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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

**EIGHTY-FIFTH  
SESSION**

**HOUSE FILE No. 851**

February 12, 2007

Authored by Gunther, Nornes, Ruth, Severson, Rukavina and others  
The bill was read for the first time and referred to the Committee on Finance

A bill for an act

1.1 relating to state government; appropriating money for jobs and economic  
1.2 development; modifying mortgage licensing requirements; modifying programs;  
1.3 regulating activities and practices; recodifying and modifying construction  
1.4 codes and licensing provisions; modifying the State Building Code; providing  
1.5 penalties; instructing the revisor to renumber statutory provisions; amending  
1.6 Minnesota Statutes 2006, sections 16B.04, subdivision 2; 16B.60, subdivisions  
1.7 4, 7, 8, 11; 16B.61; 16B.615, subdivision 4; 16B.617; 16B.6175; 16B.63;  
1.8 16B.65; 16B.70; 16B.72; 16B.73; 16B.735; 16B.74, subdivisions 1, 2, by  
1.9 adding subdivisions; 16B.741; 16B.744; 16B.745, subdivisions 1, 4; 16B.747;  
1.10 16B.748; 16B.76; 31.175; 58.04, subdivisions 1, 2; 58.05; 58.06, subdivision  
1.11 2, by adding a subdivision; 58.08, subdivision 3; 58.10, subdivision 1; 80A.28,  
1.12 subdivision 1; 103I.621, subdivision 3; 116J.551, subdivision 1; 116J.575,  
1.13 subdivisions 1, 1a; 144.122; 144.99, subdivision 1; 175.16, subdivision 1;  
1.14 179A.04, subdivision 3; 183.38; 183.39, subdivision 1; 183.411, subdivision 2;  
1.15 183.42; 183.45; 183.46; 183.465; 183.466; 183.48; 183.501; 183.505; 183.51;  
1.16 183.54, subdivisions 1, 3; 183.545, subdivisions 2, 4, 8, by adding a subdivision;  
1.17 183.56; 183.57, subdivisions 1, 2, 5, 6; 183.59; 183.60; 183.61, subdivisions  
1.18 2, 4; 214.01, subdivision 3; 214.04, subdivisions 1, 3; 270.97; 299F.011,  
1.19 subdivision 1; 325E.58; 326.01, subdivisions 2, 3, 4, 5, 6, 6a, 6b, 6c, 6e, 6f,  
1.20 6g, 6j, 6k, 6l, 7, 8, 9; 326.241; 326.242; 326.243; 326.244, subdivisions 1,  
1.21 1a, 2, 3, 4, 5, by adding a subdivision; 326.2441; 326.245; 326.247; 326.248;  
1.22 326.37; 326.38; 326.39; 326.40; 326.401; 326.405; 326.42; 326.46; 326.461, by  
1.23 adding subdivisions; 326.47; 326.48; 326.50; 326.57, subdivision 1; 326.58;  
1.24 326.59; 326.60; 326.601; 326.61, subdivisions 1, 2, 3, 4; 326.62; 326.65; 326.83,  
1.25 subdivisions 6, 7, 11, 18, 19, 20; 326.84; 326.841; 326.842; 326.86; 326.87;  
1.26 326.88; 326.89; 326.90, subdivision 1; 326.91, subdivision 1; 326.92; 326.921;  
1.27 326.93; 326.94; 326.95, subdivision 2; 326.96; 326.97; 326.975, subdivision  
1.28 1; 326.992; 327.20, subdivision 1; 327.205; 327.31, subdivisions 2, 3, 4, 7,  
1.29 15, by adding a subdivision; 327.32, subdivision 8; 327.33, subdivisions 2, 6,  
1.30 7; 327.34, subdivision 3; 327.35, subdivisions 1, 2; 327A.01, subdivision 2;  
1.31 327B.01, subdivisions 4, 5, 7, 17, by adding subdivisions; 327B.04, subdivisions  
1.32 1, 4, 6, 7, 8, by adding a subdivision; 327B.05, subdivision 1; 327B.10; 332.54,  
1.33 subdivision 7; 363A.40, subdivision 1; 462.357, subdivision 6a; 462A.07,  
1.34 subdivision 8; 462A.21, subdivision 8b; 462A.33, subdivision 3; 471.465;  
1.35 471.466; 471.467; 471.471; proposing coding for new law in Minnesota Statutes,  
1.36 chapters 58; 327B; 609; proposing coding for new law as Minnesota Statutes,  
1.37 chapter 326B; repealing Minnesota Statutes 2006, sections 16B.665; 16B.747,  
1.38 subdivision 4; 58.08, subdivision 1; 183.001; 183.02; 183.375, subdivisions 1, 2,  
1.39

2.1 3, 4, 5, 6; 183.41, subdivisions 1, 2, 3, 4; 183.44, subdivisions 1, 2, 3; 183.52;  
 2.2 183.54, subdivision 2; 183.545, subdivision 9; 183.61, subdivisions 1, 3, 5, 6;  
 2.3 326.01, subdivisions 6h, 10, 11, 12, 13; 326.242, subdivisions 9, 9a, 9b, 9c, 9d,  
 2.4 9e, 9f, 9g, 9h, 9i, 9j, 9k, 10; 326.244, subdivision 6; 326.246; 326.2461; 326.40,  
 2.5 subdivision 4; 326.41; 326.44; 326.45; 326.47, subdivision 5; 326.51; 326.52;  
 2.6 326.521; 326.64; 326.83, subdivisions 3, 4, 12, 13; 326.85; 326.875; 326.91,  
 2.7 subdivisions 2, 3, 4; 326.945; 326.975; 326.98; 327B.05, subdivisions 2, 3, 4,  
 2.8 5, 6; Minnesota Rules, parts 2809.0230; 2891.0010; 2891.0030; 3800.2650;  
 2.9 3800.3580; 3800.3590; 3800.3630; 3800.3750; 3800.3835; 4715.5600;  
 2.10 4715.5900; 4717.7000, subpart 1, item I; 5225.0880; 5225.8600, subparts 1, 2,  
 2.11 3, 4, 5, 6, 7, 8, 9; 5230.0010; 5230.0020; 5230.0040; 5230.0060, subpart 2;  
 2.12 5230.0100, subparts 1, 3, 4.

