head, face, and neck; elementary chemistry relating to sterilization and antiseptics;
 87.10 diseases of the skin, hair, and glands; massaging and manipulating the muscles of the face
 87.11 and neck; haircutting; shaving; trimming the beard; bleaching, tinting and dyeing the hair;
 87.12 and the chemical waving and straightening of hair.

87.13 Sec. 8. Minnesota Statutes 2012, section 154.08, is amended to read:

87.14 **154.08 APPLICATION; FEE.**

87.15 Each applicant for an examination shall:

87.16 (1) make application to the Board of Barber Examiners on blank forms prepared and
 87.17 furnished by it, the application to contain proof under the applicant's oath of the particular
 87.18 qualifications and identity of the applicant;

87.19 ~~(2) furnish to the board two five-inch x three-inch signed photographs of the~~
 87.20 ~~applicant, one to accompany the application and one to be returned to the applicant,~~
 87.21 ~~to be presented to the board when the applicant appears for examination~~ provide all
 87.22 documentation required in support of the application; and

87.23 (3) pay to the board the required fee; and

87.24 (4) present a government-issued photo identification as proof of identity upon
 87.25 application and when the applicant appears for examination.

87.26 Sec. 9. Minnesota Statutes 2012, section 154.09, is amended to read:

87.27 **154.09 EXAMINATIONS, CONDUCT AND SCOPE.**

87.28 The board shall conduct examinations of applicants for certificates of registration to
 87.29 practice as barbers and apprentices not more than six times each year, at such time and
 87.30 place as the board may determine. Additional written examinations may be scheduled
 87.31 by the board and conducted by board staff as designated by the board. The proprietor
 87.32 of a barber school must file an affidavit ~~shall be filed with the board by the proprietor~~
 87.33 ~~of a barber school that~~ of hours completed by students applying to take the apprentice

88.1 examination ~~have completed~~. Students must complete 1,500 hours in a barber school
88.2 ~~registered with~~ approved by the board.

88.3 The examination of applicants for certificates of registration as barbers and
88.4 apprentices shall include ~~both~~ a practical demonstration and a written and oral test ~~and~~
88.5 ~~embrace~~. The examination must cover the subjects usually taught in barber schools
88.6 registered with the board.

88.7 Sec. 10. Minnesota Statutes 2012, section 154.10, subdivision 1, is amended to read:

88.8 Subdivision 1. **Application.** Each applicant for an initial certificate of registration
88.9 shall make application to the board on forms prepared and furnished by the board with
88.10 proof under oath of the particular qualifications and identity of each applicant. This
88.11 application shall be accompanied by a fee prescribed by law or the rules of the board to
88.12 defray the expenses of making investigation and for the examination of such applicant.

88.13 Sec. 11. Minnesota Statutes 2012, section 154.11, subdivision 1, is amended to read:

88.14 Subdivision 1. **Examination of nonresidents.** A person who meets all of the
88.15 requirements for barber registration in sections 154.001, 154.002, 154.003, 154.01 to
88.16 154.161, 154.19 to 154.21, and 154.24 to 154.26 and either has a license, certificate
88.17 of registration, or an equivalent as a practicing barber or instructor of barbering from
88.18 another state or country which in the discretion of the board has substantially the same
88.19 requirements for registering barbers and instructors of barbering as required by sections
88.20 154.001, 154.002, 154.003, 154.01 to 154.161, 154.19 to 154.21, and 154.24 to 154.26 or
88.21 can prove by sworn affidavits practice as a barber or instructor of barbering in another
88.22 state or country for at least five years immediately prior to making application in this state,
88.23 shall, upon payment of the required fee, be issued a certificate of registration without
88.24 examination, ~~provided that the other state or country grants the same privileges to holders~~
88.25 ~~of Minnesota certificates of registration.~~

88.26 Sec. 12. Minnesota Statutes 2012, section 154.12, is amended to read:

88.27 **154.12 EXAMINATION OF NONRESIDENT APPRENTICES.**

88.28 A person who meets all of the requirements for registration as a barber in sections
88.29 154.001, 154.002, 154.003, 154.01 to 154.161, 154.19 to 154.21, and 154.24 to 154.26 and
88.30 who has a license, a certificate of registration, or its equivalent as an apprentice in a state
88.31 or country which in the discretion of the board has substantially the same requirements for
88.32 registration as an apprentice as is provided by sections 154.001, 154.002, 154.003, 154.01
88.33 to 154.161, 154.19 to 154.21, and 154.24 to 154.26, shall, upon payment of the required

89.1 fee, be issued a certificate of registration without examination, ~~provided that the other state~~
 89.2 ~~or country grants the same privileges to holders of Minnesota certificates of registration.~~

89.3 Sec. 13. Minnesota Statutes 2012, section 154.14, is amended to read:

89.4 **154.14 CERTIFICATES OF REGISTRATION AND TEMPORARY PERMITS**
 89.5 **TO BE DISPLAYED.**

89.6 Every holder of a certificate of registration as a registered barber or registered
 89.7 apprentice or temporary apprentice permit shall display ~~it~~ the certificate or permit, with a
 89.8 photograph of the certificate or permit holder that meets the same standards as required for
 89.9 a United States passport, in a conspicuous place adjacent to or near the chair where work
 89.10 is performed. Every holder of a certificate of registration as an instructor of barbering or
 89.11 ~~as a barber school~~, of a temporary permit as an instructor of barbering, shall display the
 89.12 certificate or permit, with a photograph of the certificate or permit holder that meets the
 89.13 same standards as required for a United States passport, in a conspicuous place accessible
 89.14 to the public. Every holder of a certificate of registration as a barber school and of a shop
 89.15 registration card shall display it in a conspicuous place accessible to the public.

89.16 Sec. 14. Minnesota Statutes 2012, section 154.15, subdivision 2, is amended to read:

89.17 Subd. 2. **Effect of failure to renew.** A registered barber or a registered apprentice
 89.18 who has not renewed a certificate of registration may be reinstated within ~~one year~~ four
 89.19 years of such failure to renew without examination upon the payment of the required
 89.20 restoration fee for each year the certificate is lapsed. A registered instructor of barbering
 89.21 who has not renewed a certificate of registration may be reinstated within ~~three~~ four years
 89.22 of such failure to renew without examination upon payment of the required restoration fee
 89.23 for each year the certificate is lapsed. All registered barbers and registered apprentices
 89.24 who allow their certificates of registration to lapse for more than ~~one year~~ four years shall
 89.25 be required to reexamine before being issued a certificate of registration. All registered
 89.26 instructors of barbering who allow their certificates of registration to lapse for more
 89.27 than ~~three~~ four years shall be required to reexamine before being issued a certificate of
 89.28 registration. A barber shop owner who has not renewed the barber shop certificate for more
 89.29 than one year may reinstate the barber shop registration upon payment of the restoration
 89.30 fee for each year the shop card was lapsed. If lapsed or unlicensed status is discovered by
 89.31 the barber inspector during inspection, penalties under section 154.162 shall apply.

89.32 Sec. 15. **[154.162] ADMINISTRATIVE PENALTIES.**

89.33 The board shall impose and collect the following penalties:

90.1 (1) missing or lapsed shop registration discovered upon inspection; penalty imposed
 90.2 on shop owner: \$500;

90.3 (2) unlicensed or unregistered apprentice or registered barber, first occurrence
 90.4 discovered upon inspection; penalty imposed on shop owner and unlicensed or
 90.5 unregistered individual: \$500; and

90.6 (3) unlicensed or unregistered apprentice or registered barber, second occurrence
 90.7 discovered upon inspection; penalty imposed on shop owner and unlicensed or
 90.8 unregistered individual: \$1,000.

90.9 Sec. 16. Minnesota Statutes 2012, section 154.26, is amended to read:

90.10 **154.26 MUNICIPALITIES ~~MAY REGULATE HOURS~~; REGULATION**
 90.11 **AUTHORIZED.**

90.12 The governing body of any city of this state may regulate by ordinance the opening
 90.13 and closing hours of barber shops within its municipal limits in addition to all other
 90.14 applicable local regulations.

90.15 Sec. 17. **[154.27] MISREPRESENTATION.**

90.16 No person shall represent themselves to the public, solicit business, advertise as a
 90.17 licensed barber or as operating a licensed barber shop, use the title or designation of barber
 90.18 or barber shop, or engage in any other act or practice that would create the impression to
 90.19 members of the public that the person is a licensed barber or is operating a licensed barber
 90.20 shop unless the person holds the appropriate license under this chapter.

90.21 Sec. 18. **[154.28] SYMBOLS; BARBER POLE.**

90.22 No person shall place a barber pole in a location that would create or tend to create
 90.23 the impression to the public that the business is a barber shop unless the operator holds a
 90.24 valid license under this chapter. For the purposes of this section, "barber pole" means a
 90.25 red and white or red, white, and blue striped vertical cylinder commonly recognized as
 90.26 a barber pole.

90.27 Sec. 19. Minnesota Statutes 2012, section 155A.23, subdivision 3, is amended to read:

90.28 Subd. 3. **Cosmetology.** "Cosmetology" is the practice of personal services, for
 90.29 compensation, for the cosmetic care of the hair, nails, and skin. These services include
 90.30 cleaning, conditioning, shaping, reinforcing, coloring and enhancing the body surface in
 90.31 the areas of the head, scalp, face, arms, hands, legs, ~~and feet,~~ and trunk of the body, except

91.1 where these services are performed by a barber under sections 154.001, 154.002, 154.003,
91.2 154.01 to 154.161, 154.19 to 154.21, and 154.24 to 154.26.

91.3 Sec. 20. Minnesota Statutes 2012, section 155A.23, subdivision 8, is amended to read:

91.4 Subd. 8. **Manager.** A "manager" is any person who conducts, operates, or manages a
91.5 cosmetology school or salon and who also instructs in or provides any services, as defined
91.6 in subdivision 3. A school manager must maintain an active salon manager's license.

91.7 Sec. 21. Minnesota Statutes 2012, section 155A.23, subdivision 11, is amended to read:

91.8 Subd. 11. **Instructor.** An "instructor" is any person employed by a school to prepare
91.9 and present the theoretical and practical education of cosmetology to persons who seek to
91.10 practice cosmetology. An instructor must maintain an active operator or manager's license
91.11 in the area in which the instructor holds an instructor's license.

91.12 Sec. 22. Minnesota Statutes 2012, section 155A.25, subdivision 1a, is amended to read:

91.13 Subd. 1a. **Schedule.** The fee schedule for licensees is as follows ~~for licenses issued~~
91.14 ~~after June 30, 2010, and prior to July 1, 2013:~~

91.15 (a) Three-year license fees:

91.16 (1) cosmetologist, nail technician manicurist, or esthetician:

91.17 (i) \$90 for each initial license and a \$40 nonrefundable initial license application fee,
91.18 for a total of \$130; and

91.19 (ii) \$60 for each renewal and a \$15 nonrefundable renewal application fee, for
91.20 a total of \$75;

91.21 (2) instructor or manager:

91.22 (i) \$120 for each initial license and a \$40 nonrefundable initial license application
91.23 fee, for a total of \$160; and

91.24 (ii) \$90 for each renewal and a \$15 nonrefundable renewal application fee, for a
91.25 total of \$105;

91.26 (3) salon:

91.27 (i) \$130 for each initial license and a \$100 nonrefundable initial license application
91.28 fee, for a total of \$230; and

91.29 (ii) \$100 for each renewal and a \$50 nonrefundable renewal application fee, for a
91.30 total of \$150; and

91.31 (4) school:

91.32 (i) \$1,500 for each initial license and a \$1,000 nonrefundable initial license
91.33 application fee, for a total of \$2,500; and

- 92.1 (ii) \$1,500 for each renewal and a \$500 nonrefundable renewal application fee,
 92.2 for a total of \$2,000.
- 92.3 (b) Penalties:
- 92.4 (1) reinspection fee, variable;
- 92.5 (2) manager and owner with lapsed practitioner found on inspection, \$150 each;
- 92.6 (3) lapsed practitioner or instructor found on inspection, \$200;
- 92.7 (4) lapsed salon found on inspection, \$500;
- 92.8 (5) lapsed school found on inspection, \$1,000;
- 92.9 (6) failure to display current license, \$100;
- 92.10 (7) failure to dispose of single-use equipment, implements, or materials as provided
 92.11 under section 155A.355, paragraph (a), \$500;
- 92.12 (8) use of prohibited razor-type callus shavers, rasps, or graters under section
 92.13 155A.355, \$500;
- 92.14 (9) performing manicuring or cosmetology services in esthetician salon, or
 92.15 performing esthetician or cosmetology services in manicure salon, \$500;
- 92.16 (10) owner and manager allowing an operator to work as an independent contractor,
 92.17 \$200;
- 92.18 (11) operator working as an independent contractor, \$100;
- 92.19 (12) refusal or failure to cooperate with an inspection, \$500;
- 92.20 ~~(3)~~ (13) expired cosmetologist, manicurist, esthetician, manager, school manager,
 92.21 and instructor license, \$45; and
- 92.22 ~~(4)~~ (14) expired salon or school license, \$50.
- 92.23 (c) Administrative fees:
- 92.24 (1) certificate of identification, \$20;
- 92.25 (2) name change, \$20;
- 92.26 (3) letter of license verification, \$30;
- 92.27 (4) duplicate license, \$20;
- 92.28 (5) processing fee, \$10;
- 92.29 (6) special event permit, \$75 per year; and
- 92.30 (7) registration of hair braiders, \$20 per year.

92.31 Sec. 23. Minnesota Statutes 2012, section 155A.25, subdivision 4, is amended to read:

92.32 Subd. 4. **License expiration date.** The board shall, in a manner determined by the
 92.33 board and without the need for rulemaking under chapter 14, phase in changes to initial
 92.34 and renewal license expiration dates so that by January 1, 2014:

93.1 (1) individual licenses expire on the last day of the licensee's birth month of the
93.2 year due; and

93.3 (2) salon and school licenses expire on the last day of the month of initial licensure
93.4 of the year due.

93.5 Sec. 24. Minnesota Statutes 2012, section 155A.27, subdivision 4, is amended to read:

93.6 Subd. 4. **Testing.** All theory, practical, and Minnesota law and rule testing must
93.7 be done by a board-approved provider. Appropriate standardized tests shall be used and
93.8 shall include subject matter relative to the application of Minnesota law. In every case,
93.9 the primary consideration shall be to safeguard the health and safety of consumers by
93.10 determining the competency of the applicants to provide the services indicated.

93.11 Sec. 25. Minnesota Statutes 2012, section 155A.27, subdivision 10, is amended to read:

93.12 Subd. 10. **Nonresident licenses.** (a) A nonresident cosmetologist, manicurist, or
93.13 esthetician may be licensed in Minnesota if the individual has completed cosmetology
93.14 school in a state or country with the same or greater school hour requirements, has an
93.15 active license in that state or country, and has passed a board-approved theory and
93.16 practice-based examination, the Minnesota-specific written operator examination for
93.17 cosmetologist, manicurist, or esthetician. If a test is used to verify the qualifications of
93.18 trained cosmetologists, the test should be translated into the nonresident's native language
93.19 within the limits of available resources. Licenses shall not be issued under this subdivision
93.20 for managers or instructors.

93.21 (b) If an individual has less than the required number of school hours, the individual
93.22 must have had a current active license in another state or country for at least three
93.23 years and have passed a board-approved theory and practice-based examination, or
93.24 the Minnesota-specific written operator examination for cosmetologist, manicurist, or
93.25 esthetician. If a test is used to verify the qualifications of trained cosmetologists, the test
93.26 should be translated into the nonresident's native language within the limits of available
93.27 resources. Licenses must not be issued under this subdivision for managers or instructors.

