

CHAPTER 16B

DEPARTMENT OF ADMINISTRATION

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16B.05 DELEGATION BY COMMISSIONER.

[For text of subd 1, see M.S.1996]

Subd. 2. **Facsimile signatures and electronic approvals.** When authorized by the commissioner, facsimile signatures, electronic approvals, or digital signatures may be used in accordance with the commissioner's delegated authority and instructions. Copies of the delegated authority and instructions must be filed with the commissioner of finance, state treasurer, and the secretary of state. A facsimile signature, electronic approval, or digital signature, when used in accordance with the commissioner's delegated authority and instructions, is as effective as an original signature.

History: 1997 c 202 art 3 s 1

16B.18 SHELTERED WORKSHOPS; PROCUREMENT OF PRODUCTS AND SERVICES; WORK ACTIVITY PROGRAMS.

[For text of subs 1 and 2, see M.S.1996]

Subd. 3. **Rules.** Rules under this section may provide a procedure by which the commissioner shall determine product specifications, quality standards, and timing of delivery to be complied with by the sheltered workshop and work activity program boards on purchases made under this section.

[For text of subd 4, see M.S.1996]

History: 1997 c 187 art 3 s 2

16B.20 ENCOURAGEMENT OF PARTICIPATION; ADVISORY COUNCIL.

[For text of subd 1, see M.S.1996]

Subd. 2. **Advisory council.** A small business and targeted group procurement advisory council is created. The council consists of 13 members appointed by the commissioner of administration. A chair of the advisory council shall be elected from among the members. The appointments are subject to the appointments program provided by section 15.0597. The terms, compensation, and removal of members are as provided in section 15.059. Notwithstanding section 15.059, the council does not expire until June 30, 1998.

[For text of subd 3, see M.S.1996]

History: 1997 c 202 art 2 s 22

16B.24 GENERAL AUTHORITY.

[For text of subs 1 to 4, see M.S.1996]

Subd. 5. Renting out state property. (a) **Authority.** The commissioner may rent out state property, real or personal, that is not needed for public use, if the rental is not otherwise provided for or prohibited by law. The property may not be rented out for more than five years at a time without the approval of the state executive council and may never be rented out for more than 25 years. A rental agreement may provide that the state will reimburse a tenant for a portion of capital improvements that the tenant makes to state real property if the state does not permit the tenant to renew the lease at the end of the rental agreement.

(b) **Restrictions.** Paragraph (a) does not apply to state trust fund lands, other state lands under the jurisdiction of the department of natural resources, lands forfeited for delinquent taxes, lands acquired under section 298.22, or lands acquired under section 41.56 which are under the jurisdiction of the department of agriculture.

(c) **Fort Snelling Chapel; rental.** The Fort Snelling Chapel, located within the boundaries of Fort Snelling State Park, is available for use only on payment of a rental fee. The commissioner shall establish rental fees for both public and private use. The rental fee for private use by an organization or individual must reflect the reasonable value of equivalent rental space. Rental fees collected under this section must be deposited in the general fund.

(d) **Rental of living accommodations.** The commissioner shall establish rental rates for all living accommodations provided by the state for its employees. Money collected as rent by state agencies pursuant to this paragraph must be deposited in the state treasury and credited to the general fund.

(e) **Lease of space in certain state buildings to state agencies.** The commissioner may lease portions of the state-owned buildings in the capitol complex, the capitol square building, the health building, the Duluth government center, and the building at 1246 University Avenue, St. Paul, Minnesota, to state agencies and the court administrator on behalf of the judicial branch of state government and charge rent on the basis of space occupied. Notwithstanding any law to the contrary, all money collected as rent pursuant to the terms of this section shall be deposited in the state treasury. Money collected as rent to recover the depreciation and bond interest costs of a building funded from the state bond proceeds fund shall be credited to the general fund. Money collected as rent to recover capital expenditures from capital asset preservation and replacement appropriations and statewide building access appropriations shall be credited to a segregated account in a special revenue fund. Money in the account is appropriated to the commissioner to be expended for asset preservation projects as determined by the commissioner. Money collected as rent to recover the depreciation and interest costs of a building built with other state dedicated funds shall be credited to the dedicated fund which funded the original acquisition or construction. All other money received shall be credited to the general services revolving fund.