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

2.14 **ARTICLE 1**

2.15 **JOBS AND ECONOMIC DEVELOPMENT APPROPRIATIONS**

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

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

	<u>2008</u>		<u>2009</u>		<u>Total</u>
2.19 <u>General</u>	\$ 212,782,000	\$	164,355,000	\$	377,137,000
2.20 <u>Workforce Development</u>	10,235,000		10,251,000		20,486,000
2.21 <u>Remediation</u>	700,000		700,000		1,400,000
2.22 <u>Petroleum Tank Cleanup</u>	1,084,000		1,084,000		2,168,000
2.23 <u>Workers' Compensation</u>	23,064,000		23,448,000		46,512,000
2.24 <b><u>Total</u></b>	<b>\$ 247,865,000</b>	<b>\$</b>	<b>199,838,000</b>	<b>\$</b>	<b>447,703,000</b>

2.25

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

2.27 The sums shown in the columns marked "Appropriations" are appropriated to the  
 2.28 agencies and for the purposes specified in this article. The appropriations are from the  
 2.29 general fund, or another named fund, and are available for the fiscal years indicated  
 2.30 for each purpose. The figures "2008" and "2009" used in this article mean that the  
 2.31 appropriations listed under them are available for the fiscal year ending June 30, 2008, or  
 2.32 June 30, 2009, respectively. "The first year" is fiscal year 2008. "The second year" is fiscal  
 2.33 year 2009. "The biennium" is fiscal years 2008 and 2009. Appropriations for the fiscal  
 2.34 year ending June 30, 2007, are effective the day following final enactment.

2.35	<b><u>APPROPRIATIONS</u></b>
2.36	<b><u>Available for the Year</u></b>
2.37	<b><u>Ending June 30</u></b>
2.38	<b><u>2008</u>                      <u>2009</u></b>



4.1 contributions that the center has received and  
4.2 have not been used to match previous state  
4.3 grants. Any funds not spent the first year are  
4.4 available the second year.

4.5 (b) \$155,000 the first year and \$155,000 the  
4.6 second year for a grant to the Metropolitan  
4.7 Economic Development Association for  
4.8 continuing minority business development  
4.9 programs in the metropolitan area.

4.10 (c) \$150,000 the first year and \$150,000 the  
4.11 second year for a grant to WomenVenture for  
4.12 women's business development programs.

4.13 (d) \$1,000,000 the first year is for a  
4.14 grant to the BioBusiness Alliance for the  
4.15 development of a 20-year strategy for  
4.16 growing Minnesota's bioscience industry.  
4.17 The grant must be matched dollar-for-dollar  
4.18 with private funds. This is a onetime  
4.19 appropriation.

4.20 (e) \$250,000 the first year is for a grant to  
4.21 University Enterprise Laboratories (UEL) to  
4.22 support its efforts to encourage the growth  
4.23 of early-stage and emerging bioscience  
4.24 companies. UEL must provide a report to  
4.25 the commissioner that details expenditures  
4.26 and the impact the funding had on lease  
4.27 rates for UEL tenants. This is a onetime  
4.28 appropriation.

4.29 (f) \$7,000,000 the first year is for grants  
4.30 under Minnesota Statutes, section 116J.8731,  
4.31 for the Minnesota Investment Fund Program.  
4.32 Of this amount, up to \$3,000,000 may  
4.33 be used for a legal reference office and  
4.34 data center facility, provided that the total

5.1 capital investment in the facility is at least  
5.2 \$60,000,000. This is a onetime appropriation.

5.3 (g) \$2,000,000 the first year is for grants  
5.4 under Minnesota Statutes, section 116J.571,  
5.5 for the Redevelopment Grant Program. This  
5.6 is a onetime appropriation.

5.7 (h) \$100,000 the first year and \$100,000 the  
5.8 second year to the Public Facilities Authority  
5.9 for the Small Community Wastewater  
5.10 Treatment Program under Minnesota  
5.11 Statutes, chapter 446A.

5.12 (i) \$1,000,000 the first year is for the  
5.13 Urban Initiative Program under Minnesota  
5.14 Statutes, chapter 116M. This is a onetime  
5.15 appropriation.

5.16 (j) \$100,000 the first year and \$100,000  
5.17 the second year is for the SBIR-Access to  
5.18 Federal Contracts activities.

5.19 (k) \$60,000 the first year and \$60,000 the  
5.20 second year is for a grant to the Minnesota  
5.21 Inventors Congress.

5.22 **Subd. 3. Workforce Development** 40,936,000 41,022,000

5.23	<u>Appropriations by Fund</u>	
5.24	<u>General</u>	<u>31,466,000</u> <u>31,552,000</u>
5.25	<u>Workforce</u>	
5.26	<u>Development</u>	<u>9,470,000</u> <u>9,470,000</u>

5.27 (a) \$6,785,000 the first year and \$6,785,000  
5.28 the second year are for the Minnesota job  
5.29 skills partnership program under Minnesota  
5.30 Statutes, sections 116L.01 to 116L.17. If the  
5.31 appropriation for either year is insufficient,  
5.32 the appropriation for the other year is  
5.33 available. This appropriation is available  
5.34 until spent.

- 6.1 (b) \$305,000 the first year and \$305,000 the  
6.2 second year are for a grant under Minnesota  
6.3 Statutes, section 116J.8747, to Twin Cities  
6.4 RISE! to provide training to hard-to-train  
6.5 individuals.
- 6.6 (c) \$875,000 the first year and \$875,000  
6.7 the second year are from the workforce  
6.8 development fund for Opportunities  
6.9 Industrialization Center programs.
- 6.10 (d) \$5,364,000 the first year and \$5,364,000  
6.11 the second year are from the general fund  
6.12 and \$6,920,000 the first year and \$6,920,000  
6.13 the second year are from the workforce  
6.14 development fund for extended employment  
6.15 services for persons with severe disabilities  
6.16 or related conditions under Minnesota  
6.17 Statutes, section 268A.15.
- 6.18 (e) \$1,690,000 the first year and \$1,690,000  
6.19 the second year are for grants under  
6.20 Minnesota Statutes, section 268A.11, for the  
6.21 eight centers for independent living. Money  
6.22 not expended the first year is available the  
6.23 second year.
- 6.24 (f) \$5,940,000 the first year and \$5,940,000  
6.25 the second year are for State Services for the  
6.26 Blind activities.
- 6.27 (g) \$150,000 the first year and \$150,000  
6.28 the second year are from the general fund  
6.29 and \$175,000 the first year and \$175,000  
6.30 the second year are from the workforce  
6.31 development fund for grants under Minnesota  
6.32 Statutes, section 268A.03, to Rise, Inc.  
6.33 for the Minnesota Employment Center for  
6.34 People Who are Deaf or Hard-of-Hearing.