93.28 (c) Applicants claiming training and experience in a foreign country shall supply
93.29 official English-language translations of all required documents from a board-approved
93.30 source.

93.31 Sec. 26. Minnesota Statutes 2012, section 155A.29, subdivision 2, is amended to read:

93.32 Subd. 2. **Requirements.** (a) The conditions and process by which a salon is licensed
93.33 shall be established by the board by rule. In addition to those requirements, no license

94.1 shall be issued unless the board first determines that the conditions in clauses (1) to (5)
94.2 have been satisfied:

- 94.3 (1) compliance with all local and state laws, particularly relating to matters of
94.4 sanitation, health, and safety;
- 94.5 (2) the employment of a manager, as defined in section 155A.23, subdivision 8;
- 94.6 ~~(3) inspection and licensing prior to the commencing of business;~~
- 94.7 ~~(4)~~ (3) if applicable, evidence of compliance with section 176.182; and
- 94.8 ~~(5)~~ (4) evidence of continued professional liability insurance coverage of at least
94.9 \$25,000 for each claim and \$50,000 total coverage for each policy year for each operator.

94.10 (b) A licensed esthetician or manicurist who complies with the health, safety,
94.11 sanitation, inspection, and insurance rules promulgated by the board to operate a salon
94.12 solely for the performance of those personal services defined in section 155A.23,
94.13 subdivision 5, in the case of an esthetician, or subdivision 7, in the case of a manicurist.

94.14 Sec. 27. Minnesota Statutes 2012, section 155A.30, is amended by adding a
94.15 subdivision to read:

94.16 Subd. 11. **Instruction requirements.** (a) Instruction may be offered for no more
94.17 than ten hours per day per student.

94.18 (b) Instruction must be given within a licensed school building. Online instruction is
94.19 permitted for board-approved theory-based classes. Practice-based classes must not be
94.20 given online.

94.21 Sec. 28. [155A.355] **PROHIBITED USES.**

94.22 (a) Single-use equipment, implements, or materials that are made or constructed of
94.23 paper, wood, or other porous materials must only be used for one application or client
94.24 service. Presence of used articles in the work area is prima facie evidence of reuse.
94.25 Failure to dispose of the materials in this paragraph is punishable by penalty under section
94.26 155A.25, subdivision 1a, paragraph (b), clause (7).

94.27 (b) Razor-type callus shavers, rasps, or graters designed and intended to cut growths
94.28 of skin such as corns and calluses, including but not limited to credo blades, are prohibited.
94.29 Presence of these articles in the work area is prima facie evidence of use and may be
94.30 punishable by penalty in section 155A.25, subdivision 1a, paragraph (b), clause (8);

94.31 (c) Licensees must not use any of the following substances or products in performing
94.32 cosmetology services:

- 94.33 (1) methyl methacrylate liquid monomers, also known as MMA; and
- 94.34 (2) fumigants, including but not limited to formalin tablets or formalin liquids.

95.1 Sec. 29. [179.90] OFFICE OF COLLABORATION AND DISPUTE95.2 RESOLUTION.

95.3 The commissioner of mediation services shall establish an Office of Collaboration
95.4 and Dispute Resolution within the bureau. The office must:

95.5 (1) promote the broad use of community mediation in the state, ensuring that all areas
95.6 of the state have access to services by providing grants to private nonprofits entities certified
95.7 by the state court administrator under chapter 494 that assist in resolution of disputes;

95.8 (2) assist state agencies, offices of the executive, legislative, and judicial branches,
95.9 and units of local government in improving collaboration and dispute resolution;

95.10 (3) support collaboration and dispute resolution in the public and private sector by
95.11 providing technical assistance and information on best practices and new developments in
95.12 dispute resolution options;

95.13 (4) educate the public and governmental entities on dispute resolution options; and

95.14 (5) promote and utilize collaborative dispute resolution models and processes based
95.15 on documented best practices including, but not limited to, the Minnesota Solutions model:

95.16 (i) establishing criteria and procedures for identification and assessment of dispute
95.17 resolution projects;

95.18 (ii) designating projects and appointing impartial convenors by the commissioner
95.19 or the commissioner's designee;

95.20 (iii) forming multidisciplinary conflict resolution teams; and

95.21 (iv) utilizing collaborative techniques, processes, and standards through facilitated
95.22 meetings until consensus among parties is reached in resolving a dispute.

95.23 Sec. 30. [179.91] GRANTS.

95.24 Subdivision 1. Authority. The commissioner of mediation services shall to the
95.25 extent funds are appropriated for this purpose, make grants to private nonprofit community
95.26 mediation entities certified by the state court administrator under chapter 494 that assist
95.27 in resolution of disputes. The commissioner shall establish a grant review committee to
95.28 assist in the review of grant applications and the allocation of grants under this section.

95.29 Subd. 2. Eligibility. To be eligible for a grant under this section, a nonprofit
95.30 organization must meet the requirements of section 494.05, subdivision 1, clauses (1),
95.31 (2), (4), and (5).

95.32 Subd. 3. Conditions and exclusions. A nonprofit entity receiving a grant must
95.33 agree to comply with guidelines adopted by the state court administrator under section
95.34 494.015, subdivision 1. Sections 16B.97 and 16B.98 and policies adopted under those

96.1 sections apply to grants under this section. The exclusions in section 494.03 apply to
96.2 grants under this section.

96.3 Subd. 4. **Reporting.** Grantees must report data required under chapter 494 to
96.4 evaluate quality and outcomes.

96.5 Sec. 31. Minnesota Statutes 2012, section 326A.04, subdivision 2, is amended to read:

96.6 Subd. 2. **Timing.** (a) Certificates must be initially issued and renewed ~~for periods of~~
96.7 ~~not more than three years~~ annually but in any event must expire on December 31 in the year
96.8 prescribed by the board by rule. Applications for certificates must be made in the form, and
96.9 in the case of applications for renewal between the dates, specified by the board in rule.
96.10 The board shall grant or deny an application no later than 90 days after the application is
96.11 filed in proper form. If the applicant seeks the opportunity to show that issuance or renewal
96.12 of a certificate was mistakenly denied, or if the board is unable to determine whether it
96.13 should be granted or denied, the board may issue to the applicant a provisional certificate
96.14 that expires 90 days after its issuance, or when the board determines whether or not to
96.15 issue or renew the certificate for which application was made, whichever occurs first.

96.16 (b) Certificate holders who do not provide professional services and do not use the
96.17 certified public accountant designation in any manner are not required to renew their
96.18 certificates provided they have notified the board as provided in board rule and comply
96.19 with the requirements for nonrenewal as specified in board rule.

96.20 (c) Applications for renewal of a certificate that are complete and timely filed with
96.21 the board and are not granted or denied by the board before January 1 are renewed on a
96.22 provisional basis as of January 1 and for 90 days thereafter, or until the board grants or
96.23 denies the renewal of the certificate, whichever occurs first, provided the licensee meets
96.24 the requirements in this chapter and rules adopted by the board.

96.25 **EFFECTIVE DATE.** This section is effective for licenses issued or renewed after
96.26 January 1, 2014.

96.27 Sec. 32. Minnesota Statutes 2012, section 326A.04, subdivision 3, is amended to read:

96.28 Subd. 3. **Residents of other states.** (a) With regard to an applicant who must
96.29 obtain a certificate in this state because the applicant does not qualify under the substantial
96.30 equivalency standard in section 326A.14, subdivision 1, the board shall issue a certificate
96.31 to a holder of a certificate, license, or permit issued by another state upon a showing that:

96.32 (1) the applicant passed the examination required for issuance of a certificate in
96.33 this state;

97.1 (2) the applicant had four years of experience of the type described in section
 97.2 326A.03, subdivision 6, paragraph (b), ~~if application is made on or after July 1, 2006,~~
 97.3 ~~or section 326A.03, subdivision 8, if application is made before July 1, 2006;~~ or the
 97.4 applicant meets equivalent requirements prescribed by the board by rule, after passing
 97.5 the examination upon which the applicant's certificate was based and within the ten years
 97.6 immediately preceding the application;

97.7 (3) if the applicant's certificate, license, or permit was issued more than four years
 97.8 prior to the application for issuance of an initial certificate under this subdivision, that the
 97.9 applicant has fulfilled the requirements of continuing professional education that would
 97.10 have been applicable under subdivision 4; and

97.11 (4) the applicant has met the qualifications prescribed by the board by rule.

97.12 (b) A certificate holder licensed by another state who establishes a principal place
 97.13 of business in this state shall request the issuance of a certificate from the board prior to
 97.14 establishing the principal place of business. The board shall issue a certificate to the person
 97.15 if the person's individual certified public accountant qualifications, upon verification, are
 97.16 substantially equivalent to the certified public accountant licensure requirements of this
 97.17 chapter or the person meets equivalent requirements as the board prescribes by rule.
 97.18 Residents of this state who provide professional services in this state at an office location
 97.19 in this state shall be considered to have their principal place of business in this state.

97.20 Sec. 33. Minnesota Statutes 2012, section 326A.04, subdivision 5, is amended to read:

97.21 Subd. 5. **Fee.** (a) The board shall charge a fee for each application for initial
 97.22 issuance or renewal of a certificate under this section as provided in paragraph (b).

97.23 (b) The board shall charge the following fees:

97.24 (1) initial issuance of certificate, \$150;

97.25 (2) renewal of certificate with an active status, \$100 per year;

97.26 (3) initial CPA firm permits, except for sole practitioners, \$100;

97.27 (4) renewal of CPA firm permits, except for sole practitioners and those firms
 97.28 specified in clause (17), \$35 per year;

97.29 (5) initial issuance and renewal of CPA firm permits for sole practitioners, except for
 97.30 those firms specified in clause (17), \$35 per year;

97.31 (6) annual late processing delinquency fee for permit, certificate, or registration
 97.32 renewal applications not received prior to expiration date, \$50;

97.33 (7) copies of records, per page, 25 cents;

97.34 (8) registration of noncertificate holders, nonlicensees, and nonregistrants in
 97.35 connection with renewal of firm permits, \$45 per year;

- 98.1 (9) applications for reinstatement, \$20;
 98.2 (10) initial registration of a registered accounting practitioner, \$50;
 98.3 (11) initial registered accounting practitioner firm permits, \$100;
 98.4 (12) renewal of registered accounting practitioner firm permits, except for sole
 98.5 practitioners, \$100 per year;
 98.6 (13) renewal of registered accounting practitioner firm permits for sole practitioners,
 98.7 \$35 per year;
 98.8 (14) CPA examination application, \$40;
 98.9 (15) CPA examination, fee determined by third-party examination administrator;
 98.10 (16) renewal of certificates with an inactive status, \$25 per year; and
 98.11 (17) renewal of CPA firm permits for firms that have one or more offices located in
 98.12 another state, \$68 per year.

98.13 Sec. 34. Minnesota Statutes 2012, section 326A.04, subdivision 7, is amended to read:

98.14 Subd. 7. **Certificates issued by foreign countries.** The board shall issue a
 98.15 certificate to a holder of a generally equivalent foreign country designation, provided that:

98.16 (1) the foreign authority that granted the designation makes similar provision to
 98.17 allow a person who holds a valid certificate issued by this state to obtain the foreign
 98.18 authority's comparable designation;

98.19 (2) the foreign designation:

98.20 (i) was duly issued by a foreign authority that regulates the practice of public
 98.21 accountancy and the foreign designation has not expired or been revoked or suspended;

98.22 (ii) entitles the holder to issue reports upon financial statements; and

98.23 (iii) was issued upon the basis of educational, examination, and experience
 98.24 requirements established by the foreign authority or by law; and

98.25 (3) the applicant:

98.26 (i) received the designation, based on educational and examination standards
 98.27 generally equivalent to those in effect in this state, at the time the foreign designation
 98.28 was granted;

98.29 (ii) has, within the ten years immediately preceding the application, completed an
 98.30 experience requirement that is generally equivalent to the requirement in section 326A.03,
 98.31 subdivision 6, paragraph (b), ~~if application is made on or after July 1, 2006, or section~~
 98.32 ~~326A.03, subdivision 8, if application is made before July 1, 2006,~~ in the jurisdiction that
 98.33 granted the foreign designation; completed four years of professional experience in this
 98.34 state; or met equivalent requirements prescribed by the board by rule; and

99.1 (iii) passed a uniform qualifying examination in national standards and an
99.2 examination on the laws, regulations, and code of ethical conduct in effect in this state
99.3 as the board prescribes by rule.

99.4 Sec. 35. Minnesota Statutes 2012, section 326A.10, is amended to read:

99.5 **326A.10 UNLAWFUL ACTS.**

99.6 (a) Only a licensee and individuals who have been granted practice privileges
99.7 under section 326A.14 may issue a report on financial statements of any person, firm,
99.8 organization, or governmental unit that results from providing attest services, or offer to
99.9 render or render any attest service. Only a certified public accountant, an individual who
99.10 has been granted practice privileges under section 326A.14, a CPA firm, or, to the extent
99.11 permitted by board rule, a person registered under section 326A.06, paragraph (b), may
99.12 issue a report on financial statements of any person, firm, organization, or governmental
99.13 unit that results from providing compilation services or offer to render or render any
99.14 compilation service. These restrictions do not prohibit any act of a public official or
99.15 public employee in the performance of that person's duties or prohibit the performance
99.16 by any nonlicensee of other services involving the use of accounting skills, including
99.17 the preparation of tax returns, management advisory services, and the preparation of
99.18 financial statements without the issuance of reports on them. Nonlicensees may prepare
99.19 financial statements and issue nonattest transmittals or information on them which do not
99.20 purport to be in compliance with the Statements on Standards for Accounting and Review
99.21 Services (SSARS). Nonlicensees registered under section 326A.06, paragraph (b), may,
99.22 to the extent permitted by board rule, prepare financial statements and issue nonattest
99.23 transmittals or information on them.

99.24 (b) Licensees and individuals who have been granted practice privileges under
99.25 section 326A.14 performing attest or compilation services must provide those services in
99.26 accordance with professional standards. To the extent permitted by board rule, registered
99.27 accounting practitioners performing compilation services must provide those services in
99.28 accordance with standards specified in board rule.

99.29 (c) A person who does not hold a valid certificate issued under section 326A.04
99.30 or a practice privilege granted under section 326A.14 shall not use or assume the title
99.31 "certified public accountant," the abbreviation "CPA," or any other title, designation,
99.32 words, letters, abbreviation, sign, card, or device tending to indicate that the person is a
99.33 certified public accountant.

99.34 (d) A firm shall not provide attest services or assume or use the title "certified public
99.35 accountants," the abbreviation "CPA's," or any other title, designation, words, letters,

100.1 abbreviation, sign, card, or device tending to indicate that the firm is a CPA firm unless
100.2 (1) the firm has complied with section 326A.05, and (2) ownership of the firm is in
100.3 accordance with this chapter and rules adopted by the board.

100.4 (e) A person or firm that does not hold a valid certificate or permit issued under
100.5 section 326A.04 or 326A.05 or has not otherwise complied with section 326A.04 or
100.6 326A.05 as required in this chapter shall not assume or use the title "certified accountant,"
100.7 "chartered accountant," "enrolled accountant," "licensed accountant," "registered
100.8 accountant," "accredited accountant," "accounting practitioner," "public accountant,"
100.9 "licensed public accountant," or any other title or designation likely to be confused
100.10 with the title "certified public accountant," or use any of the abbreviations "CA," "LA,"
100.11 "RA," "AA," "PA," "AP," "LPA," or similar abbreviation likely to be confused with the
100.12 abbreviation "CPA." The title "enrolled agent" or "EA" may only be used by individuals
100.13 so designated by the Internal Revenue Service.