Subd. 6. Property leases. (a) **Leases.** The commissioner shall lease land and other premises when necessary for state purposes. Notwithstanding subdivision 6a, paragraph (a), the commissioner may lease land or premises for up to ten years, subject to cancellation upon 30 days' written notice by the state for any reason except lease of other non-state-owned land or premises for the same use. The commissioner may not lease non-state-owned land and buildings or substantial portions of land or buildings within the capitol area as defined in section 15.50 unless the commissioner first consults with the capitol area architectural and planning board. If the commissioner enters into a lease-purchase agreement for buildings or substantial portions of buildings within the capitol area, the commissioner shall require that any new construction of non-state-owned buildings conform to design guidelines of the capitol area architectural and planning board. Lands needed by the department of transportation for storage of vehicles or road materials may be leased for five years or less, such leases for terms over two years being subject to cancellation upon 30 days written notice by the state

for any reason except lease of other non-state-owned land or premises for the same use. An agency or department head must consult with the chairs of the house appropriations and senate finance committees before entering into any agreement that would cause an agency's rental costs to increase by ten percent or more per square foot or would increase the number of square feet of office space rented by the agency by 25 percent or more in any fiscal year.

(b) **Use vacant public space.** No agency may initiate or renew a lease for space for its own use in a private building unless the commissioner has thoroughly investigated presently vacant space in public buildings, such as closed school buildings, and found that none is available or use of the space is not feasible, prudent, and cost-effective compared with available alternatives.

(c) **Preference for certain buildings.** For needs beyond those which can be accommodated in state-owned buildings, the commissioner shall acquire and utilize space in suitable buildings of historical, architectural, or cultural significance for the purposes of this subdivision unless use of that space is not feasible, prudent and cost-effective compared with available alternatives. Buildings are of historical, architectural, or cultural significance if they are listed on the national register of historic places, designated by a state or county historical society, or designated by a municipal preservation commission.

(d) **Recycling space.** Leases for space of 30 days or more for 5,000 square feet or more must require that space be provided for recyclable materials.

Subd. 6a. Lease-purchase agreement; cancellation. (a) With the approval of the commissioner of finance and the recommendation of the legislative advisory commission, the commissioner of administration may enter into lease-purchase agreements. A lease-purchase agreement must provide the state with a unilateral right to purchase the leased premises at specified times for specified amounts. Under these lease agreements, the lease rental rates shall not be more than market rental rates. Notwithstanding subdivision 6, the term of the lease may be for more than ten years, but must not exceed 20 years. Prior to exercising the state's right to purchase the premises, the purchase must be approved by an act of the legislature.

(b) A lease-purchase agreement entered into under paragraph (a) must be subject to cancellation by the state for any reason except lease of other non-state-owned land or premises for the same use.

[For text of subs 7 to 11, see M.S.1996]

History: 1997 c 202 art 2 s 23; 1997 c 206 s 1,2

16B.275 CAPITOL AREA CAFETERIAS.

In entering into contracts for operation of cafeterias in the capitol complex, the commissioner must attempt to ensure the department does not receive revenues in excess of those needed to operate and maintain the cafeteria space.

History: 1997 c 202 art 2 s 24

16B.335 REVIEW OF PLANS AND PROJECTS.