- 7.1 Money not expended the first year is  
7.2 available the second year.
- 7.3 (h) \$1,400,000 the first year and \$1,400,000  
7.4 the second year are for grants for programs  
7.5 that provide employment support services to  
7.6 persons with mental illness under Minnesota  
7.7 Statutes, sections 268A.13 and 268A.14.
- 7.8 Up to \$77,000 each year may be used for  
7.9 administrative and salary expenses.
- 7.10 (i) \$9,021,000 the first year and \$9,021,000  
7.11 the second year are for the vocational  
7.12 rehabilitation program.
- 7.13 (j) \$150,000 the first year and \$150,000 the  
7.14 second year are for a grant to Advocating  
7.15 Change Together for training, technical  
7.16 assistance, and resource materials to persons  
7.17 with developmental and mental illness  
7.18 disabilities.
- 7.19 (k) \$500,000 the first year and \$500,000 the  
7.20 second year are for the implementation of the  
7.21 career guides initiative.
- 7.22 (l) \$75,000 the first year and \$75,000 the  
7.23 second year are for the youthbuild program  
7.24 under Minnesota Statutes, sections 116L.361  
7.25 to 116L.366.
- 7.26 (m) \$1,250,000 the first year and \$1,250,000  
7.27 the second year are from the workforce  
7.28 development fund for grants to fund summer  
7.29 youth employment in Minneapolis. The  
7.30 grants shall be used to fund up to 500 jobs for  
7.31 youth each summer. Of this appropriation,  
7.32 \$250,000 the first year and \$250,000 the  
7.33 second year are for a grant to the learn-to-earn  
7.34 summer youth employment program. The  
7.35 commissioner shall establish criteria for

8.1 awarding the grants. This appropriation is  
 8.2 available in either year of the biennium and  
 8.3 is available until spent.

8.4 **Subd. 4. Unemployment Insurance** 192,000

8.5 Appropriations by Fund  
 8.6 General 192,000

8.7 (a) \$192,000 the first year is from the  
 8.8 general fund to reimburse the unemployment  
 8.9 insurance trust fund for certain entities which  
 8.10 are unable to pay delinquent amounts. This  
 8.11 is a onetime appropriation.

8.12 **Subd. 5. State-Funded Administration** 3,348,000 3,170,000

8.13 (a) \$150,000 the first year and \$150,000  
 8.14 the second year are to fund the analysis,  
 8.15 production, and dissemination of labor  
 8.16 market information.

8.17 (b) \$200,000 the first year is for expenses  
 8.18 related to Positively Minnesota Marketing.  
 8.19 These funds are to be matched by public  
 8.20 and private partners. This is a onetime  
 8.21 appropriation.

8.22 (c) The first \$1,450,000 deposited in each  
 8.23 year of the biennium and in each year of  
 8.24 subsequent bienniums into the contingent  
 8.25 account created under Minnesota Statutes,  
 8.26 section 268.196, subdivision 3, shall be  
 8.27 transferred by June 30 of each fiscal year  
 8.28 to the workforce development fund created  
 8.29 under Minnesota Statutes, section 116L.20.  
 8.30 Deposits in excess of the \$1,450,000 shall be  
 8.31 transferred by June 30 of each fiscal year to  
 8.32 the general fund.

8.33 **Sec. 4. DEPARTMENT OF COMMERCE**

8.34 **Subdivision 1. Total Appropriation** \$ 34,645,000 \$ 22,994,000

<u>Appropriations by Fund</u>			
	<u>2008</u>	<u>2009</u>	
9.1			
9.2			
9.3	<u>General</u>	<u>32,726,000</u>	<u>21,075,000</u>
9.4	<u>Petroleum Cleanup</u>	<u>1,084,000</u>	<u>1,084,000</u>
9.5	<u>Workers'</u>		
9.6	<u>Compensation</u>	<u>835,000</u>	<u>835,000</u>

9.7 The amounts that may be spent for each  
 9.8 purpose are specified in the following  
 9.9 subdivisions.

9.10 Subd. 2. **Financial Examinations** 6,309,000 6,426,000

9.11 Subd. 3. **Petroleum Tank Release Cleanup**  
 9.12 Board 1,084,000 1,084,000

9.13 This appropriation is from the petroleum  
 9.14 tank release cleanup fund.

9.15 Subd. 4. **Administrative Services** 4,477,000 4,540,000

9.16 Subd. 5. **Market Assurance** 6,894,000 6,991,000

<u>Appropriations by Fund</u>			
	<u>2008</u>	<u>2009</u>	
9.17			
9.18	<u>General</u>	<u>6,059,000</u>	<u>6,156,000</u>
9.19	<u>Workers'</u>		
9.20	<u>Compensation</u>	<u>835,000</u>	<u>835,000</u>

9.21 Subd. 6. **Energy and Telecommunications** 15,881,000 3,953,000

9.22 \$12,000,000 the first year must be spent for  
 9.23 E85 cost share grants. This is a onetime  
 9.24 appropriation. Notwithstanding Minnesota  
 9.25 Statutes, section 16A.28, this appropriation  
 9.26 is available until June 30, 2011.

9.27 Sec. 5. **TRANSFER; RENEWABLE**  
 9.28 **DEVELOPMENT GRANTS**

9.29 The utility subject to Minnesota Statutes,  
 9.30 section 116C.779, shall transfer \$2,500,000  
 9.31 in fiscal year 2008 and \$2,500,000 in fiscal  
 9.32 year 2009 to the Department of Commerce  
 9.33 on a schedule to be determined by the  
 9.34 commissioner of commerce. The funds shall  
 9.35 be disbursed as grants to promote renewable

- 10.1 energy projects and community energy  
10.2 outreach and assistance. Of the amounts  
10.3 identified:  
10.4 (1) \$500,000 each year for capital grants for  
10.5 on-farm biogas recovery facilities; eligible  
10.6 projects will be selected in coordination  
10.7 with the Department of Agriculture and the  
10.8 Pollution Control Agency;  
10.9 (2) \$500,000 each year to provide financial  
10.10 rebates to new solar electricity projects;  
10.11 (3) \$500,000 each year for continued funding  
10.12 of community energy technical assistance  
10.13 and outreach on renewable energy and  
10.14 energy efficiency; and  
10.15 (4) \$1,000,000 each year for technical  
10.16 analysis and demonstration funding for  
10.17 automotive technology projects, with a  
10.18 special focus on plug-in hybrid electric  
10.19 vehicles.