100.14 (f) Persons registered under section 326A.06, paragraph (b), may use the title
100.15 "registered accounting practitioner" or the abbreviation "RAP." A person who does not
100.16 hold a valid registration under section 326A.06, paragraph (b), shall not assume or use
100.17 such title or abbreviation.

100.18 (g) Except to the extent permitted in paragraph (a), nonlicensees may not use
100.19 language in any statement relating to the financial affairs of a person or entity that is
100.20 conventionally used by licensees in reports on financial statements. In this regard, the
100.21 board shall issue by rule safe harbor language that nonlicensees may use in connection
100.22 with such financial information. A person or firm that does not hold a valid certificate or
100.23 permit, or a registration issued under section 326A.04, 326A.05, or 326A.06, paragraph
100.24 (b), or has not otherwise complied with section 326A.04 or 326A.05 as required in this
100.25 chapter shall not assume or use any title or designation that includes the word "accountant"
100.26 or "accounting" in connection with any other language, including the language of a report,
100.27 that implies that the person or firm holds such a certificate, permit, or registration or has
100.28 special competence as an accountant. A person or firm that does not hold a valid certificate
100.29 or permit issued under section 326A.04 or 326A.05 or has not otherwise complied with
100.30 section 326A.04 or 326A.05 as required in this chapter shall not assume or use any title
100.31 or designation that includes the word "auditor" in connection with any other language,
100.32 including the language of a report, that implies that the person or firm holds such a
100.33 certificate or permit or has special competence as an auditor. However, this paragraph
100.34 does not prohibit any officer, partner, member, manager, or employee of any firm or
100.35 organization from affixing that person's own signature to any statement in reference to the
100.36 financial affairs of such firm or organization with any wording designating the position,

101.1 title, or office that the person holds, nor prohibit any act of a public official or employee in
101.2 the performance of the person's duties as such.

101.3 (h)(1) No person holding a certificate or registration or firm holding a permit under
101.4 this chapter shall use a professional or firm name or designation that is misleading about
101.5 the legal form of the firm, or about the persons who are partners, officers, members,
101.6 managers, or shareholders of the firm, or about any other matter. However, names of one
101.7 or more former partners, members, managers, or shareholders may be included in the
101.8 name of a firm or its successor.

101.9 (2) A common brand name or network name part, including common initials, used
101.10 by a CPA firm in its name, is not misleading if the firm is a network firm as defined in
101.11 the American Institute of Certified Public Accountants (AICPA) Code of Professional
101.12 Conduct in effect July 1, 2011, and when offering or rendering services that require
101.13 independence under AICPA standards, the firm must comply with the AICPA code's
101.14 applicable standards on independence.

101.15 (i) Paragraphs (a) to (h) do not apply to a person or firm holding a certification,
101.16 designation, degree, or license granted in a foreign country entitling the holder to engage
101.17 in the practice of public accountancy or its equivalent in that country, if:

101.18 (1) the activities of the person or firm in this state are limited to the provision of
101.19 professional services to persons or firms who are residents of, governments of, or business
101.20 entities of the country in which the person holds the entitlement;

101.21 (2) the person or firm performs no attest or compilation services and issues no reports
101.22 with respect to the financial statements of any other persons, firms, or governmental
101.23 units in this state; and

101.24 (3) the person or firm does not use in this state any title or designation other than
101.25 the one under which the person practices in the foreign country, followed by a translation
101.26 of the title or designation into English, if it is in a different language, and by the name
101.27 of the country.

101.28 (j) No holder of a certificate issued under section 326A.04 may perform attest services
101.29 through any business form that does not hold a valid permit issued under section 326A.05.

101.30 (k) No individual licensee may issue a report in standard form upon a compilation
101.31 of financial information through any form of business that does not hold a valid permit
101.32 issued under section 326A.05, unless the report discloses the name of the business through
101.33 which the individual is issuing the report, and the individual:

101.34 (1) signs the compilation report identifying the individual as a certified public
101.35 accountant;

101.36 (2) meets the competency requirement provided in applicable standards; and

102.1 (3) undergoes no less frequently than once every three years, a peer review
102.2 conducted in a manner specified by the board in rule, and the review includes verification
102.3 that the individual has met the competency requirements set out in professional standards
102.4 for such services.

102.5 (l) No person registered under section 326A.06, paragraph (b), may issue a report
102.6 in standard form upon a compilation of financial information unless the board by rule
102.7 permits the report and the person:

102.8 (1) signs the compilation report identifying the individual as a registered accounting
102.9 practitioner;

102.10 (2) meets the competency requirements in board rule; and

102.11 (3) undergoes no less frequently than once every three years a peer review conducted
102.12 in a manner specified by the board in rule, and the review includes verification that the
102.13 individual has met the competency requirements in board rule.

102.14 (m) Nothing in this section prohibits a practicing attorney or firm of attorneys from
102.15 preparing or presenting records or documents customarily prepared by an attorney or firm
102.16 of attorneys in connection with the attorney's professional work in the practice of law.

102.17 (n) The board shall adopt rules that place limitations on receipt by a licensee or a
102.18 person who holds a registration under section 326A.06, paragraph (b), of:

102.19 (1) contingent fees for professional services performed; and

102.20 (2) commissions or referral fees for recommending or referring to a client any
102.21 product or service.

102.22 (o) Anything in this section to the contrary notwithstanding, it shall not be a violation
102.23 of this section for a firm not holding a valid permit under section 326A.05 and not having
102.24 an office in this state to provide its professional services in this state so long as it complies
102.25 with the applicable requirements of section 326A.05, subdivision 1.

102.26 **Sec. 36. ST. PAUL RIVERCENTRE ARENA.**

102.27 Notwithstanding Laws 1998, chapter 404, section 23, subdivision 6, as amended by
102.28 Laws 2002, chapter 220, article 10, section 35, the city of St. Paul is not required to make
102.29 repayments in fiscal year 2014 and fiscal year 2015 only.

102.30 **Sec. 37. REVISOR'S INSTRUCTION.**

102.31 (a) The revisor of statutes shall change the term "manicurist" to "nail technician"
102.32 wherever it appears in Minnesota Rules and Statutes.

103.1 (b) The revisor of statutes shall change the term "licensed" to "registered" and
 103.2 "license" to "registration" wherever it appears in Minnesota Statutes, chapter 154, or
 103.3 applicable Minnesota Rules.

103.4 Sec. 38. **REPEALER.**

103.5 (a) Minnesota Statutes 2012, sections 116W.01; 116W.02; 116W.03; 116W.035;
 103.6 116W.04; 116W.05; 116W.06; 116W.20; 116W.21; 116W.23; 116W.24; 116W.25;
 103.7 116W.26; 116W.27; 116W.28; 116W.29; 116W.30; 116W.31; 116W.32; 116W.33;
 103.8 116W.34; 155A.25, subdivision 1; and 326A.03, subdivisions 2, 5, and 8, are repealed.

103.9 (b) Minnesota Rules, parts 1105.0600; 1105.2550; and 1105.2700, are repealed.

103.10 **ARTICLE 6**

103.11 **COMMERCE AND CONSUMER PROTECTION APPROPRIATIONS**

103.12 Section 1. **SUMMARY OF APPROPRIATIONS.**

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

	<u>2014</u>		<u>2015</u>		<u>Total</u>
103.16 <u>General</u>	\$ 44,608,000	\$	44,868,000	\$	89,476,000
103.17 <u>Special Revenue</u>	4,898,000		4,940,000		9,838,000
103.18 <u>Petroleum Tank</u>	1,052,000		1,052,000		2,104,000
103.19 <u>Workers' Compensation</u>	751,000		751,000		1,502,000
103.20 <u>Lottery Prize Fund</u>	225,000		225,000		450,000
103.21 <u>Total</u>	\$ 51,534,000	\$	51,836,000	\$	103,370,000

103.22 Sec. 2. **COMMERCE AND CONSUMER PROTECTION APPROPRIATIONS.**

103.23 The sums shown in the columns marked "Appropriations" are appropriated to the
 103.24 agencies and for the purposes specified in this article. The appropriations are from the
 103.25 general fund, or another named fund, and are available for the fiscal years indicated
 103.26 for each purpose. The figures "2014" and "2015" used in this article mean that the
 103.27 appropriations listed under them are available for the fiscal year ending June 30, 2014, or
 103.28 June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal
 103.29 year 2015. "The biennium" is fiscal years 2014 and 2015.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2014</u>	<u>2015</u>
103.30		
103.31		
103.32		
103.33		

104.1 Sec. 3. DEPARTMENT OF COMMERCE

104.2	<u>Subdivision 1. Total Appropriation</u>	\$	<u>26,126,000</u>	\$	<u>26,298,000</u>
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104.3 Appropriations by Fund

104.4		<u>2014</u>	<u>2015</u>
104.5	<u>General</u>	<u>24,323,000</u>	<u>24,495,000</u>
104.6	<u>Petroleum Tank</u>	<u>1,052,000</u>	<u>1,052,000</u>
104.7	<u>Workers'</u>		
104.8	<u>Compensation</u>	<u>751,000</u>	<u>751,000</u>

104.9 The amounts that may be spent for each
 104.10 purpose are specified in the following
 104.11 subdivisions.

104.12	<u>Subd. 2. Financial Institutions</u>		<u>4,885,000</u>		<u>4,885,000</u>
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104.13 \$142,000 each year is for the regulation of
 104.14 mortgage originators and servicers under
 104.15 Minnesota Statutes, chapters 58 and 58A.

104.16	<u>Subd. 3. Petroleum Tank Release</u>				
104.17	<u>Compensation Board</u>		<u>1,052,000</u>		<u>1,052,000</u>

104.18 This appropriation is from the petroleum
 104.19 tank fund.

104.20	<u>Subd. 4. Administrative Services</u>		<u>6,689,000</u>		<u>6,865,000</u>
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104.21 \$375,000 each year is for additional
 104.22 compliance efforts with unclaimed property.

104.23 The commissioner may issue contracts for
 104.24 these services.

104.25 \$25,000 each year is for newspaper
 104.26 advertising directed at persons who own or
 104.27 may own unclaimed property. By June 30
 104.28 of each year, the commissioner shall submit
 104.29 a report to the house and senate committees
 104.30 with jurisdiction over the department of the
 104.31 results of the newspaper advertisements
 104.32 in returning property to the owners. This
 104.33 appropriation for newspaper advertising and
 104.34 the requirement of a report is for fiscal years
 104.35 2014 and 2015 only.

105.1 Fees for the Weights and Measures Unit are
 105.2 increased by 30 percent during fiscal year
 105.3 2014. All fees are deposited to the general
 105.4 fund as nondedicated revenue.

105.5 **Base adjustment.** \$174,000 in fiscal year
 105.6 2014 and \$350,000 in fiscal year 2015 is
 105.7 added to the base.

105.8 **Subd. 5. Telecommunications** 1,509,000 1,509,000

105.9 \$500,000 each year is for the Broadband
 105.10 Development Office.

105.11 The following transfer is from the
 105.12 telecommunications access Minnesota
 105.13 fund. \$500,000 the first year and \$800,000
 105.14 the second year and each year thereafter
 105.15 are for transfer to the commissioner of
 105.16 human services to supplement the ongoing
 105.17 operational expenses of the Commission
 105.18 of Deaf, DeafBlind, and Hard-of-Hearing
 105.19 Minnesotans.

105.20 **Subd. 6. Enforcement** 4,824,000 4,820,000

	<u>Appropriations by Fund</u>		
105.21			
105.22	<u>General</u>	<u>4,626,000</u>	<u>4,622,000</u>
105.23	<u>Workers'</u>		
105.24	<u>Compensation</u>	<u>198,000</u>	<u>198,000</u>

105.25 Of the general fund amount, \$646,000 in
 105.26 fiscal year 2014 and \$642,000 in fiscal year
 105.27 2015 is to establish the regulation of gold
 105.28 bullion dealers.

105.29 **Subd. 7. Energy Resources** 3,252,000 3,252,000

105.30 **Subd. 8. Insurance** 3,915,000 3,915,000

	<u>Appropriations by Fund</u>		
105.31			
105.32	<u>General</u>	<u>3,362,000</u>	<u>3,362,000</u>
105.33	<u>Workers'</u>		
105.34	<u>Compensation</u>	<u>553,000</u>	<u>553,000</u>

106.1	Sec. 4. <u>PUBLIC UTILITIES COMMISSION</u>	<u>\$</u>	<u>6,226,000</u>	<u>\$</u>	<u>6,277,000</u>
106.2	<u>Base adjustment.</u> \$48,000 in fiscal year				
106.3	<u>2014 and \$99,000 in fiscal year 2015 is</u>				
106.4	<u>added to the base.</u>				
106.5	Sec. 5. <u>GAMBLING CONTROL</u>	<u>\$</u>	<u>3,989,000</u>	<u>\$</u>	<u>4,021,000</u>
106.6	<u>These appropriations are from the lawful</u>				
106.7	<u>gambling regulation account in the special</u>				
106.8	<u>revenue fund.</u>				
106.9	<u>Base adjustment.</u> \$30,000 in fiscal year				
106.10	<u>2014 and \$62,000 in fiscal year 2015 is</u>				
106.11	<u>added to the base.</u>				
106.12	Sec. 6. <u>RACING COMMISSION</u>	<u>\$</u>	<u>909,000</u>	<u>\$</u>	<u>919,000</u>
106.13	<u>These appropriations are from the racing</u>				
106.14	<u>and card playing regulation accounts in the</u>				
106.15	<u>special revenue fund.</u>				
106.16	<u>Base adjustment.</u> \$10,000 in fiscal year				
106.17	<u>2014 and \$20,000 in fiscal year 2015 is</u>				
106.18	<u>added to the base.</u>				
106.19	Sec. 7. <u>STATE LOTTERY</u>				
106.20	<u>Notwithstanding Minnesota Statutes, section</u>				
106.21	<u>349A.10, subdivision 3, the operating budget</u>				
106.22	<u>must not exceed \$30,500,000 in fiscal year</u>				
106.23	<u>2014 and \$30,500,000 in fiscal year 2015.</u>				
106.24	Sec. 8. <u>EXPLORE MINNESOTA TOURISM</u>	<u>\$</u>	<u>14,059,000</u>	<u>\$</u>	<u>14,096,000</u>
106.25	<u>(a) Of this amount, \$12,000 each year is for a</u>				
106.26	<u>grant to the Upper Minnesota Film Office.</u>				
106.27	<u>(b)(1) To develop maximum private sector</u>				
106.28	<u>involvement in tourism, \$500,000 in fiscal</u>				
106.29	<u>year 2014 and \$500,000 in fiscal year 2015</u>				
106.30	<u>must be matched by Explore Minnesota</u>				
106.31	<u>Tourism from nonstate sources. Each \$1 of</u>				

107.1 state incentive must be matched with \$6 of
107.2 private sector funding. Cash match is defined
107.3 as revenue to the state or documented cash
107.4 expenditures directly expended to support
107.5 Explore Minnesota Tourism programs. Up
107.6 to one-half of the private sector contribution
107.7 may be in-kind or soft match. The incentive
107.8 in fiscal year 2014 shall be based on fiscal
107.9 year 2013 private sector contributions. The
107.10 incentive in fiscal year 2015 shall be based on
107.11 fiscal year 2014 private sector contributions.
107.12 This incentive is ongoing.

107.13 (2) Funding for the marketing grants is
107.14 available either year of the biennium.
107.15 Unexpended grant funds from the first year
107.16 are available in the second year.