Subdivision 1. Construction and major remodeling. (a) The commissioner, or any other recipient to whom an appropriation is made to acquire or better public lands or buildings or other public improvements of a capital nature, must not prepare final plans and specifications for any construction, major remodeling, or land acquisition in anticipation of which the appropriation was made until the agency that will use the project has presented the program plan and cost estimates for all elements necessary to complete the project to the chair of the senate finance committee and the chair of the house ways and means committee and the chairs have made their recommendations, and the chair of the house capital investment committee is notified. "Construction or major remodeling" means construction of a new building or substantial alteration of the exterior dimensions or interior configuration of an existing building. The presentation must note any significant changes in the work that will be done, or in its cost, since the appropriation for the project was enacted or from the predesign submittal. The program plans and estimates must be presented for review at least two weeks before a

recommendation is needed. The recommendations are advisory only. Failure or refusal to make a recommendation is considered a negative recommendation. The chairs of the senate finance committee, the house capital investment committee, and the house ways and means committee must also be notified whenever there is a substantial change in a construction or major remodeling project, or in its cost.

(b) Capital projects exempt from the requirements of this section include construction, renovation, or improvements to dams, highway rest areas, truck stations, storage facilities not consisting primarily of offices or heated work areas, trails, bike paths, sewer separation projects, water and wastewater facilities, campgrounds, roads, bridges, port development projects for which the commissioner of transportation has entered into an assistance agreement under section 457A.04, or any other capital project with a construction cost of less than \$200,000.

[For text of subd 2, see M.S.1996]

Subd. 3. Predesign requirement. The definitions in paragraphs (a) and (b) apply to this section.

(a) "Predesign" means the stage in the development of a project during which the purpose, scope, cost, and schedule of the complete project are defined and instructions to design professionals are produced.

(b) "Design" means the stage in the development of a project during which schematic, design development, and contract documents are produced.

(c) A recipient to whom an appropriation is made for a project subject to review under subdivision 1 or notice under subdivision 2 shall prepare a predesign package and submit it to the commissioner for review and recommendation before proceeding with design activities. The commissioner must complete the review and recommendation within ten working days after receiving it. Failure to review and recommend within the ten days is considered a positive recommendation. The predesign package must be sufficient to define the purpose, scope, cost, and schedule of the project and must demonstrate that the project has been analyzed according to appropriate space needs standards.

[For text of subd 4, see M.S.1996]

Subd. 5. Information technology. Agency requests for construction and remodeling funds shall include money for cost-effective information technology investments that would enable an agency to reduce its need for office space, provide more of its services electronically, and decentralize its operations. The office of technology must review and approve the information technology portion of construction and major remodeling program plans before the plans are submitted to the chairs of the senate finance committee and the house of representatives ways and means committee for their recommendations and the chair of the house of representatives capital investment committee is notified as required by subdivision 1.

[For text of subd 6, see M.S.1996]

History: 1997 c 159 art 2 s 5; 1997 c 202 art 3 s 35; 1997 c 246 s 11

16B.35 ART IN STATE BUILDINGS.

[For text of subs 1 to 4, see M.S.1996]

Subd. 5. Contractor's bond not required. Sections 574.26 to 574.32 do not apply to this section.

History: 1997 c 202 art 2 s 25

16B.40 [Repealed, 1997 c 202 art 3 s 36]

16B.41 [Repealed, 1997 c 202 art 3 s 36]

16B.415 OPERATION OF INFORMATION SYSTEMS.

The commissioner, through a division of technology management, is responsible for ongoing operations of state agency information technology activities. These include records

management, activities relating to the government Data Practices Act, operation of MNet, and activities necessary to make state information systems year 2000 compliant.

History: 1997 c 202 art 3 s 2

16B.42 INTERGOVERNMENTAL INFORMATION SYSTEMS ADVISORY COUNCIL.