10.20 **Sec. 6. TRANSFER; RENEWABLE ENERGY**  
10.21 **RESEARCH**

- 10.22 The utility subject to Minnesota Statutes,  
10.23 section 116C.779, shall transfer \$5,000,000  
10.24 in fiscal year 2008 and \$5,000,000 in fiscal  
10.25 year 2009 to the Department of Commerce  
10.26 on a schedule to be determined by the  
10.27 commissioner of commerce. The funds shall  
10.28 be disbursed as grants to provide competitive,  
10.29 cost-share grants to fund renewable energy  
10.30 research in Minnesota.  
10.31 These grants will be awarded by a  
10.32 three-member panel made up of the  
10.33 commissioners of commerce, pollution  
10.34 control, and agriculture, or their designees.

11.1 Grant applications would be ranked and  
 11.2 grants issued according to how well the  
 11.3 applications meet state energy policy research  
 11.4 goals established by the commissioners,  
 11.5 the quality and experience of the research  
 11.6 teams, the cross-interdisciplinary and  
 11.7 cross-institutional nature of the research  
 11.8 teams, and the ability of the research team to  
 11.9 leverage nonstate funds.

11.10 **Sec. 7. HOUSING FINANCE AGENCY**

11.11 **Subdivision 1. Total Appropriation**                    **\$**        **69,438,000** **\$**        **44,938,000**

11.12 This appropriation is for transfer to the  
 11.13 housing development fund. The amounts  
 11.14 that may be spent from this appropriation  
 11.15 for certain programs are specified in the  
 11.16 following subdivisions. Except as otherwise  
 11.17 indicated, this transfer is part of the agency's  
 11.18 permanent budget base.

11.19 **Subd. 2. Economic Development and Housing**  
 11.20 **Challenge**

11.21 (a) \$25,907,000 the first year and  
 11.22 \$10,907,000 the second year are for  
 11.23 the economic development and housing  
 11.24 challenge program under Minnesota Statutes,  
 11.25 section 462A.33, for housing that:  
 11.26 (i) conserves energy and utilizes sustainable,  
 11.27 healthy building materials;  
 11.28 (ii) preserves sensitive natural areas and  
 11.29 open spaces and minimizes the need for new  
 11.30 infrastructure;  
 11.31 (iii) is accessible to jobs and services through  
 11.32 integration with transportation or transit  
 11.33 systems; and

12.1 (iv) expands the mix of housing choices in  
12.2 a community by diversifying the levels of  
12.3 housing affordability.

12.4 The agency may fund demonstration projects  
12.5 that have unique approaches to achieving the  
12.6 housing described above.

12.7 (b) \$1,285,000 the first year and \$1,285,000  
12.8 the second year shall be made available  
12.9 during the first eight months of the fiscal  
12.10 year exclusively for housing projects for  
12.11 American Indians. Any funds not committed  
12.12 to housing projects for American Indians in  
12.13 the first eight months of the fiscal year shall  
12.14 be available for any eligible activity under  
12.15 Minnesota Statutes, section 462A.33.

12.16 (c) Of this amount, \$15,000,000 the first year  
12.17 is a onetime appropriation.

12.18 **Subd. 3. Housing Trust Fund**

12.19 \$13,555,000 the first year and \$8,555,000  
12.20 the second year are for the housing trust fund  
12.21 account created under Minnesota Statutes,  
12.22 section 462A.201, for the purposes of that  
12.23 section. Of this amount, \$5,000,000 the first  
12.24 year is a onetime appropriation.

12.25 **Subd. 4. Rental Assistance for Mentally Ill**

12.26 \$2,638,000 the first year and \$2,638,000  
12.27 the second year are for a rental housing  
12.28 assistance program for persons with a mental  
12.29 illness or families with an adult member with  
12.30 a mental illness under Minnesota Statutes,  
12.31 section 462A.2097.

12.32 **Subd. 5. Family Homeless Prevention**

12.33 \$7,465,000 the first year and \$7,465,000  
12.34 the second year are for family homeless

- 13.1 prevention and assistance programs under  
13.2 Minnesota Statutes, section 462A.204.
- 13.3 **Subd. 6. Home Ownership Assistance Fund**
- 13.4 \$885,000 the first year and \$885,000 the  
13.5 second year are for the home ownership  
13.6 assistance program under Minnesota  
13.7 Statutes, section 462A.21, subdivision 8.
- 13.8 **Subd. 7. Affordable Rental Investment Fund**
- 13.9 \$11,496,000 the first year and \$8,996,000  
13.10 the second year are for the affordable rental  
13.11 investment fund program under Minnesota  
13.12 Statutes, section 462A.21, subdivision 8b.  
13.13 Of this amount, \$2,500,000 in the first year  
13.14 is a onetime appropriation.
- 13.15 This appropriation is to finance the  
13.16 acquisition, rehabilitation, and debt  
13.17 restructuring of federally assisted rental  
13.18 property and for making equity take-out loans  
13.19 under Minnesota Statutes, section 462A.05,  
13.20 subdivision 39. The owner of the federally  
13.21 assisted rental property must agree to  
13.22 participate in the applicable federally assisted  
13.23 housing program and to extend any existing  
13.24 low-income affordability restrictions on the  
13.25 housing for the maximum term permitted.  
13.26 The owner must also enter into an agreement  
13.27 that gives local units of government,  
13.28 housing and redevelopment authorities,  
13.29 and nonprofit housing organizations the  
13.30 right of first refusal if the rental property  
13.31 is offered for sale. Priority must be given  
13.32 among comparable federally assisted rental  
13.33 properties to properties with the longest  
13.34 remaining term under an agreement for  
13.35 federal rental assistance. Priority must also

14.1 be given among comparable rental housing  
14.2 developments to developments that are or  
14.3 will be owned by local government units, a  
14.4 housing and redevelopment authority, or a  
14.5 nonprofit housing organization.

14.6 This appropriation also may be used to  
14.7 finance the acquisition, rehabilitation, and  
14.8 debt restructuring of existing supportive  
14.9 housing properties. For purposes of this  
14.10 subdivision, "supportive housing" means  
14.11 affordable rental housing with links to  
14.12 services necessary for individuals, youth, and  
14.13 families with children to maintain housing  
14.14 stability.