107.17 (3) Unexpended money from the general
107.18 fund appropriations made under this section
107.19 does not cancel but must be placed in a
107.20 special marketing account for use by Explore
107.21 Minnesota Tourism for additional marketing
107.22 activities.

107.23 (c) \$325,000 in fiscal year 2014 and \$325,000
107.24 in fiscal year 2015 are for the Minnesota
107.25 Film and TV Board. The appropriation in
107.26 each year is available only upon receipt by
107.27 the board of \$1 in matching contributions
107.28 of money or in-kind contributions from
107.29 nonstate sources for every \$3 provided by
107.30 this appropriation, except that each year up
107.31 to \$50,000 is available on July 1 even if the
107.32 required matching contribution has not been
107.33 received by that date.

108.1 (d) Base adjustment. \$34,000 in fiscal
108.2 year 2014 and \$71,000 in fiscal year 2015
108.3 is added to the base.

108.4 **Sec. 9. PROBLEM GAMBLING APPROPRIATION.**

108.5 \$225,000 in fiscal year 2014 and \$225,000 in fiscal year 2015 are appropriated
108.6 from the lottery prize fund to the commissioner of human services for a grant to the
108.7 state affiliate recognized by the National Council on Problem Gambling. The affiliate
108.8 must provide services to increase public awareness of problem gambling, education,
108.9 and training for individuals and organizations providing effective treatment services to
108.10 problem gamblers and their families, and research relating to problem gambling. These
108.11 services must be complementary to and not duplicative of the services provided through
108.12 the problem gambling program administered by the commissioner of human services.
108.13 This is a onetime appropriation.

108.14 **ARTICLE 7**

108.15 **COMMERCE AND CONSUMER PROTECTION POLICY**

108.16 Section 1. Minnesota Statutes 2012, section 60A.14, subdivision 1, is amended to read:

108.17 Subdivision 1. **Fees other than examination fees.** In addition to the fees and
108.18 charges provided for examinations, the following fees must be paid to the commissioner
108.19 for deposit in the general fund:

108.20 (a) by township mutual fire insurance companies;

108.21 (1) for filing certificate of incorporation \$25 and amendments thereto, \$10;

108.22 (2) for filing annual statements, \$15;

108.23 (3) for each annual certificate of authority, \$15;

108.24 (4) for filing bylaws \$25 and amendments thereto, \$10;

108.25 (b) by other domestic and foreign companies including fraternal and reciprocal
108.26 exchanges;

108.27 (1) for filing an application for an initial certification of authority to be admitted
108.28 to transact business in this state, \$1,500;

108.29 (2) for filing certified copy of certificate of articles of incorporation, \$100;

108.30 (3) for filing annual statement, \$225;

108.31 (4) for filing certified copy of amendment to certificate or articles of incorporation,
108.32 \$100;

108.33 (5) for filing bylaws, \$75 or amendments thereto, \$75;

108.34 (6) for each company's certificate of authority, \$575, annually;

109.1 (c) the following general fees apply:

109.2 (1) for each certificate, including certified copy of certificate of authority, renewal,
109.3 valuation of life policies, corporate condition or qualification, \$25;

109.4 (2) for each copy of paper on file in the commissioner's office 50 cents per page,
109.5 and \$2.50 for certifying the same;

109.6 (3) for license to procure insurance in unadmitted foreign companies, \$575;

109.7 (4) for valuing the policies of life insurance companies, one cent per \$1,000 of
109.8 insurance so valued, provided that the fee shall not exceed \$13,000 per year for any
109.9 company. The commissioner may, in lieu of a valuation of the policies of any foreign life
109.10 insurance company admitted, or applying for admission, to do business in this state, accept
109.11 a certificate of valuation from the company's own actuary or from the commissioner of
109.12 insurance of the state or territory in which the company is domiciled;

109.13 (5) for receiving and filing certificates of policies by the company's actuary, or by
109.14 the commissioner of insurance of any other state or territory, \$50;

109.15 (6) for each appointment of an agent filed with the commissioner, ~~\$10~~ \$30;

109.16 (7) for filing forms, rates, and compliance certifications under section 60A.315, \$140
109.17 per filing, or \$125 per filing when submitted via electronic filing system. Filing fees
109.18 may be paid on a quarterly basis in response to an invoice. Billing and payment may
109.19 be made electronically;

109.20 (8) for annual renewal of surplus lines insurer license, \$300.

109.21 The commissioner shall adopt rules to define filings that are subject to a fee.

109.22 **Sec. 2. [80G.01] REGISTRATION.**

109.23 (a) The fee for each registration under this chapter shall be as follows:

109.24 (1) bullion coin dealers, \$25; and

109.25 (2) coin dealer representatives, \$10.

109.26 (b) The commissioner, based on the cost of processing registrations, may adjust the
109.27 registration fee on an annual basis as needed.

109.28 **Sec. 3. [161.462] FIBER COLLABORATION DATABASE.**

109.29 Subdivision 1. Purpose. The purpose of the fiber collaboration database is
109.30 to provide broadband providers with advance notice of upcoming Department of
109.31 Transportation construction projects, so that they may notify the department of their
109.32 interest in installing broadband infrastructure within the right-of-way during construction
109.33 in order to minimize installation costs.

110.1 Subd. 2. **Database.** (a) The Department of Transportation shall post on its Web site,
110.2 and update annually, the list of upcoming construction projects contained in its statewide
110.3 transportation improvement program, including, for each project:

110.4 (1) the geographical location where construction will occur;

110.5 (2) the estimated start and end dates of construction; and

110.6 (3) a description of the nature of the construction project.

110.7 (b) The department shall post this information as far in advance of the beginning of
110.8 construction as is feasible.

110.9 (c) The department's Web site shall allow a provider of broadband service to register
110.10 to receive from the department electronic information on proposed construction projects
110.11 added to the database in specific geographical areas of the state as soon as it is updated.

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

110.13 Sec. 4. Minnesota Statutes 2012, section 237.012, subdivision 3, is amended to read:

110.14 Subd. 3. **Annual reports.** The commissioner of commerce must annually by
110.15 February 10 report on the achievement of the goals under subdivisions 1 and 2 to the chairs
110.16 and ranking minority members of the legislative committees with primary jurisdiction
110.17 over telecommunication issues. The report must also suggest policies, incentives, and
110.18 legislation designed to accelerate the achievement of the goals. The report on goals under
110.19 subdivision 1 must be made through 2015.

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

110.21 Sec. 5. **[237.85] OFFICE OF BROADBAND DEVELOPMENT.**

110.22 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms
110.23 have the meanings given them.

110.24 (b) "Broadband" or "broadband service" means any service providing advanced
110.25 telecommunications capability and Internet access with transmission speeds that, at a
110.26 minimum, meet the Federal Communications Commission definition for broadband.

110.27 (c) "Local unit of government" has the meaning given in section 116G.03,
110.28 subdivision 3.

110.29 (d) "Office" means the Office of Broadband Development established in subdivision
110.30 2, paragraph (a).

110.31 Subd. 2. **Office established; purpose.** (a) An Office of Broadband Development is
110.32 established within the Department of Commerce.

111.1 (b) The purpose of the office is to encourage, foster, develop, and improve broadband
111.2 within the state in order to:

111.3 (1) drive job creation, promote innovation, and expand markets for Minnesota
111.4 businesses;

111.5 (2) serve the ongoing and growing needs of Minnesota's education systems, health
111.6 care system, public safety system, industries and businesses, governmental operations,
111.7 and citizens; and

111.8 (3) improve accessibility for underserved communities and populations.

111.9 Subd. 3. **Organization.** The office shall consist of a director of the Office of
111.10 Broadband Development, as well as any staff necessary to carry out the office's duties
111.11 under subdivision 4.

111.12 Subd. 4. **Duties.** The office shall have the power and duty to:

111.13 (1) serve as the central broadband planning body for the state of Minnesota;

111.14 (2) coordinate with state, regional, local, and private entities to develop, to the
111.15 maximum extent practicable, a uniform statewide broadband access and usage policy;

111.16 (3) develop, recommend, and implement a statewide plan to encourage cost-effective
111.17 broadband access, and to make recommendations for increased usage, particularly in
111.18 rural and other underserved areas;

111.19 (4) coordinate efforts, in consultation and cooperation with the commissioner of
111.20 commerce, local units of government, and private entities, to meet the state's broadband
111.21 goals in section 237.012;

111.22 (5) develop, coordinate, and implement the state's broadband infrastructure
111.23 development program under section 237.90;

111.24 (6) provide consultation services to local units of government or other project
111.25 sponsors in connection with the planning, acquisition, improvement, construction, or
111.26 development of any broadband deployment project;

111.27 (7) encourage public-private partnerships to increase deployment and adoption
111.28 of broadband services and applications, including recommending funding options and
111.29 possible incentives to encourage investment in broadband expansion;

111.30 (8) monitor the broadband development efforts of other states and nations in areas
111.31 such as business, education, public safety, and health;

111.32 (9) monitor broadband-related activities at the federal level, including regulatory and
111.33 policy changes and the potential impact on broadband deployment and sustainability in
111.34 the state;

111.35 (10) serve as an information clearinghouse for federal programs providing financial
111.36 assistance to institutions located in rural areas seeking to obtain access to high speed

112.1 broadband service, and use this information as an outreach tool to make institutions
 112.2 located in rural areas that are unserved or underserved with respect to broadband service
 112.3 aware of the existence of federal assistance;

112.4 (11) coordinate an ongoing collaborative effort of stakeholders to evaluate and
 112.5 address security, vulnerability, and redundancy issues important to ensure the reliability
 112.6 of broadband networks;

112.7 (12) provide an annual report, as required by subdivision 5; and

112.8 (13) perform any other activities consistent with the office's purpose.

112.9 Subd. 5. **Reporting.** (a) Beginning on January 15, 2014, and each year thereafter,
 112.10 the Office of Broadband Development shall report to the legislative committees having
 112.11 jurisdiction over telecommunications policy and finance on the office's activities during
 112.12 the previous year.

112.13 (b) The report shall contain, at a minimum:

112.14 (1) an analysis of the current availability and use of broadband, including average
 112.15 broadband speeds, within the state;

112.16 (2) information gathered from schools, libraries, hospitals, and public safety
 112.17 facilities across the state, determining the actual speed and capacity of broadband currently
 112.18 in use and the need, if any, for increases in speed and capacity to meet basic needs;

112.19 (3) an analysis of incumbent broadband infrastructure within the state and its ability
 112.20 to spur economic development;

112.21 (4) an analysis of the degree to which new, additional, or improved broadband
 112.22 infrastructure would spur economic development in the state;

112.23 (5) a summary of the office's activities in coordinating broadband infrastructure
 112.24 development under section 237.90;

112.25 (6) any proposed legislative and policy initiatives; and

112.26 (7) any other information requested by the legislative committees having jurisdiction
 112.27 over telecommunications policy and finance, or that the office deems necessary.

112.28 (c) The report may be submitted electronically and is subject to section 3.195,
 112.29 subdivision 1.

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

112.31 Sec. 6. **[237.90] COORDINATION OF BROADBAND INFRASTRUCTURE**
 112.32 **DEVELOPMENT.**

112.33 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms
 112.34 have the meanings given them.

113.1 (b) "Broadband" or "broadband service" has the meaning given in section 237.85,
113.2 subdivision 1, paragraph (b).

113.3 (c) "Broadband conduit" means a conduit, pipe, innerduct, or microduct for fiber
113.4 optic or other cables that support broadband and wireless facilities for broadband service.

113.5 (d) "Local unit of government" has the meaning given in section 116G.03,
113.6 subdivision 3.

113.7 (e) "Office" means the Office of Broadband Development established in section
113.8 237.85.

113.9 Subd. 2. **Broadband infrastructure development.** (a) The office shall, in
113.10 collaboration with the Department of Transportation and private entities, encourage and
113.11 coordinate "dig once" efforts for the planning, relocation, installation, or improvement of
113.12 broadband conduit within the right-of-way in conjunction with any current or planned
113.13 construction, including, but not limited to, trunk highways and bridges. To the extent
113.14 necessary, the office shall, in collaboration with the Department of Transportation,
113.15 evaluate engineering and design standards, procedures and criteria for contracts or lease
113.16 agreements with private entities, and pricing requirements, and provide for allocation
113.17 of risk, costs, and any revenue generated.

113.18 (b) The office shall, in collaboration with other state departments and agencies as the
113.19 office deems necessary, develop a strategy to facilitate the timely and efficient deployment
113.20 of broadband conduit or other broadband facilities on state-owned lands and buildings.

113.21 (c) To the extent practicable, the office shall encourage and assist local units of
113.22 government to adopt and implement policies similar to those under paragraphs (a) and (b)
113.23 for construction or other improvements to county state-aid highways, municipal state-aid
113.24 roads, and any other rights-of-way under the local unit of government's jurisdiction, and to
113.25 other lands or buildings owned by the local unit of government.

113.26 (d) Special consideration must be paid to projects under this subdivision that will
113.27 likely improve access to broadband by rural or underserved communities.

113.28 Subd. 3. **Reporting.** As part of its annual report under section 237.85, subdivision
113.29 5, the office shall report on activities taken under this section, including, but not limited to,
113.30 the number of current and planned projects using the "dig once" approach, any gains in
113.31 broadband speed or access associated with the project, and any costs or cost savings to
113.32 the state, private entity, or end user of broadband services.

113.33 Subd. 4. **No right of action.** Nothing in this section shall be construed to create
113.34 any right or benefit, substantive or procedural, enforceable at law or in equity by any
113.35 party against the state of Minnesota, its departments, agencies, or entities, its officers,
113.36 employees, or agents, or any other person.

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

114.2 Sec. 7. Minnesota Statutes 2012, section 239.101, subdivision 3, is amended to read:

114.3 Subd. 3. **Petroleum inspection fee; appropriation, uses.** (a) An inspection fee
114.4 is imposed (1) on petroleum products when received by the first licensed distributor,
114.5 and (2) on petroleum products received and held for sale or use by any person when the
114.6 petroleum products have not previously been received by a licensed distributor. The
114.7 petroleum inspection fee is \$1 for every 1,000 gallons received. The commissioner of
114.8 revenue shall collect the fee. The revenue from ~~84~~ 89 cents of the fee is appropriated to
114.9 the commissioner of commerce for the cost of operations of the Division of Weights and
114.10 Measures, petroleum supply monitoring, and to make grants to providers of low-income
114.11 weatherization services to install renewable energy equipment in households that are
114.12 eligible for weatherization assistance under Minnesota's weatherization assistance
114.13 program state plan. The remainder of the fee must be deposited in the general fund.

114.14 (b) The commissioner of revenue shall credit a person for inspection fees previously
114.15 paid in error or for any material exported or sold for export from the state upon filing of a
114.16 report as prescribed by the commissioner of revenue.

114.17 (c) The commissioner of revenue may collect the inspection fee along with any
114.18 taxes due under chapter 296A.

114.19 Sec. 8. Minnesota Statutes 2012, section 507.235, subdivision 2, is amended to read:

114.20 Subd. 2. **Penalty for failure to file.** (a) A vendee who fails to record a contract for
114.21 deed, as required by subdivision 1, is subject to a civil penalty, payable under subdivision
114.22 5, equal to two percent of the principal amount of the contract debt, unless the vendee
114.23 has not received a copy of the contract for deed in recordable form, as required under
114.24 subdivision 1a. Payments of the penalty shall be deposited in the general fund of the
114.25 county. The penalty may be enforced as a lien against the vendee's interest in the property.

114.26 (b) A person receiving an assignment of a vendee's interest in a contract for deed
114.27 who fails to record the assignment as required by subdivision 1 is subject to a civil penalty,
114.28 payable under subdivision 5, equal to two percent of the original principal amount of the
114.29 contract debt. Payments of the penalty must be deposited in the general fund of the county.
114.30 The penalty may be enforced as a lien against the vendee's interest in the property.