Subdivision 1. Composition. The intergovernmental information systems advisory council is composed of (1) two members from each of the following groups: counties outside of the seven-county metropolitan area, cities of the second and third class outside the metropolitan area, cities of the second and third class within the metropolitan area, and cities of the fourth class; (2) one member from each of the following groups: the metropolitan council, an outstate regional body, counties within the metropolitan area, cities of the first class, school districts in the metropolitan area, school districts outside the metropolitan area, and public libraries; (3) one member each appointed by the state departments of children, families, and learning, human services, revenue, and economic security, the office of strategic and long-range planning, office of technology, administration, and the legislative auditor; (4) one member from the office of the state auditor, appointed by the auditor; (5) one member appointed by each of the following organizations: league of Minnesota cities, association of Minnesota counties, Minnesota association of township officers, and Minnesota association of school administrators; and (6) one member of the house of representatives appointed by the speaker and one member of the senate appointed by the subcommittee on committees of the committee on rules and administration. The legislative members appointed under clause (6) are nonvoting members. The commissioner of administration shall appoint members under clauses (1) and (2). The terms, compensation, and removal of the appointed members of the advisory council are as provided in section 15.059, but the council does not expire until June 30, 1999.

Subd. 2. Duties. The council shall: assist state and local agencies in developing and updating intergovernmental information systems; facilitate participation of users during the development of major revisions of intergovernmental information systems; review intergovernmental information and computer systems involving intergovernmental funding; encourage cooperative efforts among state and local governments in developing intergovernmental information systems; present local government concerns to state government and state government concerns to local government with respect to intergovernmental information systems; develop and recommend standards and policies for intergovernmental information systems to the office of technology; foster the efficient use of available federal, state, local, and private resources for the development of intergovernmental systems; keep government agencies abreast of the state of the art in information systems; prepare guidelines for intergovernmental systems; assist the commissioner of administration in the development of cooperative contracts for the purchase of information system equipment and software; and assist the legislature by providing advice on intergovernmental information systems issues.

Subd. 3. Other duties. The intergovernmental information systems advisory council shall (1) recommend to the commissioners of state departments, the legislative auditor, and the state auditor a method for the expeditious gathering and reporting of information and data between agencies and units of local government in accordance with cooperatively developed standards; (2) elect an executive committee, not to exceed seven members from its membership; (3) develop an annual plan, to include administration and evaluation of grants, in compliance with applicable rules; (4) provide technical information systems assistance or guidance to local governments for development, implementation, and modification of automated systems, including formation of consortiums for those systems; (5) appoint committees and task forces, which may include persons other than council members, to assist the council in carrying out its duties; (6) select an executive director to serve the council and may employ other employees it deems necessary, all of whom are in the classified service of the state civil service; (7) may contract for professional and other similar services on terms it deems desirable; and (8) work with the office of technology to ensure that information systems developed by state agencies that impact local government will be reviewed by the council.

[For text of subd 4, see M.S.1996]

History: 1997 c 192 s 10; 1997 c 202 art 3 s 3,35

16B.43 [Repealed, 1997 c 202 art 3 s 36]

16B.465 MINNESOTA NETWORK FOR TELECOMMUNICATIONS (“MNET”).

Subdivision 1. Creation. The Minnesota network for telecommunications, known as “MNet,” provides voice, data, video, and other telecommunications transmission services to state agencies; educational institutions, including public schools as defined in section 120.05, nonpublic, church or religious organization schools that provide instruction in compliance with sections 120.101 to 120.102, and private colleges; public corporations; and state political subdivisions. It is not a telephone company for purposes of chapter 237. It shall not resell or sublease any services or facilities to nonpublic entities except it may serve private schools and colleges. The commissioner has the responsibility for planning, development, and operations of MNet in order to provide cost-effective telecommunications transmission services to MNet users.

Subd. 2. Advisory council. MNet is managed by the commissioner. Subject to section 15.059, subdivisions 1 to 4, the commissioner shall appoint an advisory council to provide advice in implementing and operating MNet. The council shall represent the users of MNet services and shall include representatives of higher education, public and private schools, state agencies, and political subdivisions.

Subd. 3. Duties. The commissioner, after consultation with the office of technology, shall:

(1) provide voice, data, video, and other telecommunications transmission services to the state and to political subdivisions through an account in the intertechnologies revolving fund;

(2) manage vendor relationships, network function, and capacity planning in order to be responsive to the needs of the system users;

(3) set rates and fees for services;

(4) approve contracts relating to the system;

(5) in consultation with the office of technology, develop the system plan, including plans for the phasing of its implementation and maintenance of the initial system, and the annual program and fiscal plans for the system; and

(6) in consultation with the office of technology, develop a plan for interconnection of the network with private colleges and public and private schools in the state.