14.15 Of this amount, \$2,500,000 is appropriated  
14.16 for the purposes of financing the  
14.17 rehabilitation and operating costs to preserve  
14.18 public housing. For purposes of this  
14.19 subdivision "public housing" is housing for  
14.20 low-income persons and households financed  
14.21 by the federal government and owned and  
14.22 operated by public housing authorities and  
14.23 agencies. Eligible public housing authorities  
14.24 must have a Public Housing Assessment  
14.25 System rating of standard or above. Priority  
14.26 among comparable proposals must be given  
14.27 to proposals that maximize federal or local  
14.28 resources to finance the capital and operating  
14.29 costs.

14.30 **Subd. 8. Housing Rehabilitation and**  
14.31 **Accessibility**

14.32 \$5,815,000 the first year and \$4,130,000 the  
14.33 second year are for the housing rehabilitation  
14.34 and accessibility program under Minnesota  
14.35 Statutes, section 462A.05, subdivisions 14a

15.1 and 15a. Of this amount, \$1,685,000 in the  
 15.2 first year is a onetime appropriation.

15.3 **Subd. 9. Home Ownership Education,**  
 15.4 **Counseling, and Training**

15.5 \$1,495,000 the first year and \$865,000  
 15.6 the second year are appropriated for the  
 15.7 home ownership education, counseling, and  
 15.8 training program under Minnesota Statutes,  
 15.9 section 462A.209. Of this amount, \$630,000  
 15.10 in the first year is a onetime appropriation to  
 15.11 be used for:

15.12 (1) foreclosure prevention and assistance  
 15.13 activities in communities that have mortgage  
 15.14 foreclosure rates that exceed the statewide  
 15.15 average foreclosure rate for the most recent  
 15.16 quarter for which data is available; and

15.17 (2) home buyer education and counseling  
 15.18 activities by organizations that have  
 15.19 experience working with emerging markets  
 15.20 or partner with organizations with experience  
 15.21 working with emerging markets and that have  
 15.22 demonstrated a commitment to increasing the  
 15.23 homeownership rate of emerging markets.

15.24 **Subd. 10. Capacity Building Grants**

15.25 \$340,000 the first year and \$340,000 the  
 15.26 second year are for nonprofit capacity  
 15.27 building grants under Minnesota Statutes,  
 15.28 section 462A.21, subdivision 3b.

15.29 **Sec. 8. EXPLORE MINNESOTA TOURISM**    **\$**    **11,269,000**    **\$**    **12,337,000**

15.30 To develop maximum private sector  
 15.31 involvement in tourism, \$1,000,000 in the  
 15.32 first year and \$2,000,000 in the second year  
 15.33 must be matched by Explore Minnesota  
 15.34 Tourism from nonstate sources. Each dollar

16.1 of state incentive must be matched with  
16.2 three dollars of private sector funding. Cash  
16.3 match is defined as revenue to the state  
16.4 or documented cash expenditures directly  
16.5 expended to support Explore Minnesota  
16.6 Tourism programs. Up to one-half of the  
16.7 private sector contribution may be in-kind  
16.8 or soft match. The incentive in the first year  
16.9 shall be based on fiscal year 2007 private  
16.10 sector contributions as prescribed in Laws  
16.11 2005, First Special Session chapter 1, article  
16.12 3, section 6. The incentive increase in the  
16.13 second year will be based on fiscal year 2008  
16.14 private sector contributions. This incentive  
16.15 is ongoing.

16.16 Funding for the marketing grants is available  
16.17 either year of the biennium. Unexpended  
16.18 grant funds from the first year are available  
16.19 in the second year.

16.20 Any unexpended money from the general  
16.21 fund appropriations made under this section  
16.22 does not cancel but must be placed in a  
16.23 special marketing account for use by Explore  
16.24 Minnesota Tourism for additional marketing  
16.25 activities.

16.26 \$250,000 the first year and \$250,000 the  
16.27 second year are for operating costs of  
16.28 the Minnesota Film and TV Board. The  
16.29 appropriation in each year is available  
16.30 only upon receipt by the board of \$1 in  
16.31 matching contributions of money or in-kind  
16.32 contributions from nonstate sources for every  
16.33 \$3 provided by this appropriation.

16.34 \$500,000 is appropriated each year for a  
16.35 grant to the Minnesota Film and TV Board



18.1	<u>Subd. 5. <b>General Support</b></u>		<u>6,043,000</u>	<u>6,006,000</u>
18.2	<u>This appropriation is from the workers'</u>			
18.3	<u>compensation fund.</u>			
18.4	<b>Sec. 10. <u>BUREAU OF MEDIATION</u></b>			
18.5	<b><u>SERVICES</u></b>			
18.6	<u>Subdivision 1. <b>Total Appropriation</b></u>	<u>\$</u>	<u>1,850,000</u>	<u>\$ 1,877,000</u>
18.7	<u>The amounts that may be spent for each</u>			
18.8	<u>purpose are specified in the following</u>			
18.9	<u>subdivisions.</u>			
18.10	<u>Subd. 2. <b>Mediation Services</b></u>		<u>1,700,000</u>	<u>1,727,000</u>
18.11	<u>Subd. 3. <b>Labor Management Cooperation</b></u>			
18.12	<u><b>Grants</b></u>		<u>150,000</u>	<u>150,000</u>
18.13	<u>\$150,000 each year is for grants to area labor</u>			
18.14	<u>management committees. Grants may be</u>			
18.15	<u>awarded for a 12-month period beginning</u>			
18.16	<u>July 1 each year. Any unencumbered balance</u>			
18.17	<u>remaining at the end of the first year does not</u>			
18.18	<u>cancel but is available for the second year.</u>			
18.19	<b>Sec. 11. <u>WORKERS' COMPENSATION</u></b>			
18.20	<b><u>COURT OF APPEALS</u></b>	<u>\$</u>	<u>1,663,000</u>	<u>\$ 1,710,000</u>
18.21	<u>This appropriation is from the workers'</u>			
18.22	<u>compensation fund.</u>			
18.23	<b>Sec. 12. <u>MINNESOTA HISTORICAL</u></b>			
18.24	<b><u>SOCIETY</u></b>			
18.25	<u>Subdivision 1. <b>Total Appropriation</b></u>	<u>\$</u>	<u>26,421,000</u>	<u>\$ 24,380,000</u>
18.26	<u>The amounts that may be spent for each</u>			
18.27	<u>purpose are specified in the following</u>			
18.28	<u>subdivisions.</u>			
18.29	<u>\$500,000 the first year and \$500,000 the</u>			
18.30	<u>second year are for increased rent costs. This</u>			
18.31	<u>amount is added to the agency's base budget.</u>			
18.32	<u>Subd. 2. <b>Education and Outreach</b></u>		<u>15,547,000</u>	<u>13,705,000</u>