114.31 Sec. 9. **[559.201] DEFINITIONS.**

114.32 Subdivision 1. Application. The definitions in this section apply to section 559.202.

115.1 Subd. 2. **Business day.** "Business day" means any day other than a Saturday,
115.2 Sunday, or holiday as defined in section 645.44, subdivision 5.

115.3 Subd. 3. **Family farm security loan.** "Family farm security loan" has the meaning
115.4 given in Minnesota Statutes 2008, section 41.52, subdivision 5.

115.5 Subd. 4. **Multiple seller.** "Multiple seller" means a person that has acted as a seller
115.6 in four or more contracts for deed involving residential real property during the 12-month
115.7 period that precedes either: (1) the date on which the purchaser executes a purchase
115.8 agreement under section 559.202; or (2) if there is no purchase agreement, the date on
115.9 which the purchaser executes a contract for deed under section 559.202. A contract for
115.10 deed transaction that is exempt under section 559.202, subdivision 2, is a contract for deed
115.11 for the purposes of determining whether a seller is a multiple seller.

115.12 Subd. 5. **Person.** "Person" means a natural person, partnership, corporation, limited
115.13 liability company, association, trust, or other legal entity, however organized.

115.14 Subd. 6. **Purchase agreement.** "Purchase agreement" means a purchase agreement
115.15 for a contract for deed, an earnest money contract, or an executed option contemplating
115.16 that, at closing, the seller and the purchaser will enter into a contract for deed.

115.17 Subd. 7. **Purchaser.** "Purchaser" means a natural person who enters into a contract
115.18 for deed to purchase residential real property. Purchaser includes all purchasers who enter
115.19 into the same contract for deed to purchase residential real property.

115.20 Subd. 8. **Residential real property.** "Residential real property" means real property
115.21 consisting of one to four family dwelling units, one of which the purchaser intends to
115.22 occupy as the purchaser's principal place of residence. Residential real property does
115.23 not include property subject to a family farm security loan or a transaction subject to
115.24 sections 583.20 to 583.32.

115.25 Sec. 10. **[559.202] CONTRACTS FOR DEED INVOLVING RESIDENTIAL**
115.26 **PROPERTY.**

115.27 Subdivision 1. **Notice required.** (a) In addition to the disclosures required under
115.28 sections 513.52 to 513.60, a multiple seller must deliver the notice specified under
115.29 subdivision 3 to a prospective purchaser as provided under this subdivision.

115.30 (b) If there is a purchase agreement, the notice must be affixed to the front of
115.31 the purchase agreement. A contract for deed for which notice is required under this
115.32 subdivision may not be executed for five business days following the execution of the
115.33 purchase agreement and delivery of the notice and instructions for cancellation.

116.1 (c) If there is no purchase agreement, a multiple seller must deliver the notice in a
 116.2 document separate from any other document or writing to a prospective purchaser no less
 116.3 than five business days before the prospective purchaser executes the contract for deed.

116.4 (d) The notice must be:

116.5 (1) written in at least 12-point type; and

116.6 (2) signed and dated by the purchaser.

116.7 (e) If a dispute arises concerning whether or when the notice required by this
 116.8 subdivision was provided to the purchaser, there is a rebuttable presumption that the notice
 116.9 was not provided unless the original executed contract for deed contains the following
 116.10 statement, initialed by the purchaser: "By initialing here purchaser acknowledges
 116.11 receipt at least five business days before signing this contract for deed of the disclosure
 116.12 statement entitled "Important Information About Contracts for Deed" required by
 116.13 Minnesota Statutes, section 559.202, subdivision 3."

116.14 Subd. 2. **Exception.** This section does not apply if the purchaser is represented
 116.15 throughout the transaction by either:

116.16 (1) a person licensed to practice law in this state; or

116.17 (2) a person licensed as a real estate broker or salesperson under chapter 82,

116.18 provided that the representation does not create a dual agency, as that term is defined
 116.19 in section 82.55, subdivision 6.

116.20 Subd. 3. **Content of the notice.** The notice must contain the following verbatim
 116.21 language:

116.22 **"IMPORTANT INFORMATION ABOUT CONTRACTS FOR DEED**

116.23 **Know What You Are Getting Into**

116.24 (1) A contract for deed is a complex legal agreement. You are NOT a tenant. Mortgage
 116.25 foreclosure laws don't apply.

116.26 (2) You should know ALL of your obligations and rights before you sign a purchase
 116.27 agreement or contract for deed.

116.28 (3) You (seller must circle one):

116.29 (a) DO DO NOT have to pay homeowner's insurance.

116.30 (b) DO DO NOT have to pay property taxes.

116.31 (c) DO DO NOT have to make and pay for some or all of the repairs or
 116.32 maintenance, as described in the contract for deed.

116.33 (4) After some time, you may need to make a large lump sum payment (called a "balloon
 116.34 payment"). Know when it is due and how much it will be. You'll probably need to get a
 116.35 new mortgage, another financial arrangement, or pay for the balance in cash at that time.

117.1 (5) If you miss just a single payment or can't make the balloon payment, the seller can
117.2 cancel your contract. You will likely lose all the money you have already paid. You will
117.3 likely lose your ability to purchase the home. The seller can begin an eviction action
117.4 against you in just a few months.

117.5 (6) Within four months of signing the contract for deed, you must "record" it in the office
117.6 of the county recorder or registrar of titles in the county in which the property is located.
117.7 If you do not do so, you could face a fine.

117.8 **Key Things Highly Recommended Before You Sign**

117.9 (1) Get advice from a lawyer or the Minnesota Home Ownership Center at
117.10 1-866-462-6466. To find a lawyer through the Minnesota State Bar Association, go to
117.11 www.mnfindalawyer.com.

117.12 (2) Get an independent, professional appraisal of the property to learn what it is worth.

117.13 (3) Get an independent, professional inspection of the property.

117.14 (4) Buy title insurance or ask a real estate lawyer for a "title opinion."

117.15 (5) Check with the city or county to find out if there are inspection reports or unpaid
117.16 utility bills.

117.17 (6) Check with a title company or the county where the property is located to find out if
117.18 there is a mortgage or other lien on the property and if the property taxes have been paid.

117.19 **If You Are Entering into a Purchase Agreement**

117.20 (1) If you haven't already signed the contract for deed, you can cancel the purchase
117.21 agreement (and get all your money back) if you do so within five business days after
117.22 getting this notice.

117.23 (2) To cancel the purchase agreement, you must follow the provisions of Minnesota
117.24 Statutes, section 559.217, subdivision 4. Ask a lawyer for help."

117.25 Subd. 4. **Right to cancel purchase agreement.** (a) A prospective purchaser may
117.26 cancel a purchase agreement within five business days after actually receiving the notice
117.27 required under subdivision 1 if a multiple seller fails to timely deliver the notice, provided
117.28 that the contract for deed has not been executed by all parties.

117.29 (b) A prospective purchaser may cancel the purchase agreement in accordance with
117.30 the provisions of section 559.217, subdivision 4.

117.31 (c) In the event of cancellation, the multiple seller may not impose a penalty and must
117.32 promptly refund all payments made by the prospective purchaser prior to cancellation.

118.1 Subd. 5. Remedies for failure to timely deliver notices. (a) Notwithstanding
118.2 any contrary provision in the purchase agreement or contract for deed, a purchaser has
118.3 a private right of action against a multiple seller who fails to timely deliver the notice
118.4 required under subdivision 1. The multiple seller is liable to the purchaser for:

118.5 (1) the greater of actual damages or statutory damages of \$2,500; and

118.6 (2) reasonable attorney fees and court costs.

118.7 (b) A multiple seller who knowingly fails to timely deliver the notice required
118.8 under subdivision 1 is liable to the purchaser for triple the actual or statutory damages
118.9 available under paragraph (a), whichever is greater, provided that the purchaser must elect
118.10 the remedy provided under either paragraph (a) or this paragraph and may not recover
118.11 damages under both paragraphs.

118.12 (c) The rights and remedies provided in this subdivision are cumulative to, and not
118.13 a limitation of, any other rights and remedies provided under law. An action brought
118.14 pursuant to this subdivision must be commenced within four years from the date of the
118.15 alleged violation.

118.16 Subd. 6. Effects of violation. A violation of this section has no effect on the
118.17 validity of the contract.

118.18 Subd. 7. Duty of multiple seller to account. Upon reasonable request by the
118.19 purchaser and no more than once every 12-month period, a multiple seller must provide an
118.20 accounting of all payments made pursuant to the contract for deed, the amount of interest
118.21 paid, and the amount remaining to satisfy the principal balance under the contract.

118.22 Subd. 8. No waiver. The provisions of this section may not be waived.

118.23 EFFECTIVE DATE. This section is effective August 1, 2013, and applies to
118.24 transactions in which the contract for deed and the purchase agreement for the contract
118.25 for deed, if any, were both executed on or after that date.

118.26 Sec. 11. Minnesota Statutes 2012, section 559.211, subdivision 2, is amended to read:

118.27 Subd. 2. Remedies additional. The remedies provided in this section are in
118.28 addition to and do not limit other rights or remedies available to purchasers or vendors of
118.29 real estate. Subject to the provisions of sections 559.213 and 559.217, subdivision 7, this
118.30 section shall not be construed to bar a court from determining the validity, effectiveness,
118.31 or consequences of proceeding under section 559.21 or 559.217, or granting other relief in
118.32 connection therewith, by reason of the failure of a purchaser to seek or obtain relief under
118.33 this section prior to the purported effective date of the termination of the contract.

119.1 Sec. 12. Laws 2011, First Special Session chapter 2, article 2, section 3, subdivision 4,
119.2 is amended to read:

119.3 Subd. 4. **Administrative Services** 4,247,000 4,247,000

119.4 \$375,000 each year is for additional
119.5 compliance efforts with unclaimed property.

119.6 The commissioner may issue contracts
119.7 for these services. ~~This additional amount~~
119.8 ~~shall be added to the base budget for fiscal~~
119.9 ~~years 2014 and 2015 only. The enhanced~~
119.10 ~~unclaimed property compliance program~~
119.11 ~~shall sunset June 30, 2015.~~

119.12 Sec. 13. **STATE BROADBAND STRATEGY; REPORT.**

119.13 The Office of Broadband Development shall conduct research and produce a report
119.14 recommending a set of programs and strategies the state can pursue to promote the
119.15 improvement, more efficient and effective use, and expansion of broadband services in
119.16 ways that will have the greatest impact on the state's economic development, by which is
119.17 meant enhancing the ability of Minnesota citizens and businesses to develop their skills,
119.18 to expand businesses to new markets, develop new products, reach more customers, and
119.19 lower costs. While the state's broadband goals in section 237.012 address the universal
119.20 provision of greater broadband access and speed statewide, this report must consider
119.21 broadband as an economic development tool and must examine and analyze:

119.22 (1) how the state can best use its limited resources to adopt strategies and make
119.23 investments to improve the use of broadband services by subgroups of broadband users,
119.24 including mobile broadband users, that promise to deliver the greatest economic impact
119.25 per dollar of state investment;

119.26 (2) roles the state can play in addition to financial assistance for broadband
119.27 infrastructure, including supporting education and training for Minnesotans to enable
119.28 them to use broadband more effectively; and

119.29 (3) strategies and opportunities for state investment to leverage additional amounts
119.30 of private capital and financial assistance from the federal government in order to achieve
119.31 these goals.

119.32 By January 15, 2014, the office shall submit the report to the chairs and ranking minority
119.33 members of the senate and house committees with jurisdiction over telecommunications
119.34 issues.

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

120.2 Sec. 14. **REPEALER.**

120.3 Minnesota Statutes 2012, section 507.235, subdivision 4, is repealed effective the
120.4 day following final enactment.

120.5 **ARTICLE 8**

120.6 **HOUSING FINANCE**

120.7 Section 1. **HOUSING FINANCE AGENCY.**

120.8 The sums shown in the columns marked "APPROPRIATIONS" are appropriated
120.9 to the agencies and for the purposes specified in this act. The appropriations are from
120.10 the general fund, or another named fund, and are available for the fiscal years indicated
120.11 for each purpose. The figures "2014" and "2015" used in this article mean that the
120.12 appropriations listed under them are available for the fiscal year ending June 30, 2014, or
120.13 June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal
120.14 year 2015. "The biennium" is fiscal years 2014 and 2015.

120.15		<u>APPROPRIATIONS</u>	
120.16		<u>Available for the Year</u>	
120.17		<u>Ending June 30</u>	
120.18		<u>2014</u>	<u>2015</u>

120.19 Sec. 2. **APPROPRIATIONS.**

120.20	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>50,048,000</u>	<u>\$</u>	<u>48,048,000</u>
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120.21 The amounts that may be spent for each
120.22 purpose are specified in the following
120.23 subdivisions.

120.24 Unless otherwise specified, this appropriation
120.25 is for transfer to the housing development
120.26 fund for the programs specified in this
120.27 section. Except as otherwise indicated, this
120.28 transfer is part of the agency's permanent
120.29 budget base.

120.30	<u>Subd. 2. Challenge Program</u>	<u>10,227,000</u>	<u>10,227,000</u>
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120.31 (a) This appropriation is for the economic
120.32 development and housing challenge program

121.1 under Minnesota Statutes, section 462A.33.
121.2 Priority shall be given to funding programs
121.3 that are aimed at closing the disparity gap
121.4 in affordable homeownership and rental
121.5 housing for indigenous American Indians
121.6 and communities of color. Of this amount,
121.7 \$1,208,000 each year shall be made available
121.8 during the first 11 months of the fiscal
121.9 year exclusively for housing projects for
121.10 American Indians. Any funds not committed
121.11 to housing projects for American Indians in
121.12 the first 11 months of the fiscal year shall
121.13 be available for any eligible activity under
121.14 Minnesota Statutes, section 462A.33.
121.15 (b) Priority shall be given to programs that:
121.16 (1) focus on creating safe and stable housing
121.17 for homeless youth;
121.18 (2) provide housing and services to trafficked
121.19 women and children;
121.20 (3) are land trust programs and programs
121.21 that work in coordination with a land trust
121.22 program; or
121.23 (4) provide housing for communities and
121.24 regions that have: (i) low vacancy rates, a
121.25 plan that identifies current and future housing
121.26 needs, experienced job growth since 2005,
121.27 and at least 2,000 jobs within the commuter
121.28 shed; or (ii) communities and regions that:
121.29 have evidence of anticipated job expansion
121.30 or a significant portion of area employees
121.31 who commute more than 30 miles between
121.32 their residence and employment, and where
121.33 area employers are willing to provide a
121.34 meaningful contribution that reduces the

122.1	<u>need for deferred loan or grant funds from</u>		
122.2	<u>state sources.</u>		
122.3	<u>(c) The base funding for this program in the</u>		
122.4	<u>2016-2017 biennium is \$10,805,000 each</u>		
122.5	<u>year.</u>		
122.6	<u>Subd. 3. Housing Trust Fund</u>	<u>11,605,000</u>	<u>10,605,000</u>
122.7	<u>(a) This appropriation is for deposit in the</u>		
122.8	<u>housing trust fund account created under</u>		
122.9	<u>Minnesota Statutes, section 462A.201, and</u>		
122.10	<u>may be used for the purposes provided in that</u>		
122.11	<u>section. Priority shall be given to funding</u>		
122.12	<u>programs that are aimed at closing the</u>		
122.13	<u>disparity gap in rental housing for indigenous</u>		
122.14	<u>American Indians and communities of</u>		
122.15	<u>color and culturally specific groups who</u>		
122.16	<u>are providing services to members of their</u>		
122.17	<u>communities.</u>		
122.18	<u>(b) Of this amount, \$1,000,000 is a onetime</u>		
122.19	<u>appropriation for temporary rental assistance</u>		
122.20	<u>for families with school-age children who</u>		
122.21	<u>have changed school or home at least</u>		
122.22	<u>once in the last school year. The agency,</u>		
122.23	<u>in consultation with the Department of</u>		
122.24	<u>Education, may establish additional targeting</u>		
122.25	<u>criteria.</u>		
122.26	<u>(c) The base funding for this program in</u>		
122.27	<u>fiscal years 2016 and 2017 is \$10,791,000</u>		
122.28	<u>each year.</u>		
122.29	<u>Subd. 4. Rental Assistance for the Mentally Ill</u>	<u>2,638,000</u>	<u>2,638,000</u>
122.30	<u>This appropriation is for the rental housing</u>		
122.31	<u>assistance program under Minnesota</u>		
122.32	<u>Statutes, section 462A.2097.</u>		
122.33	<u>Subd. 5. Family Homeless Prevention</u>	<u>8,043,000</u>	<u>8,043,000</u>

123.1 This appropriation is for the family homeless
 123.2 prevention and assistance programs under
 123.3 Minnesota Statutes, section 462A.204.