Subd. 4. Program participation. (a) The commissioner may require the participation of state agencies, the state board of education, and the board of trustees of the Minnesota state colleges and universities and may request the participation of the board of regents of the University of Minnesota, in the planning and implementation of the network to provide interconnective technologies. The commissioner shall establish reimbursement rates in cooperation with the commissioner of finance to be billed to participating agencies and educational institutions sufficient to cover the operating, maintenance, and administrative costs of the system.

(b) A direct appropriation made to an educational institution for usage costs associated with MNet must only be used by the educational institution for payment of usage costs of the network as billed by the commissioner of administration.

Subd. 6. Appropriation. Money appropriated for MNet and fees for telecommunications services must be deposited in an account in the intertechnologies fund. Money in the account is appropriated annually to the commissioner to operate telecommunications services.

Subd. 7. Exemption. The system is exempt from the five-year limitation on contracts set by section 16B.07, subdivision 2.

History: 1997 c 202 art 3 s 4

16B.466 ADMINISTRATION OF STATE COMPUTER FACILITIES.

Subdivision 1. **Commissioner's responsibility.** The commissioner shall integrate and operate the state's centralized computer facilities to serve the needs of state government. The commissioner shall provide technical assistance to state agencies in the design, development, and operation of their computer systems.

Subd. 2. **Joint actions.** The commissioner may, within available funding, join with the federal government, other states, local governments, and organizations representing those groups either jointly or severally in the development and implementation of systems analysis, information services, and computerization projects.

History: 1997 c 202 art 3 s 5

16B.467 ELECTRONIC CONDUCT OF STATE BUSINESS.

The commissioner of administration shall develop and implement a system under which state business can be conducted and permits or licenses obtained through electronic communication with the appropriate state agencies.

History: 1997 c 202 art 3 s 6

16B.482 REIMBURSEMENT FOR MATERIALS AND SERVICES.

The commissioner of administration may provide materials and services under this chapter to state legislative and judicial branch agencies, political subdivisions, the Minnesota state colleges and universities, the University of Minnesota, and federal government agencies. Legislative and judicial branch agencies, political subdivisions, the Minnesota state colleges and universities, the University of Minnesota, and federal government agencies purchasing materials and services from the commissioner of administration shall reimburse the general services, intertechnologies, cooperative purchasing, and motor pool revolving funds for cost.

History: 1997 c 206 s 3

16B.49 CENTRAL MAILING SYSTEM.

The commissioner shall maintain and operate for state agencies, departments, institutions, and offices a central mail handling unit. Official, outgoing mail for units in St. Paul must be delivered unstamped to the unit. The unit shall also operate an interoffice mail distribution system. The department may add personnel and acquire equipment that may be necessary to operate the unit efficiently and cost-effectively. Account must be kept of the postage required on that mail, which is then a proper charge against the agency delivering the mail. To provide funds for the payment of postage, each agency shall make advance payments to the commissioner sufficient to cover its postage obligations for at least 60 days. For purposes of this section, the Minnesota state colleges and universities is a state agency.

History: 1997 c 206 s 4

16B.50 COMMUNICATIONS.MEDIA DIVISION.

The commissioner shall maintain and operate for agencies a communications media division that is responsible for all duplicating and printing services. The commissioner shall prescribe and designate classes of state printing. The duplicating and printing work to be done by the division is restricted to producing any form, booklet or pamphlet to the extent the commissioner deems appropriate.

History: 1997 c 206 s 5

16B.54 CENTRAL MOTOR POOL; ESTABLISHMENT.

[For text of subd 1, see M.S.1996]

Subd. 2. **Vehicles.** (a) **Acquisition from agency; appropriation.** The commissioner may direct an agency to make a transfer of a passenger motor vehicle or truck currently assigned to it. The transfer must be made to the commissioner for use in the central motor pool.