- 19.1 Of this amount, \$2,000,000 the first year  
 19.2 is for the Minnesota Sesquicentennial  
 19.3 Commission. Of this appropriation,  
 19.4 \$750,000 is for competitive matching grants  
 19.5 for local events and projects; \$750,000  
 19.6 is for planning and support of statewide  
 19.7 activities, and up to \$500,000 may be used  
 19.8 for administration.
- 19.9 The Minnesota Historical Society, the State  
 19.10 Arts Board, and Explore Minnesota Tourism  
 19.11 may assist the commission in designing and  
 19.12 implementing the grants program.
- 19.13 The commission shall encourage private  
 19.14 contributions to match the state funds to the  
 19.15 greatest extent possible.
- |       |  |                   |                   |
|-------|--|-------------------|-------------------|
| 19.16 | <b><u>Subd. 3. Preservation and Access</u></b>         | <u>10,453,000</u> | <u>10,271,000</u> |
| 19.17 | <u>Of this amount, \$308,000 the first year is</u>     |                   |                   |
| 19.18 | <u>for the preservation of battle flags. This is a</u> |                   |                   |
| 19.19 | <u>onetime appropriation.</u>                          |                   |                   |
| 19.20 | <b><u>Subd. 4. Pass-Through Appropriations</u></b>     | <u>421,000</u>    | <u>404,000</u>    |
| 19.21 | <u>(a) Minnesota International Center</u>              | <u>43,000</u>     | <u>42,000</u>     |
| 19.22 | <u>(b) Minnesota Air National Guard Museum</u>         | <u>16,000</u>     | <u>-0-</u>        |
| 19.23 | <u>(c) Minnesota Military Museum</u>                   | <u>234,000</u>    | <u>234,000</u>    |
| 19.24 | <u>(d) Farmamerica</u>                                 | <u>128,000</u>    | <u>128,000</u>    |
| 19.25 | <u>(e) Balances Forward</u>                            |                   |                   |
| 19.26 | <u>Any unencumbered balance remaining in</u>           |                   |                   |
| 19.27 | <u>this subdivision the first year does not cancel</u> |                   |                   |
| 19.28 | <u>but is available for the second year of the</u>     |                   |                   |
| 19.29 | <u>biennium.</u>                                       |                   |                   |
| 19.30 | <b><u>Subd. 5. Fund Transfer</u></b>                   |                   |                   |



21.1 Sec. 19. Minnesota Statutes 2006, section 58.04, subdivision 1, is amended to read:

21.2 Subdivision 1. **Residential mortgage originator licensing requirements.** (a)

21.3 ~~Beginning August 1, 1999,~~ No person shall act as a residential mortgage originator, or  
21.4 make residential mortgage loans without first obtaining a license from the commissioner  
21.5 according to the licensing procedures provided in this chapter.

21.6 (b) A licensee must be either a partnership, limited liability partnership, association,  
21.7 limited liability company, corporation, or other form of business organization, and must  
21.8 have and maintain at all times one of the following: approval as a mortgagee by either the  
21.9 federal Department of Housing and Urban Development or the Federal National Mortgage  
21.10 Association; a minimum net worth, net of intangibles, of at least \$250,000; or a surety bond  
21.11 or irrevocable letter of credit in the amount of \$100,000. Net worth, net of intangibles,  
21.12 must be calculated in accordance with generally accepted accounting principles.

21.13 (c) The following persons are exempt from the residential mortgage originator  
21.14 licensing requirements:

21.15 ~~(1) an employee of one mortgage originator licensee or one person holding a~~  
21.16 ~~certificate of exemption;~~

21.17 ~~(2) a person licensed as a real estate broker under chapter 82 who is not licensed to~~  
21.18 ~~another real estate broker;~~

21.19 ~~(3) an individual real estate licensee who is licensed to a real estate broker as~~  
21.20 ~~described in clause (2) if:~~

21.21 ~~(i) the individual licensee acts only under the name, authority, and supervision of the~~  
21.22 ~~broker to whom the licensee is licensed;~~

21.23 ~~(ii) the broker to whom the licensee is licensed obtains a certificate of exemption~~  
21.24 ~~according to section 58.05, subdivision 2;~~

21.25 ~~(iii) the broker does not collect an advance fee for its residential mortgage-related~~  
21.26 ~~activities; and~~

21.27 ~~(iv) the residential mortgage origination activities are incidental to the real estate~~  
21.28 ~~licensee's primary activities as a real estate broker or salesperson;~~

21.29 ~~(4) an individual licensed as a property/casualty or life/health insurance agent under~~  
21.30 ~~chapter 60K if:~~

21.31 ~~(i) the insurance agent acts on behalf of only one residential mortgage originator,~~  
21.32 ~~which is in compliance with chapter 58;~~

21.33 ~~(ii) the insurance agent has entered into a written contract with the mortgage~~  
21.34 ~~originator under the terms of which the mortgage originator agrees to accept responsibility~~  
21.35 ~~for the insurance agent's residential mortgage-related activities;~~

22.1 ~~(iii) the insurance agent obtains a certificate of exemption under section 58.05;~~  
 22.2 ~~subdivision 2; and~~

22.3 ~~(iv) the insurance agent does not collect an advance fee for the insurance agent's~~  
 22.4 ~~residential mortgage-related activities;~~

22.5 ~~(5)~~ (1) a person who is not in the business of making residential mortgage loans and  
 22.6 who makes no more than three such loans, with its own funds, during any 12-month period;

22.7 ~~(6)~~ (2) a financial institution as defined in section 58.02, subdivision 10;

22.8 ~~(7)~~ (3) an agency of the federal government, or of a state or municipal government;

22.9 ~~(8)~~ (4) an employee or employer pension plan making loans only to its participants;

22.10 ~~(9)~~ (5) a person acting in a fiduciary capacity, such as a trustee or receiver, as a result  
 22.11 of a specific order issued by a court of competent jurisdiction; or

22.12 ~~(10)~~ (6) a person exempted by order of the commissioner.

22.13 Sec. 20. Minnesota Statutes 2006, section 58.04, subdivision 2, is amended to read:

22.14 Subd. 2. **Residential mortgage servicer licensing requirements.** (a) ~~Beginning~~  
 22.15 ~~August 1, 1999,~~ No person shall engage in activities or practices that fall within the  
 22.16 definition of "servicing a residential mortgage loan" under section 58.02, subdivision  
 22.17 22, without first obtaining a license from the commissioner according to the licensing  
 22.18 procedures provided in this chapter.