123.4 The base funding for this program in fiscal
 123.5 years 2016 and 2017 is \$8,145,000 each year.

123.6 Subd. 6. **Home Ownership Assistance Fund** 845,000 845,000

123.7 This appropriation is for the home ownership
 123.8 assistance program under Minnesota
 123.9 Statutes, section 462A.21, subdivision 8.

123.10 Priority shall be given to funding programs
 123.11 that are aimed at closing the disparity gap in
 123.12 affordable homeownership for indigenous
 123.13 American Indians and communities of color.

123.14 The base funding for this program in fiscal
 123.15 years 2016 and 2017 is \$854,000 each year.

123.16 Subd. 7. **Affordable Rental Investment Fund** 4,200,000 4,200,000

123.17 (a) This appropriation is for the affordable
 123.18 rental investment fund program under
 123.19 Minnesota Statutes, section 462A.21,
 123.20 subdivision 8b, to finance the acquisition,
 123.21 rehabilitation, and debt restructuring of
 123.22 federally assisted rental property and
 123.23 for making equity take-out loans under
 123.24 Minnesota Statutes, section 462A.05,
 123.25 subdivision 39.

123.26 (b) The owner of federally assisted rental
 123.27 property must agree to participate in
 123.28 the applicable federally assisted housing
 123.29 program and to extend any existing
 123.30 low-income affordability restrictions on the
 123.31 housing for the maximum term permitted.
 123.32 The owner must also enter into an agreement
 123.33 that gives local units of government,
 123.34 housing and redevelopment authorities,

124.1 and nonprofit housing organizations the
 124.2 right of first refusal if the rental property
 124.3 is offered for sale. Priority must be given
 124.4 among comparable federally assisted rental
 124.5 properties to properties with the longest
 124.6 remaining term under an agreement for
 124.7 federal assistance. Priority must also be
 124.8 given among comparable rental housing
 124.9 developments to developments that are or
 124.10 will be owned by local government units, a
 124.11 housing and redevelopment authority, or a
 124.12 nonprofit housing organization.

124.13 (c) The appropriation also may be used to
 124.14 finance the acquisition, rehabilitation, and
 124.15 debt restructuring of existing supportive
 124.16 housing properties. For purposes of this
 124.17 subdivision, "supportive housing" means
 124.18 affordable rental housing with links to
 124.19 services necessary for individuals, youth, and
 124.20 families with children to maintain housing
 124.21 stability.

124.22	<u>Subd. 8. Housing Rehabilitation</u>	<u>6,094,000</u>	<u>6,094,000</u>
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124.23 This appropriation is for the housing
 124.24 rehabilitation program under Minnesota
 124.25 Statutes, section 462A.05, subdivision 14.
 124.26 Of this amount, \$3,344,000 each year is for
 124.27 the rehabilitation of rental properties, and
 124.28 \$2,750,000 each year is for the rehabilitation
 124.29 of owner-occupied homes.

124.30 The base funding for this program in fiscal
 124.31 years 2016 and 2017 is \$6,188,000 each
 124.32 year. Of this amount, \$3,438,000 each year
 124.33 is for the rehabilitation of rental housing and
 124.34 \$2,750,000 each year is for the rehabilitation
 124.35 of owner-occupied housing.

125.1	<u>Subd. 9. Homeownership Education,</u>		
125.2	<u>Counseling, and Training</u>	<u>809,000</u>	<u>809,000</u>
125.3	<u>This appropriation is for the homeownership</u>		
125.4	<u>education, counseling, and training program</u>		
125.5	<u>under Minnesota Statutes, section 462A.209.</u>		
125.6	<u>Priority may be given to funding programs</u>		
125.7	<u>that are aimed at culturally specific groups</u>		
125.8	<u>who are providing services to members of</u>		
125.9	<u>their communities.</u>		
125.10	<u>The base funding for this program in fiscal</u>		
125.11	<u>years 2016 and 2017 is \$819,000 each year.</u>		
125.12	<u>Subd. 10. Capacity Building Grants</u>	<u>242,000</u>	<u>242,000</u>
125.13	<u>This appropriation is for nonprofit capacity</u>		
125.14	<u>building grants under Minnesota Statutes,</u>		
125.15	<u>section 462A.21, subdivision 3b.</u>		
125.16	<u>The base funding for this program in fiscal</u>		
125.17	<u>years 2016 and 2017 is \$263,000 each year.</u>		
125.18	<u>Subd. 11. Grants</u>	<u>445,000</u>	<u>445,000</u>
125.19	<u>(a) This appropriation is for the grants in</u>		
125.20	<u>paragraphs (b) to (d) and is available until</u>		
125.21	<u>expended. This appropriation is added to the</u>		
125.22	<u>agency's base.</u>		
125.23	<u>(b) \$70,000 each year is for a grant to Open</u>		
125.24	<u>Access Connection to provide free voice mail</u>		
125.25	<u>services for homeless and low-income people</u>		
125.26	<u>so that they have a reliable and consistent</u>		
125.27	<u>communication tool to aid in their search</u>		
125.28	<u>for affordable housing and their search for</u>		
125.29	<u>and maintenance of jobs so that they have</u>		
125.30	<u>income to maintain affordable housing. This</u>		
125.31	<u>service is provided in the metropolitan area</u>		
125.32	<u>and through a toll-free number in greater</u>		
125.33	<u>Minnesota.</u>		

126.1 (c) \$200,000 each year is for a grant to
 126.2 HOME Line for the tenant's rights advocacy
 126.3 and services program.

126.4 (d) \$175,000 each year is for a grant to an East
 126.5 African women's organization to promote the
 126.6 health and safety of East African women and
 126.7 children in Minnesota and provide services to
 126.8 East African women, who are first-generation
 126.9 immigrants from East African countries, and
 126.10 their children. The program must provide
 126.11 safe housing for victims of domestic abuse
 126.12 and trafficking as well as assistance accessing
 126.13 the health care system. The program must
 126.14 provide educational resources to prevent
 126.15 the exploitation of East African women
 126.16 and children in Minnesota. The program
 126.17 shall provide shelter services and health
 126.18 and human rights education to promote
 126.19 empowerment and provide culturally
 126.20 appropriate services to East African women
 126.21 and children in Minnesota and other victims
 126.22 of domestic violence.

126.23 Subd. 12. **Transfers** 4,900,000 3,900,000

126.24 (a) The appropriations in this subdivision are
 126.25 not for transfer to the housing development
 126.26 fund. These appropriations are for transfer
 126.27 to the commissioner of human services for
 126.28 the purposes specified. The appropriations
 126.29 are added to the Minnesota Housing Finance
 126.30 Agency's fiscal year 2016 and fiscal year
 126.31 2017 base budget.

126.32 (b) \$900,000 each year is for the long-term
 126.33 homeless supportive services fund under
 126.34 Minnesota Statutes, section 256K.26.

- 127.1 (c) \$250,000 each year is for the transitional
127.2 housing programs under Minnesota Statutes,
127.3 section 256E.33.
- 127.4 (d) \$250,000 each year is for emergency
127.5 services grants under Minnesota Statutes,
127.6 section 256E.36.
- 127.7 (e) \$1,500,000 each year is to provide
127.8 housing and services to homeless youth
127.9 under Minnesota Statutes, section 256K.45.
- 127.10 (f) \$1,000,000 each year is to develop and
127.11 provide housing and shelters to prevent the
127.12 sexual exploitation of women and children
127.13 and assist trafficked women and children.
- 127.14 (g) \$500,000 in the first year is a onetime
127.15 appropriation for a grant for housing
127.16 subsidies to the nonprofit organizations
127.17 selected to administer the demonstration
127.18 project for high-risk adults under Laws 2007,
127.19 chapter 54, article 1, section 19, to help
127.20 complete the project.
- 127.21 (h) \$250,000 in the first year is a onetime
127.22 appropriation for a transfer to the
127.23 commissioner of health for a grant for
127.24 education and training grants to address
127.25 housing-based health threats and healthy
127.26 homes implementation grants to local boards
127.27 of health to mitigate housing-based health
127.28 threats.
- 127.29 (i) \$250,000 in the first year is a onetime
127.30 appropriation for a transfer to the
127.31 commissioner of health for a grant for
127.32 lead poisoning prevention activities under
127.33 Minnesota Statutes, sections 144.9501 to
127.34 144.9512.

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	EMPLOYMENT, ECONOMIC DEVELOPMENT, AND	
ARTICLE 3	WORKFORCE DEVELOPMENT	Page.Ln 53.16
ARTICLE 4	UNEMPLOYMENT INSURANCE	Page.Ln 73.4
ARTICLE 5	MISCELLANEOUS	Page.Ln 83.16
	COMMERCE AND CONSUMER PROTECTION	
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ARTICLE 8	HOUSING FINANCE	Page.Ln 120.5

116W.01 MINNESOTA SCIENCE AND TECHNOLOGY AUTHORITY ACT.

This chapter may be cited as the "Minnesota Science and Technology Authority Act."

116W.02 DEFINITIONS.

Subdivision 1. **Applicability.** For the purposes of this chapter, the terms in this section have the meanings given them.

Subd. 2. **Authority.** "Authority" means the Minnesota Science and Technology Authority.

Subd. 3. **Eligible recipient.** "Eligible recipient" means an entity primarily operating to create and retain jobs in the state's industrial base and maximize the economic growth of the state through:

- (1) high-technology research and development capabilities;
- (2) product and process innovation and commercialization;
- (3) high-technology manufacturing capabilities;
- (4) science and technology business environment; or
- (5) science and technology workforce preparation.

Subd. 4. **Advisory commission.** "Advisory commission" means the advisory commission under section 116W.051.

116W.03 MINNESOTA SCIENCE AND TECHNOLOGY AUTHORITY.

Subdivision 1. **Membership.** The Minnesota Science and Technology Authority consists of the commissioner of employment and economic development, the commissioner of management and budget, the commissioner of revenue, the commissioner of commerce, and the commissioner of agriculture.

Subd. 2. **Chair; other officers.** The commissioner of employment and economic development shall serve as the chair and chief executive officer of the authority. The authority shall rotate the position of vice-chair annually among its members. The commissioner of employment and economic development shall convene the first meeting of the authority no later than July 1, 2010. In the absence of the chair or vice-chair at meetings of the authority members may elect a chair for the meeting, and may elect other officers as necessary from its members.

Subd. 3. **Delegation.** In addition to any powers to delegate that members of the authority have as commissioners, they may delegate to the chair, vice-chair, or executive director their responsibilities as members of the authority for reviewing and approving financing of eligible projects, projects that have been authorized by law, or programs specifically authorized by resolution of the authority.

Subd. 4. **Actions.** (a) A majority of the authority, excluding vacancies, constitutes a quorum to conduct its business, to exercise its powers, and for all other purposes.

(b) The authority may conduct its business by any technological means available, including teleconference calls or interactive video, that allows for an interaction between members. If a meeting is conducted under this paragraph, a specific location must be available for the public to attend the meeting and at least one member must be present at that location.

Subd. 5. **Executive director; staffing.** The authority shall employ an executive director in the unclassified service. The initial executive director must be the individual in the position of director of the Office of Science and Technology as of January 1, 2010, under Minnesota Statutes 2008, section 116J.657. The executive director is responsible for hiring staff necessary to assist the executive director to carry out the duties and responsibilities of the authority. The executive director shall perform duties that the authority may require in carrying out its responsibilities to manage and implement the funds and programs in this chapter, and comply with all state and federal program requirements, and state and federal securities and tax laws and regulations. The executive director shall assist the advisory board in fulfilling its duties under this chapter.

Subd. 6. **Administrative services.** The authority shall enter into agreements for administrative and professional services and technical support.

Subd. 7. **Expiration.** This section expires June 30, 2018. Section 15.059, subdivision 5, does not apply to the authority.

116W.035 INFORMATION TECHNOLOGY.

To the extent the projects or grants approved by the authority or other work of the authority impact state information systems, these information systems are subject to the jurisdiction of the Office of Enterprise Technology in chapter 16E, including, but not limited to:

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- (1) evaluation and approval as specified in section 16E.03, subdivisions 3 and 4;
- (2) review to ensure compliance with security policies, guidelines, and standards as specified in section 16E.03, subdivision 7; and
- (3) assurance of compliance with accessibility standards developed under section 16E.03, subdivision 9.

116W.04 POWERS AND DUTIES.

Subdivision 1. **Duties.** The Science and Technology Authority shall:

- (1) coordinate public and private efforts to procure federal funding for collaborative research and development projects of primary benefit to small-sized and medium-sized businesses;
- (2) promote contractual relationships between Minnesota businesses that are recipients of federal grants and prime contractors, and Minnesota-based subcontractors;
- (3) work with Minnesota nonprofit institutions including the University of Minnesota, Minnesota State Colleges and Universities, and the Mayo Clinic in promoting collaborative efforts to respond to federal funding opportunities;
- (4) develop a framework for Minnesota companies to establish sole-source relationships with federal agencies;
- (5) provide grants or other forms of financial assistance to eligible recipients for purposes of this chapter;
- (6) coordinate workshops, assistance with business proposals, licensing, intellectual property protection, commercialization, and government auditing with the University of Minnesota and Minnesota State Colleges and Universities; and
- (7) develop and implement a comprehensive science and technology economic development strategy for the state.

Subd. 2. **Technology matchmaking.** The authority must assist businesses in identifying qualified suppliers and vendors through a program to serve as a conduit for Minnesota-based companies to network with firms able to support their success. Firms outside Minnesota can participate in the technology matchmaking network if one of the participating companies is located in Minnesota.

Subd. 3. **Commercialization assistance.** The authority must provide commercialization assistance to Minnesota firms that have received a Phase I Small Business Innovation Research (SBIR) or a Phase I Small Business Technology Transfer (STTR) award and are submitting a Phase II proposal. Local service providers must assist the applicant with developing and reviewing the required commercialization plan prior to Phase II submission. The authority may provide SBIR Phase I proposal technical review.

Subd. 4. **Power to sue; enter contracts.** The authority may sue and be sued. The authority may make and enter into contracts, leases, and agreements necessary to perform its duties and exercise its powers.

Subd. 5. **Gifts; grants.** The authority may apply for, accept, and disburse gifts, grants, loans, or other property from the United States, the state, private sources, or any other source for any of its purposes. Money received by the authority under this subdivision must be deposited in the state treasury and is appropriated to the authority to carry out its duties.