The commissioner shall reimburse an agency whose motor vehicles have been paid for with funds dedicated by the constitution for a special purpose and which are assigned to the central motor pool. The amount of reimbursement for a motor vehicle is its average wholesale price as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

(b) **Purchase.** To the extent that funds are available for the purpose, the commissioner may purchase or otherwise acquire additional passenger motor vehicles and trucks necessary for the central motor pool. The title to all motor vehicles assigned to or purchased or acquired for the central motor pool is in the name of the department of administration.

(c) **Transfer at agency request.** On the request of an agency, the commissioner may transfer to the central motor pool any passenger motor vehicle or truck for the purpose of disposing of it. The department or agency transferring the vehicle or truck must be paid for it from the motor pool revolving account established by this section in an amount equal to two-thirds of the average wholesale price of the vehicle or truck as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

(d) **Vehicles; marking.** The commissioner shall provide for the uniform marking of all motor vehicles. Motor vehicle colors must be selected from the regular color chart provided by the manufacturer each year. The commissioner may further provide for the use of motor vehicles without marking by:

- (1) the governor;
- (2) the lieutenant governor;
- (3) the division of criminal apprehension, the division of alcohol and gambling enforcement, and arson investigators of the division of fire marshal in the department of public safety;
- (4) the financial institutions division of the department of commerce;
- (5) the division of disease prevention and control of the department of health;
- (6) the state lottery;
- (7) criminal investigators of the department of revenue;
- (8) state-owned community service facilities in the department of human services;
- (9) the investigative staff of the department of economic security; and
- (10) the office of the attorney general.

[For text of subs 3 to 7, see M.S.1996]

Subd. 8. Motor pool revolving account. (a) **Account established.** Money or reimbursements the commissioner receives from the operation of the central motor pool is deposited in the state treasury and credited to a motor pool revolving account. Money in the account is annually appropriated to the commissioner to carry out this section. The motor pool revolving account may be used to provide material transfer services to agencies.

(b) **Unobligated excess transferred.** When the unobligated amount of money in the state treasury credited to the motor pool revolving account exceeds the average monthly operating expense at the end of the fiscal year, the unobligated amount in excess of one month's operating expense must be transferred to the general fund in the state treasury.

History: 1997 c 129 art 2 s 1; 1997 c 206 s 6

16B.58 STATE PARKING FACILITIES.

[For text of subs 1 to 7, see M.S.1996]

Subd. 8. [Repealed, 1997 c 202 art 2 s 64]

16B.70 SURCHARGE.

[For text of subd 1, see M.S.1996]

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

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

History: 1997 c 202 art 2 s 26

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

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

The county board may submit to the voters at a regular or special election the question of adopting the building code. The county board shall submit the question to the voters if it receives a petition for the question signed by a number of voters equal to at least five percent of those voting in the last general election. The question on the ballot must be stated substantially as follows:

“Shall the state building code be adopted in County?”

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

Nothing in this section precludes a municipality or town that did not adopt the state building code before January 1, 1977, from adopting and enforcing by ordinance or other legal means the state building code within its jurisdiction.

History: 1997 c 206 s 7

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

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

History: 1997 c 206 s 8

16B.747 FEES FOR LICENSURE AND INSPECTION.

[For text of subs 1 and 2, see M.S.1996]

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

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

[For text of subd 4, see M.S.1996]

History: 1997 c 206 s 9

16B.87 AWARD AND REPAYMENT OF PRODUCTIVITY LOANS.

[For text of subds 1 to 3, see M.S.1996]

Subd. 4. [Repealed, 1997 c 7 art 2 s 67]

16B.88 OFFICE OF CITIZENSHIP AND VOLUNTEER SERVICES.

[For text of subds 1 to 5, see M.S.1996]

Subd. 6. [Repealed, 1997 c 206 s 13]

NONGOVERNMENTAL PHARMACEUTICAL CONTRACTING ALLIANCE

16B.93 DEFINITIONS.