22.19 (b) The following persons are exempt from the residential mortgage servicer  
 22.20 licensing requirements:

22.21 (1) a person licensed as a residential mortgage originator;

22.22 ~~(2) an employee of one licensee or one person holding a certificate of exemption~~  
 22.23 ~~based on an exemption under this subdivision;~~

22.24 ~~(3)~~ (2) a person servicing loans made with its own funds, if no more than three such  
 22.25 loans are made in any 12-month period;

22.26 ~~(4)~~ (3) a financial institution as defined in section 58.02, subdivision 10;

22.27 ~~(5)~~ (4) an agency of the federal government, or of a state or municipal government;

22.28 ~~(6)~~ (5) an employee or employer pension plan making loans only to its participants;

22.29 ~~(7)~~ (6) a person acting in a fiduciary capacity, such as a trustee or receiver, as a result  
 22.30 of a specific order issued by a court of competent jurisdiction; or

22.31 ~~(8)~~ (7) a person exempted by order of the commissioner.

22.32 Sec. 21. Minnesota Statutes 2006, section 58.05, is amended to read:

22.33 **58.05 EXEMPTIONS FROM LICENSE.**

23.1 Subdivision 1. **Exempt person.** An exempt person as defined by section 58.04,  
 23.2 subdivision 1, paragraph ~~(b)~~ (c), and subdivision 2, paragraph (b), is exempt from the  
 23.3 licensing requirements of this chapter, but is subject to all other provisions of this chapter.

23.4 Subd. 3. **Certificate of exemption.** A person must obtain a certificate of exemption  
 23.5 from the commissioner to qualify as an exempt person under section 58.04, subdivision  
 23.6 1, paragraph ~~(b)~~ (c), ~~as a real estate broker under clause (2), an insurance agent under~~  
 23.7 ~~clause (4);~~ a financial institution under clause ~~(6)~~ (2), or by order of the commissioner  
 23.8 under clause ~~(10)~~ (6); or under section 58.04, subdivision 2, paragraph (b), as a financial  
 23.9 institution under clause ~~(4)~~ (3), or by order of the commissioner under clause ~~(8)~~ (7).

23.10 Sec. 22. Minnesota Statutes 2006, section 58.06, subdivision 2, is amended to read:

23.11 Subd. 2. **Application contents.** The application must contain the name and  
 23.12 complete business address or addresses of the license applicant. ~~If~~ The license applicant ~~is~~  
 23.13 must be a partnership, limited liability partnership, association, limited liability company,  
 23.14 corporation, or other form of business organization, and the application must contain the  
 23.15 names and complete business addresses of each partner, member, director, and principal  
 23.16 officer. The application must also include a description of the activities of the license  
 23.17 applicant, in the detail and for the periods the commissioner may require.

23.18 (b) An applicant must submit one of the following:

23.19 (1) evidence which shows, to the commissioner's satisfaction, that either the federal  
 23.20 Department of Housing and Urban Development or the Federal National Mortgage  
 23.21 Association has approved the applicant as a mortgagee;

23.22 (2) a surety bond or irrevocable letter of credit in the amount of not less than  
 23.23 \$100,000 in a form approved by the commissioner, issued by an insurance company  
 23.24 or bank authorized to do so in this state. The bond or irrevocable letter of credit must  
 23.25 be available for the recovery of expenses, fines, and fees levied by the commissioner  
 23.26 under this chapter and for losses incurred by borrowers. The bond or letter of credit must  
 23.27 be submitted with the license application, and evidence of continued coverage must be  
 23.28 submitted with each renewal. Any change in the bond or letter of credit must be submitted  
 23.29 for approval by the commissioner within ten days of its execution; or

23.30 (3) a copy of the applicant's most recent audited financial statement, including  
 23.31 balance sheet, statement of income or loss, statements of changes in shareholder equity,  
 23.32 and statement of changes in financial position. Financial statements must be as of a date  
 23.33 within 12 months of the date of application.

23.34 (c) The application must also include all of the following:

23.35 ~~(a)~~ (1) an affirmation under oath that the applicant:

24.1 ~~(1) will maintain competent staff and adequate staffing levels, through direct~~  
 24.2 ~~employees or otherwise, to meet the requirements of this chapter; (i) is in compliance~~  
 24.3 ~~with the requirements of section 58.125;~~

24.4 (ii) will maintain a perpetual roster of individuals employed as residential mortgage  
 24.5 originators, including employees and independent contractors, which includes the date that  
 24.6 mandatory initial education was completed. In addition, the roster must be made available  
 24.7 to the commissioner on demand, within three business days of the commissioner's request;

24.8 ~~(2)~~ (iii) will advise the commissioner of any material changes to the information  
 24.9 submitted in the most recent application within ten days of the change;

24.10 ~~(3)~~ (iv) will advise the commissioner in writing immediately of any bankruptcy  
 24.11 petitions filed against or by the applicant or licensee;

24.12 ~~(4) is financially solvent;~~ (v) will maintain at all times either a net worth, net of  
 24.13 intangibles, of at least \$250,000 or a surety bond or irrevocable letter of credit in the  
 24.14 amount of at least \$100,000;

24.15 ~~(5)~~ (vi) complies with federal and state tax laws; and

24.16 ~~(6)~~ (vii) complies with sections 345.31 to 345.60, the Minnesota unclaimed property  
 24.17 law; and

24.18 ~~(7) is, or that a person in control of the license applicant is, at least 18 years of age;~~

24.19 ~~(b)~~ (2) information as to the mortgage lending, servicing, or brokering experience  
 24.20 of the applicant and persons in control of the applicant;

24.21 ~~(c)~~ (3) information as to criminal convictions, excluding traffic violations, of persons  
 24.22 in control of the license applicant;

24.23 ~~(d)~~ (4) whether a court of competent jurisdiction has found that the applicant or  
 24.24 persons in control of the applicant have engaged in conduct evidencing gross negligence,  
 24.25 fraud, misrepresentation, or deceit in performing an act for which a license is required  
 24.26 under this chapter;

24.27 ~~(e)~~ (5) whether the applicant or persons in control of the applicant have been the  
 24.28 subject of: an order of suspension or revocation, cease and desist order, or injunctive  
 24.29 order, or order barring involvement in an industry or profession issued by this or another  
 24.30 state or federal regulatory agency or by the Secretary of Housing and Urban Development  
 24.31 within the ten-year period immediately preceding submission of the application; and

24.32 ~~(f)~~ (6) other information required by the commissioner.