Subd. 6. **Contract for services.** The authority may retain or contract for the services of accountants, financial advisors, and other consultants or agents needed to perform its duties and exercise its powers.

Subd. 7. **Fees.** The authority may set and collect fees for costs incurred by the authority, the Department of Employment and Economic Development, the Department of Management and Budget, the Department of Revenue, the Department of Commerce, the Department of Labor and Industry, and the Department of Agriculture, including costs for personnel, professional, and administrative services.

Subd. 8. **Reports.** (a) The authority shall report by February 1 each year to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over finance and economic development on its progress to design, coordinate, and administer a strategic science and technology program for the state to promote the welfare of the people of the state, maximize the economic growth of the state, and create and retain jobs in the state's industrial base through enhancement of Minnesota's:

- (1) high-technology research and development capabilities;
- (2) product and process innovation and commercialization;
- (3) high-technology manufacturing capabilities;
- (4) science and technology business environment; and
- (5) science and technology workforce preparation.

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(b) The report must include a complete operating and financial statement covering the authority's operations during the year, including amounts of income from all sources. Books and records of the authority are subject to audit by the legislative auditor in the manner prescribed for state agencies.

Subd. 9. **Consultative and technical services.** The authority may provide general consultative and technical services to assist eligible projects and enter into agreements or other transactions concerning the receipt or provision of those services.

Subd. 10. **Financial information.** Financial information, including credit reports, financial statements, and net worth calculations, received or prepared by the authority regarding financial assistance, is private data with regard to data on individuals as defined in section 13.02, subdivision 12, and nonpublic data with regard to data not on individuals as defined in section 13.02, subdivision 9.

Subd. 11. **General.** The authority shall have all powers necessary and appropriate to fulfill its responsibilities under this chapter.

116W.05 PROJECT FINANCIAL ASSISTANCE.

Subdivision 1. **Determination of financial assistance.** The authority shall assist eligible recipients in identifying grants or other sources of financial assistance available to finance projects and may assist eligible recipients in applying for and obtaining grants and other forms of assistance.

Subd. 2. **Financial feasibility review.** (a) The authority shall review the proposed financing for each project submitted to the authority to determine whether: (1) the proposed project and financing plan is an eligible use of the money; and (2) the proposal is in compliance with applicable state and federal tax and securities laws and regulations. Grants in excess of \$50,000 must be approved by the authority. Grants of \$50,000 or less may be authorized by the executive director. All grant approvals or disapprovals must be completed within 30 days of submission to the authority. Grants approved by the executive director must be reviewed by the authority each month.

(b) Unless a project is specifically authorized by law, the authority may reject the proposed financing for a project meeting the requirements in paragraph (a) if there are not sufficient funds available or if a majority of members believe the financing of the project would not be in the best interests of the state or would be detrimental to the authority's funds or programs. A determination to reject a proposed project must not be made in an arbitrary and capricious manner and must be supported by substantive evidence and documented by a resolution of the authority stating its findings.

116W.06 ADVISORY COMMISSION.

Subdivision 1. **Advisory commission membership.** A Science and Technology Initiative Advisory Commission of 18 members is established and is comprised of:

- (1) two representatives of the University of Minnesota, selected by the president of the university, including a faculty member actively involved in science and technology research;
- (2) two representatives of the Minnesota State Colleges and Universities, selected by the chancellor, including a faculty member actively involved in science and technology research;
- (3) the chief executive officer of Mayo Clinic or a designee;
- (4) six chief executive officers or designees from science-oriented or technology-oriented companies;
- (5) four representatives from science-oriented and technology-oriented organizations;
- (6) one representative of organized labor;
- (7) a venture capital representative; and
- (8) a representative of angel investors.

A member must have experience in science or technology in order to serve on the commission.

Members of the commission listed in clauses (4) to (8) shall be appointed by the authority.

Subd. 2. **Advisory commission duties.** The advisory commission must assist the authority in developing a comprehensive science and technology economic development plan to be presented to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over economic development and higher education by January 15, 2011. The plan must include recommendations in strategic areas for science and technology investments, recommendations on additional programs to support science and technology focused economic development activities in the state, selection of specific programs and grantees for support

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from program funds authorized by the advisory commission and ongoing assessment of the effectiveness of programmatic elements according to metrics to be developed by the authority in consultation with the advisory commission. The advisory commission may also advise and assist the authority in fulfilling its duties under section 116W.04.

Subd. 3. **Membership terms; vacancies; compensation.** The membership terms, removal of members, and filling of vacancies are as provided under section 15.059. The executive director may provide compensation to members if funds are available.

Subd. 4. **Expiration.** The advisory commission expires June 30, 2013.

Subd. 5. **Convening of meetings; staffing.** The executive director of the authority must convene the first meeting of the commission by August 1, 2010. The executive director must provide administrative support and staff to the commission.

116W.20 MONEY OF THE AUTHORITY.

Subdivision 1. **Functions of commissioner of management and budget.** Except as otherwise provided in this section, money of the authority must be paid to the commissioner of management and budget as agent of the authority and the commissioner shall not commingle the money with other money. The money in the accounts of the authority must be paid out only on warrants drawn by the commissioner of management and budget on requisition of the executive director of the authority or of another officer or employee as the authority authorizes. Deposits of the authority's money must, if required by the commissioner or the authority, be secured by obligations of the United States or of the state of a market value equal at all times to the amount of the deposit and all banks and trust companies are authorized to give security for the deposits. All money paid to the commissioner as agent of the authority is appropriated to the authority. The commissioner must annually report to the committees of the legislature with responsibility for economic development and management and budget on the use of appropriations under this section.

Subd. 2. **System of accounts.** The commissioner of management and budget shall prescribe a system of accounts.

116W.21 NONLIABILITY.

Subdivision 1. **Nonliability of individuals.** No member of the authority, staff of the authority, or other person executing other agreements or contracts of the authority is liable personally or is subject to any personal liability or accountability by reason of their issuance, execution, delivery, or performance.

Subd. 2. **Nonliability of state.** The state is not liable on loans or other agreements or contracts of the authority issued or entered into under this chapter and the loans or other agreements or contracts of the authority are not a debt of the state. The loans or other agreements or contracts of the authority must contain on their face a statement to that effect.

116W.23 STATE PLEDGE AGAINST IMPAIRMENT OF CONTRACTS.

The state pledges and agrees with parties to any loans or other agreements or contracts of the authority that the state will not: (1) limit or alter the rights vested in the authority to fulfill the terms of any agreements made with the parties to any loans or other agreements or contracts of the authority; or (2) in any way impair the rights and remedies of the parties to any loans or other agreements or contracts of the authority. The authority may include this pledge and agreement of the state in any agreement with the parties in any loans or other agreements or contracts of the authority.

116W.24 RESERVES; FUNDS; ACCOUNTS.

The authority may establish reserves, funds, or accounts necessary to carry out the purposes of the authority or to comply with any agreement made by or any resolution passed by the authority.

116W.25 CITATION.

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Sections 116W.26 to 116W.34 may be cited as the "Minnesota science and technology program."

116W.26 DEFINITIONS.

Subdivision 1. **Applicability.** For the purposes of sections 116W.26 to 116W.34, the terms in this section have the meanings given them.

Subd. 2. **Authority.** "Authority" means the Minnesota Science and Technology Authority established under this chapter.

Subd. 3. **College or university.** "College or university" means an institution of postsecondary education, public or private, that grants undergraduate or postgraduate academic degrees, and conducts significant research or development activities in the areas of science and technology.

Subd. 4. **Commercialization.** "Commercialization" means any of the full spectrum of activities required for a new technology, product, or process to be developed from its basic research of conceptual stage through applied research or development to the marketplace including, without limitation, the steps leading up to and including licensure, sales, and services.

Subd. 5. **Commercialized research project.** "Commercialized research project" means research conducted within a college or university or nonprofit research institution or by a qualified science and technology company that has shown advanced commercial potential through license agreements, patents, or other forms of invention disclosure, and by which a qualified science and technology company has been or is being currently formed.

Subd. 6. **Fund.** "Fund" means the Minnesota science and technology fund.

Subd. 7. **Nonprofit research institution.** "Nonprofit research institution" means an entity with its principle place of business in Minnesota, that qualifies under section 501(c) of the Internal Revenue Code, and that conducts significant research or development activities in this state in the areas of science and technology.

Subd. 8. **Program.** "Program" means the Minnesota science and technology program.

Subd. 9. **Qualified science and technology company.** "Qualified science and technology company" means a corporation, limited liability company, S corporation, partnership, limited liability partnership, or sole proprietorship with fewer than 100 employees that is engaged in research, development, or production of science or technology in this state including, without limitation, research, development, or production directed toward developing or providing science and technology products, processes, or services for specific commercial or public purposes.

116W.27 MINNESOTA SCIENCE AND TECHNOLOGY FUND.

A Minnesota science and technology fund is created in the state treasury. The fund is a direct-appropriated special revenue fund. Money of the authority must be paid to the commissioner of management and budget as agent of the authority and the commissioner shall not commingle the money with other money. The money in the fund must be paid out only on warrants drawn by the commissioner of management and budget on requisition of the executive director of the authority or designee.

116W.28 MINNESOTA SCIENCE AND TECHNOLOGY FUND; AUTHORIZED USES.

The Minnesota science and technology fund may be used for the following to:

- (1) establish the commercialized research program authorized under section 116W.29;
 - (2) establish the federal research and development support program under section 116W.30;
 - (3) establish the industry technology and competitiveness program under section 116W.31;
- and
- (4) carry out the powers of the authority authorized under sections 116W.04 and 116W.32 that are in support of the programs in clauses (1) to (3).

116W.29 COMMERCIALIZED RESEARCH PROGRAM.

(a) The authority may establish a commercialized research program. The purpose of the program is to accelerate the commercialization of science and technology products, processes, or services from colleges or universities, nonprofit research institutions, or qualified science and technology companies that lead to an increase in science and technology businesses and jobs. The program shall:

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(1) provide science and technology gap funding of up to \$250,000 per science and technology research project to assist in the commercialization and transfer of science and technology research projects from a college or university or nonprofit research institution to a qualified science and technology company; and

(2) provide funding of up to \$250,000 for early stage development for qualified science and technology companies to conduct commercialized research projects.

(b) All activities under the commercialized research program must require:

(1) written criteria set by the authority for the application, award, and use of the funds;

(2) matching funds by the participating qualified science and technology company, college or university, or nonprofit research institution;

(3) no more than 15 percent of the funds awarded by the authority may be used for overhead costs; and

(4) a report by the participating qualified science and technology company, college or university, or nonprofit research institution that provides documentation of the use of funds and outcomes of the award. The report must be submitted to the authority within one calendar year of the date of the award.

116W.30 FEDERAL RESEARCH AND DEVELOPMENT SUPPORT PROGRAM.

The authority may establish a federal research and development support program. The purpose of the program is to increase and coordinate efforts to procure federal funding for research projects of primary benefit to qualified science and technology companies, colleges or universities, and nonprofit research institutions. The program shall:

(1) develop and execute a strategy to identify specific federal agencies and programs that support the growth of science and technology industries in this state; and

(2) provide grants to qualified science and technology companies:

(i) to assist in the development of federal Small Business Innovation (SBIR) or Small Business Technology Transfer (STTR) proposals; and

(ii) to match funds received through SBIR or STTR awards. No more than \$1,500,000 may be awarded in a year for matching grants under this clause.

116W.31 INDUSTRY INNOVATION AND COMPETITIVENESS PROGRAM.

(a) The authority may establish an industry technology and competitiveness program. The purpose of the program is to advance the technological capacity and competitiveness of existing and emerging science and technology industries. The program shall:

(1) provide matching funds to programs and organizations that assist entrepreneurs in starting and growing qualified science and technology companies including, but not limited to, matching funds for mentoring programs, consulting and technical services, and related activities;

(2) fund initiatives that retain engineering, science, technology, and mathematical occupations in the state including, but not limited to, internships, mentoring, and support of industry and professional organizations; and

(3) fund initiatives that support the growth of targeted industry clusters and the competitiveness of existing qualified science and technology companies in developing and marketing new products and services.

(b) All activities under the industry innovation and competitiveness program shall require:

(1) written criteria set by the authority for the application, award, and use of the funds;

(2) matching funds by the participating qualified science and technology company, college or university, or nonprofit research institution; and

(3) a report by the participating qualified science and technology company, college or university, or nonprofit research institution providing documentation on the use of the funds and outcomes of the award. The report must be submitted to the authority within one calendar year from the date of the award.

116W.32 MINNESOTA SCIENCE AND TECHNOLOGY AUTHORITY; POWERS UNDER FUND.

Subdivision 1. **General powers.** The authority shall have all of the powers necessary to carry out the purposes and provisions of sections 116W.26 to 116W.34, including, but not limited to, those provided under section 116W.04 and the following:

(1) The authority may make awards in the forms of grants or loans, and charge and receive a reasonable interest for the loans, or take an equity position in form of stock, a convertible note, or other securities in consideration of an award. Interests, revenues, or other proceeds received

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as a result of a transaction authorized by use of this fund shall be deposited to the corpus of the fund and used in the same manner as the corpus of the fund.

(2) In awarding money from the fund, priority shall be given to proposals from qualified science and technology companies that have demonstrable economic benefit to the state in terms of the formation of a new private sector business entity, the creation of jobs, or the attraction of federal and private funding.

(3) In awarding money from the fund, priority shall be given to proposals from colleges or universities and nonprofit research institutions that:

(i) promote collaboration between any combination of colleges or universities, nonprofit research institutions, and private industry;

(ii) enhance existing research superiority by attracting new research entities, research talent, or resources to the state; and

(iii) create new research superiority that attracts significant researchers and resources from outside the state.

(4) Subject to the limits in this clause, money within the fund may be used for reasonable administrative expenses by the authority including staffing and direct operational expenses, and professional fees for accounting, legal, and other technical services required to carry out the intent of the program and administration of the fund. Administrative expenses may not exceed five percent of the first \$5,000,000 in the fund and two percent of any amount in excess of \$5,000,000.

(5) Before making an award, the authority shall enter into a written agreement with the entity receiving the award that specifies the uses of the award.

(6) If the award recipient has not used the award received for the purposes intended, as of the date provided in the agreement, the recipient shall repay that amount and any interest applicable under the agreement to the authority. All repayments must be deposited to the corpus of the fund.

Subd. 2. **Rules.** The authority may adopt rules to implement the programs authorized under sections 116W.29 to 116W.31.

116W.33 REPAYMENT.

An entity must repay all or a portion of the amount of any award, grant, loan, or financial assistance of any type paid by the authority under sections 116W.29 to 116W.32 if the entity relocates outside the state or ceases operation in Minnesota within four years from the date the authority provided the financial award. If the entity relocates outside of this state or ceases operation in Minnesota within three years of the financial award, the entity must repay 100 percent of the award. If the entity relocates or ceases operation in Minnesota after a period of three years but before four years from the date of the financial award, the entity must repay 75 percent of the financial award.

116W.34 EXPIRATION.

Sections 116W.26 to 116W.33 expire on the expiration date of the authority under section 116W.03, subdivision 7. Any unused money in the fund shall be deposited in the general fund.

155A.25 COSMETOLOGY FEES; LICENSE EXPIRATION DATE.

Subdivision 1. **Schedule.** The fee schedule for licensees is as follows for licenses issued prior to July 1, 2010, and after June 30, 2013:

(a) Three-year license fees:

(1) cosmetologist, manicurist, esthetician, \$90 for each initial license, and \$60 for each renewal;

(2) instructor, manager, \$120 for each initial license, and \$90 for each renewal;

(3) salon, \$130 for each initial license, and \$100 for each renewal; and

(4) school, \$1,500.

