

**7083.1000 BONDING AND INSURANCE FOR SSTS LICENSED BUSINESSES;  
LIABILITY.**

Subpart 1. **Bond and insurance requirements.**

A. To be eligible for SSTS licensing, a business must have a minimum of \$100,000 of general liability insurance. The minimal amount is not increased for businesses with multiple licenses. The insurance must be written by a business licensed to provide insurance in Minnesota.

B. To be eligible for SSTS licensing, proof of general liability insurance must be evidenced by a certificate of insurance form that shows the minimum coverage that will be in effect for at least the term of the license. The licensee is responsible for providing written notice to the commissioner within 30 days of cancellation or change in liability insurance. If the insurance is canceled or the amount of coverage is reduced to less than the amounts in item A, the license immediately and automatically becomes invalid and the business must not perform SSTS work until the business obtains insurance meeting the requirements of this part and submits notification of insurance coverage to the commissioner.

C. To be eligible for SSTS licensing, a business must hold a corporate surety bond in the amounts specified in Table I or greater. If a business seeks more than one license, then the license category with the highest bonding amount fulfills the bond requirement for all licenses sought.

Table I

<b>License</b>	<b>Minimum Bond Amounts</b>
Basic design	\$10,000
Advanced design	\$25,000
Inspection	\$10,000
Advanced inspection	\$25,000
Installation	\$10,000
Maintenance	\$10,000
Service provider	\$10,000

D. The corporate surety bond must be written by a corporate surety licensed to do business in Minnesota.

E. The corporate surety bond must be submitted to the commissioner on the bond form provided in this chapter, or on an alternate bond form provided by the commissioner, and must name the applicant as the principal.

F. The corporate surety bond must be signed by an official of the business who is legally authorized to represent the business and must list a contact if a claim is to be filed.

G. The corporate surety bond must cover work to be done under all SSTS licenses to be held by the business.

**Subp. 2. Bond use.**

A. The corporate surety bond must be conditioned on the principal faithfully performing the duties and complying with all laws, ordinances, and rules pertaining to the SSTS license applied for and all contracts entered into.

B. A person suffering a loss from the principal failing to act according to item A is allowed to petition the corporate surety to seek and be granted a partial or full payment of the bond.

**Subp. 3. Term of bond.** The term of the corporate surety bond must be continuous with the term of the license or, in the case of a plumbing bond provided according to Minnesota Statutes, section 326B.46, subdivision 2, concurrent with the term of the plumbing license. The penal sum of the bond is noncumulative and must not be aggregated every year that the bond is in force.

**Subp. 4. Notification of bond actions.** The corporate surety must provide written notice to the commissioner within 30 days of cancellation or reduction of a licensee's bond. If a corporate surety bond is canceled or the amount of coverage is reduced to less than the amounts in subpart 1, Table I, the license immediately and automatically becomes invalid and the business must not perform SSTS work until the business obtains another corporate surety bond meeting the requirements of this part and submits notification of renewed bond coverage to the commissioner. The corporate surety must notify the principal of any claims pending against the bond within five days of the receipt of the claim and notify the principal of any payments made against the bond within five days of payment.

**Subp. 5. Other professional assistance.** An SSTS business that seeks, accepts, and implements work products developed by a noncertified individual is responsible and liable for the related performance of the system.

**Statutory Authority:** *MS s 115.03; 115.55*

**History:** *32 SR 1420; 35 SR 1353*

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