Subdivision 1. **Applicability.** For purposes of sections 16B.93 to 16B.96, the terms in this section have the meanings given them.

Subd. 2. **Contractor.** "Contractor" means an individual, business entity, or other private organization that is awarded a contract by the commissioner to negotiate and administer the price contracts for prescription drugs under section 16B.94, subdivision 2.

Subd. 3. **Nongovernmental pharmaceutical contracting alliance or nongovernmental alliance.** "Nongovernmental pharmaceutical contracting alliance" or "nongovernmental alliance" means the alliance established and administered by the commissioner under the authority granted in section 16B.94.

Subd. 4. **Manufacturer.** "Manufacturer" means a manufacturer as defined under section 151.44, paragraph (c).

Subd. 5. **Prescription drug.** "Prescription drug" means a drug as defined in section 151.44, paragraph (d).

Subd. 6. **Purchaser.** "Purchaser" means a pharmacy as defined in section 151.01, subdivision 2, including pharmacies operated by health maintenance organizations and hospitals.

Subd. 7. **Seller.** "Seller" means a person, other than a manufacturer, who sells or distributes drugs to purchasers or other sellers within the state.

History: 1997 c 202 art 2 s 27

16B.94 NONGOVERNMENTAL PHARMACEUTICAL CONTRACTING ALLIANCE.

Subdivision 1. **Establishment and administration.** The commissioner, in consultation with appropriate experts on pharmaceutical pricing, shall establish and administer a

nongovernmental pharmaceutical contracting alliance. The nongovernmental alliance shall negotiate contracts for prescription drugs with manufacturers and sellers and shall make the contract prices negotiated available to purchasers. The commissioner shall select the prescription drugs for which price contracts are negotiated. The commissioner shall, to the greatest extent feasible, operate the alliance using the administrative and contracting procedures of the Minnesota Multistate Governmental Contracting Alliance for Pharmaceuticals administered by the commissioner under the authority granted in section 471.59. The commissioner may negotiate a price differential based on volume purchasing and may also grant multiple awards.

Subd. 2. Use of contractor. The commissioner may contract with an individual, business entity, or other private organization to serve as a contractor to negotiate and administer the price contracts for prescription drugs. In developing requirements for the contractor, the commissioner shall consult with appropriate experts on pharmaceutical pricing.

Subd. 3. Administrative costs. The commissioner may charge manufacturers and sellers that enter into prescription drug price contracts with the commissioner under subdivision 1 a fee to cover the commissioner's expenses in negotiating and administering the price contracts. The fee established shall have the force and effect of law if the requirements of section 14.386, paragraph (a), are met. Section 14.386, paragraph (b), does not apply. Fees collected by the commissioner under this subdivision must be deposited in the state treasury and credited to a special account. Money in the account is appropriated to the commissioner to pay the costs of negotiating and administering price contracts under this section.

Subd. 4. Expansion to other states. The commissioner may expand the nongovernmental alliance to other states and make the contract prices negotiated available to non-Minnesota purchasers.

History: 1997 c 202 art 2 s 28

16B.95 STATE CONTRACT PRICE.

Subdivision 1. Manufacturer and seller requirement. A manufacturer or seller that contracts with the commissioner shall make the contract price negotiated available to all purchasers.

Subd. 2. Purchaser requirement. The commissioner shall require purchasers that purchase prescription drugs at the contract price to pass at least 75 percent of the savings resulting from purchases at the negotiated contract price to consumers. The commissioner may require a purchaser that plans to purchase prescription drugs at the contract price negotiated by the commissioner to submit any information regarding prescription drug purchase projections the commissioner determines is necessary for contract price negotiations.

History: 1997 c 202 art 2 s 29

16B.96 NONDISCRIMINATION.

A health plan company, as defined in section 62Q.01, shall not discriminate against a purchaser for taking advantage of the contract price negotiated by the commissioner.

History: 1997 c 202 art 2 s 30