(b) Penalties:

(1) reinspection fee, variable;

(2) manager and owner with lapsed practitioner, \$150 each;

(3) expired cosmetologist, manicurist, esthetician, manager, school manager, and instructor license, \$45; and

(4) expired salon or school license, \$50.

(c) Administrative fees:

(1) certificate of identification, \$20;

(2) school original application, \$150;

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- (3) name change, \$20;
- (4) letter of license verification, \$30;
- (5) duplicate license, \$20;
- (6) processing fee, \$10;
- (7) special event permit, \$75 per year; and
- (8) registration of hair braiders, \$20 per year.

326A.03 CERTIFIED PUBLIC ACCOUNTANT QUALIFICATIONS.

Subd. 2. **Examination before July 1, 2006; required education and experience.** Until July 1, 2006, the examination must be administered by the board only to a candidate who:

(1) holds a master's degree with a major in accounting from a college or university that is fully accredited by a recognized accrediting agency listed with the United States Department of Education;

(2) holds a baccalaureate degree, with a major in accounting, from a college or university that is fully accredited by a recognized accrediting agency listed with the United States Department of Education or who has in the opinion of the board at least an equivalent education;

(3) holds a baccalaureate degree from a college or university that is fully accredited by a recognized accrediting agency listed with the United States Department of Education, or who has in the opinion of the board at least an equivalent education, provided that at least one year of experience of the type specified in subdivision 8 has been completed;

(4) provides evidence of having completed two or more years of study with a passing grade average or above from a college, university, technical college, or a Minnesota licensed private school that is fully accredited by a recognized accrediting agency listed with the United States Department of Education, or who has in the opinion of the board at least an equivalent education, provided that at least three years experience of the type specified in subdivision 8 has been completed; or

(5) holds a diploma as a graduate of an accredited high school, or who has in the opinion of the board at least an equivalent education, provided that at least five years experience of the type specified in subdivision 8 has been completed.

Subd. 5. **Certificate before July 1, 2006; required experience.** Until July 1, 2006, a person who has passed the examination required by this section and who meets all other requirements for a certificate, including payment of required fees, must be granted a certificate as a certified public accountant, providing that the person has completed the following experience requirements of the type specified in subdivision 8 in addition to any experience already required in subdivision 2:

(1) for those whose educational qualifications meet the requirements of subdivision 2, clause (1), the experience requirement is one year;

(2) for those whose educational qualifications meet the requirements of subdivision 2, clause (2), the experience requirement is two years;

(3) for those whose educational and experience qualifications meet the requirements of subdivision 2, clause (3), the additional required experience is two years;

(4) for those whose educational and experience qualifications meet the requirements of subdivision 2, clause (4), the additional required experience is two years; and

(5) for those whose educational and experience qualifications meet the requirements of subdivision 2, clause (5), the additional required experience is one year.

Subd. 8. **Qualifying experience until July 1, 2006.** Until July 1, 2006, qualifying experience includes public accounting experience:

(1) as a staff employee of a certified public accountant, or a firm;

(2) as an auditor in the Office of the Legislative Auditor or State Auditor, or as an auditor or examiner with any other agency of government, if the experience, in the opinion of the board, is equally comprehensive and diversified;

(3) as a self-employed public accountant or as a partner in a firm; or

(4) in any combination of the foregoing capacities.

326B.31 DEFINITIONS.

Subd. 18. **Elevator constructor.** "Elevator constructor" means an individual having the necessary qualifications, training, experience, and technical knowledge to wire for, install, maintain, and repair electrical wiring, apparatus, and equipment for elevators and escalators and who is licensed as an elevator constructor by the commissioner.

Subd. 19. **Elevator contractor.** "Elevator contractor" means a licensed contractor whose responsible licensed individual is a licensed master elevator constructor. An elevator contractor

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license does not itself qualify its holder to perform or supervise the electrical or elevator work authorized by holding a personal license issued by the commissioner.

Subd. 22. **Master elevator constructor.** "Master elevator constructor" means an individual having the necessary qualifications, training, experience, and technical knowledge to properly plan, lay out, and supervise the installation, maintenance, and repair of wiring, apparatus, and equipment for elevators and escalators and who is licensed as a master elevator constructor by the commissioner.

326B.978 EXAMINATIONS; CLASSIFICATIONS; QUALIFICATIONS.

Subd. 4. **Continuing education.** The commissioner may require continuing education prior to the renewal of any license. Before requiring continuing education, the commissioner shall adopt rules that specify the continuing education requirements.

507.235 FILING CONTRACTS FOR DEED.

Subd. 4. **Criminal penalty.** A person who is required to record a contract for deed or an assignment of a contract for deed under subdivision 1 and who fails to record the contract for deed or assignment within 14 days of receipt of the notice required under subdivision 5 is guilty of a misdemeanor. A city in which the land is located or, if the land is not located within a city, the county in which the land is located, may prosecute criminal violations of this section. This criminal liability is in addition to civil liability imposed under this section.

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1105.0600 FEES.

The following fees apply:

- A. initial issuance of certificate, \$50;
- B. renewal of certificate with an active status, \$45 per year;
- C. initial CPA firm permits, except for sole practitioners, \$100;
- D. renewal of CPA firm permits, except for sole practitioners and those firms specified in item Q, \$35 per year;
- E. initial issuance and renewal of CPA firm permits for sole practitioners, except for those firms specified in item Q, \$35 per year;
- F. annual late processing delinquency fee for permit, certificate, or registration renewal applications not received prior to expiration date, \$50;
- G. copies of records, per page, 25 cents;
- H. registration of noncertificate holders, nonlicensees, and nonregistrants in connection with renewal of firm permits, \$45 per year;
- I. applications for reinstatement, \$20;
- J. initial registration of a registered accounting practitioner, \$50;
- K. initial registered accounting practitioner firm permits, \$100;
- L. renewal of registered accounting practitioner firm permits, except for sole practitioners, \$35 per year;
- M. renewal of registered accounting practitioner firm permits for sole practitioners, \$35 per year;
- N. CPA examination application, \$40;
- O. CPA examination, fee determined by third-party examination administrator;
- P. renewal of certificates with an inactive status, \$10 per year; and
- Q. renewal of CPA firm permits for firms that have one or more offices located in another state, \$68 per year.

1105.2550 RENEWAL OF CERTIFICATES AFTER 2009.

A. Beginning with certificate renewal applications for calendar year 2010, the board shall renew each certificate as follows:

- (1) for licensees whose last name begins with the letters:
 - (a) A through H, certificates shall be renewed for a three-year period (Cycle A);
 - (b) I through P, certificates shall be renewed for a two-year period (Cycle B); and
 - (c) Q through Z, certificates shall be renewed for a one-year period (Cycle C); and
- (2) renewals of those certificates, after the expiration of the renewals periods specified in subitem (1), shall thereafter follow a three-year cycle.

B. Initial issuances of certificates after January 1, 2010, shall expire on the December 31 following issuance and shall thereafter be renewed so as to place the certificate in the correct renewal cycle established for the licensee's last name in item A.

C. Licensees who have obtained a legal name change shall, upon renewal, have their certificates renewed so as to place the certificate in the correct renewal cycle established for the licensee's last name in item A.

D. Licensees requesting a change in certificate status during the renewal period shall not be entitled to any refund of fees according to part 1105.1000 and can only request a change in status according to this chapter and on a form provided by the board. However, additional fees covering any remaining portion of the renewal period established as a result of items A and B shall be paid if the change in status is to "active." The additional fee is based on a complete calendar year and is not prorated.

E. Licensees electing to change the status of the licensee's active certificate to a status other than active can only do so effective on the January 1 following the licensee's written request for the change and on a form provided by the board. The request shall be accompanied with documentation showing that the licensee completed at least 120 hours of continuing professional education required by this chapter during the three-year period ended June 30 preceding the effective date of the status change, with a minimum of 20 hours each year.

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F. Notwithstanding the three-year renewal period established by this part and except as provided for in part 1105.3000, item J, at each June 30, licensees holding a certificate with an "active" status shall comply with the one- and three-year continuing professional education requirements in part 1105.3000.

1105.2700 EXPERIENCE REQUIRED FOR CPA EXAMINATION AND INITIAL CERTIFICATE UNTIL JULY 1, 2006.

Subpart 1. **Intent.** It is the intent of this requirement that applicants have had practical public accounting experience of reasonable variety and importance, requiring independent thought and judgment on important accounting, auditing, and income tax matters, consistent with the competence generally expected of a certified public accountant.

Subp. 2. **Measurement.** Experience recognized by the board is measured on the basis of calendar months and days worked by the applicant as an employee on the staff of a certified public accountant in public practice or in qualifying governmental experience or self-employment. Part-time work in public accounting is equivalent in proportion to full-time work, with a maximum of eight hours per day or 40 hours per week. The experience must be verified by the employer. Self-employment experience must be verified by five clients.

Subp. 3. **Audit experience.** Persons claiming audit experience for work with governmental entities shall, for individuals other than auditors in the Office of the Legislative Auditor or State Auditor claiming experience under Minnesota Statutes, section 326A.03, subdivision 8, clause (2):

A. have their audit work directly relied upon by third parties outside of their agency or department and, in the case of federal government employees, have experience at the Federal GS 11 range or higher; or

B. have experience similar to that of the auditors in the Office of the Legislative Auditor and the Office of the State Auditor.

The burden rests with the applicant to demonstrate to the board that other governmental experience should be recognized as qualifying. A written statement must be filed with the board, giving a complete description of the purposes, work standards, and procedures of any position believed to be qualifying. This statement shall be approved by a responsible administrative officer of the applicable governmental unit as determined by the board.

Subp. 4. **Qualifying self-employment.** The board shall consider self-employment experience obtained by an applicant to meet the requirements of Minnesota Statutes, section 326A.03, subdivision 8, if an applicant shows to the satisfaction of the board that the applicant's qualifying self-employment is consistent with the intent in subpart 1 and has included experience or education in:

A. applying a variety of auditing procedures and techniques to the usual and customary financial transactions recorded in the accounting records;

B. preparation of audit working papers covering the audit of the accounts usually found in accounting records;

C. planning programs of audit work including the selection of procedures to be followed;

D. preparation of written explanations and comments on the findings of an audit and on the content of accounting records; and

E. preparation and analysis of financial statements together with explanations and notes.

1307.0032 FEES.

Subpart 1. **Jurisdiction.** Fees for the installation, alteration, repair, or removal of devices or for routine or periodic inspections covered in this part are as set forth in the fee schedule adopted by the jurisdiction or, in cases under permit issuance by the Department of Labor and Industry, as established in this part.

Subp. 2. **Establishment.** The Department of Labor and Industry's fees for a permit to install, alter, or remove devices within the scope of this code are:

A. A permit fee to install, alter, or remove an elevator is \$100, and \$500 if work that requires a permit is begun without a permit.

B. Inspection fees for installation and alteration of permitted elevator work are 1-1/2 percent of the total cost of the permitted work for labor and materials including related electrical and mechanical equipment. The total inspection fee shall not exceed \$1,000 per permit. The inspection fee covers two inspections. Additional inspections shall cost \$45 per hour, in accordance with part 1302.0600. The cost of special decorative fixtures in the permitted work

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may be deducted from the cost of the permitted elevator work up to a maximum of five percent of the total cost of the permitted work upon approval of the commissioner.

C. An elevator that passes Department of Labor and Industry's inspection will be issued an operating permit by the department.

Subp. 3. **Inspection fees.** The fees for a requested inspection of existing elevators by the Department of Labor and Industry are:

- A. two stop elevators, \$50;
- B. three stop elevators, \$75;
- C. four stop elevators, \$100;
- D. five stop elevators, \$125;
- E. six or more stop elevators, \$150; and
- F. escalators and moving walks, \$100.

Subp. 4. **Vertical reciprocating conveyor inspection fees.** Vertical reciprocating conveyors (ASME Standard B20.1) are subject to filing and inspection fees for new and altered installations, but are exempt from routine inspections by an elevator inspector.

3800.3520 EXAMINATION; MINIMUM EXPERIENCE REQUIREMENTS FOR LICENSURE; ACCEPTABLE EXPERIENCE. Subp. 5. **Schedule of minimum experience requirements and maximum experience allowances.**

C. Master elevator constructor, the minimum total is 60 months, including:

- (1) planning for the installation of wiring, apparatus, and equipment for light, heat, and power: minimum experience of zero months, maximum credit allowance of 12 months;
- (2) laying out for the installation of wiring, apparatus, and equipment for light, heat, and power: minimum experience of zero months, maximum credit allowance of 12 months;
- (3) supervising the installation of wiring, apparatus, and equipment for light, heat, and power: minimum experience of zero months, maximum credit allowance of 12 months;
- (4) wiring for and installing electrical wiring, apparatus, and equipment: minimum experience of zero months, maximum credit allowance of 48 months;
- (5) maintaining and repairing electrical wiring, apparatus, and equipment: minimum experience of zero months, maximum credit allowance of 24 months;
- (6) line work: minimum experience of zero months, maximum credit allowance of three months;
- (7) installing elevators: minimum experience of 24 months, maximum credit allowance of 60 months;
- (8) wiring and maintaining technology circuits or systems: minimum experience of zero months, maximum credit allowance of six months;
- (9) wiring and maintaining process control circuits or systems: minimum experience of zero months, maximum credit allowance of 12 months; and
- (10) a maximum of one year of experience credit will be allowed for the successful completion of a two-year, post-high school electrical course approved by the department.

3800.3520 EXAMINATION; MINIMUM EXPERIENCE REQUIREMENTS FOR LICENSURE; ACCEPTABLE EXPERIENCE. Subp. 5. **Schedule of minimum experience requirements and maximum experience allowances.**

D. Elevator constructor, the minimum total is 36 months, including:

- (1) planning for the installation of wiring, apparatus, and equipment for light, heat, and power: minimum experience of zero months, maximum credit allowance of zero months;
- (2) laying out for the installation of wiring, apparatus, and equipment for light, heat, and power: minimum experience of zero months, maximum credit allowance of zero months;
- (3) supervising the installation of wiring, apparatus, and equipment for light, heat, and power: minimum experience of zero months, maximum credit allowance of zero months;
- (4) wiring for and installing electrical wiring, apparatus, and equipment: minimum experience of zero months, maximum credit allowance of 36 months;
- (5) maintaining and repairing electrical wiring, apparatus, and equipment: minimum experience of zero months, maximum credit allowance of 12 months;

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(6) line work: minimum experience of zero months, maximum credit allowance of three months;

(7) installing elevators: minimum experience of 12 months, maximum credit allowance of 36 months;

(8) wiring and maintaining technology circuits or systems: minimum experience of zero months, maximum credit allowance of six months;

(9) wiring and maintaining process control circuits or systems: minimum experience of zero months, maximum credit allowance of 12 months; and

(10) a maximum of one year of experience credit will be allowed for the successful completion of a two-year, post-high school electrical course approved by the department.

3800.3602 REQUIREMENTS FOR RENEWAL OF ELECTRICIAN AND POWER LIMITED TECHNICIAN LICENSE AND RENEWAL OF REGISTERED UNLICENSED INDIVIDUAL REGISTRATION. Subp. 2. Hours of instruction.

B. The following license types are required to earn 16 hours of instruction through one or more educational programs:

- (1) Class A master electrician;
- (2) Class B master electrician;
- (3) Class A journeyman electrician;
- (4) Class B journeyman electrician;
- (5) master elevator constructor;
- (6) elevator constructor;
- (7) maintenance electrician;
- (8) Class A installer;
- (9) Class B installer; and
- (10) power limited technician.