24.33 Sec. 23. Minnesota Statutes 2006, section 58.06, is amended by adding a subdivision  
 24.34 to read:

25.1            Subd. 3. **Waiver.** The commissioner may, for good cause shown, waive any  
 25.2 requirement of this section with respect to any license application or to permit a license  
 25.3 applicant to submit substituted information in its license application in lieu of the  
 25.4 information required by this section.

25.5            Sec. 24. Minnesota Statutes 2006, section 58.08, subdivision 3, is amended to read:

25.6            Subd. 3. **Exemption.** ~~Subdivisions 1 and Subdivision 2 do~~ does not apply to  
 25.7 mortgage originators or mortgage servicers who are approved as seller/servicers by the  
 25.8 Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.

25.9            Sec. 25. Minnesota Statutes 2006, section 58.10, subdivision 1, is amended to read:

25.10           Subdivision 1. **Amounts.** The following fees must be paid to the commissioner:

25.11           (1) for an initial residential mortgage originator license, ~~\$850~~ \$5,000, \$50 of which  
 25.12 is credited to the consumer education account in the special revenue fund;

25.13           (2) for a renewal license, ~~\$450~~ \$2,500, \$50 of which is credited to the consumer  
 25.14 education account in the special revenue fund;

25.15           (3) for an initial residential mortgage servicer's license, \$1,000;

25.16           (4) for a renewal license, \$500; and

25.17           (5) for a certificate of exemption, \$100.

25.18           Sec. 26. **[58.115] EXAMINATIONS.**

25.19           The commissioner has under this chapter the same powers with respect to  
 25.20 examinations that the commissioner has under section 46.04, including the authority to  
 25.21 charge for the direct costs of the examination, including travel and per diem expenses.

25.22           Sec. 27. **[58.126] EDUCATION REQUIREMENT.**

25.23           No person shall serve as a residential mortgage originator before the completion  
 25.24 of 16 hours of educational training which has been approved by the commissioner, and  
 25.25 covering state and federal laws concerning residential mortgage lending.

25.26           Sec. 28. Minnesota Statutes 2006, section 80A.28, subdivision 1, is amended to read:

25.27           Subdivision 1. **Registration or notice filing fee.** (a) There shall be a filing fee of  
 25.28 \$100 for every application for registration or notice filing. There shall be an additional fee  
 25.29 of one-tenth of one percent of the maximum aggregate offering price at which the securities  
 25.30 are to be offered in this state, and the maximum combined fees shall not exceed \$300.

26.1 (b) When an application for registration is withdrawn before the effective date or a  
26.2 preeffective stop order is entered under section 80A.13, subdivision 1, all but the \$100  
26.3 filing fee shall be returned. If an application to register securities is denied, the total of all  
26.4 fees received shall be retained.

26.5 (c) Where a filing is made in connection with a federal covered security under  
26.6 section 18(b)(2) of the Securities Act of 1933, there is a fee of \$100 for every initial filing.  
26.7 If the filing is made in connection with redeemable securities issued by an open end  
26.8 management company or unit investment trust, as defined in the Investment Company  
26.9 Act of 1940, there is an additional annual fee of 1/20 of one percent of the maximum  
26.10 aggregate offering price at which the securities are to be offered in this state during the  
26.11 notice filing period. The fee must be paid at the time of the initial filing and thereafter  
26.12 in connection with each renewal no later than July 1 of each year and must be sufficient  
26.13 to cover the shares the issuer expects to sell in this state over the next 12 months. If  
26.14 during a current notice filing the issuer determines it is likely to sell shares in excess of  
26.15 the shares for which fees have been paid to the commissioner, the issuer shall submit an  
26.16 amended notice filing to the commissioner under section 80A.122, subdivision 1, clause  
26.17 (3), together with a fee of 1/20 of one percent of the maximum aggregate offering price  
26.18 of the additional shares. Shares for which a fee has been paid, but which have not been  
26.19 sold at the time of expiration of the notice filing, may not be sold unless an additional fee  
26.20 to cover the shares has been paid to the commissioner as provided in this section and  
26.21 section 80A.122, subdivision 4a. If the filing is made in connection with redeemable  
26.22 securities issued by such a company or trust, there is no maximum fee for securities filings  
26.23 made according to this paragraph. If the filing is made in connection with any other  
26.24 federal covered security under Section 18(b)(2) of the Securities Act of 1933, there is an  
26.25 additional fee of one-tenth of one percent of the maximum aggregate offering price at  
26.26 which the securities are to be offered in this state, and the combined fees shall not exceed  
26.27 \$300. Beginning with fiscal year 2001 and continuing each fiscal year thereafter, as of the  
26.28 last day of each fiscal year, the commissioner shall determine the total amount of all fees  
26.29 that were collected under this paragraph in connection with any filings made for that fiscal  
26.30 year for securities of an open-end investment company on behalf of a security that is a  
26.31 federal covered security pursuant to section 18(b)(2) of the Securities Act of 1933. To the  
26.32 extent the total fees collected by the commissioner in connection with these filings exceed  
26.33 ~~\$25,000,000~~ \$25,600,000 in a fiscal year, the commissioner shall refund, on a pro rata  
26.34 basis, to all persons who paid any fees for that fiscal year, the amount of fees collected by  
26.35 the commissioner in excess of ~~\$25,000,000~~ \$25,600,000. No individual refund is required  
26.36 of amounts of \$100 or less for a fiscal year.

27.1 Sec. 29. Minnesota Statutes 2006, section 116J.551, subdivision 1, is amended to read:

27.2 Subdivision 1. **Grant account.** A contaminated site cleanup and development grant  
 27.3 account is created in the ~~general~~ special revenue fund. Money in the account may be used;  
 27.4 ~~as appropriated by law~~, to make grants as provided in section 116J.554 and to pay for the  
 27.5 commissioner's costs in reviewing applications and making grants. Notwithstanding  
 27.6 section 16A.28, money appropriated to the account is available for four years.

27.7 Sec. 30. Minnesota Statutes 2006, section 116J.575, subdivision 1, is amended to read:

27.8 Subdivision 1. **Commissioner discretion.** The commissioner may make a grant for  
 27.9 up to 50 percent of the eligible costs of a project. The determination of whether to make a  
 27.10 grant for a site is within the discretion of the commissioner, subject to this section and  
 27.11 sections 116J.571 to 116J.574 and available unencumbered money in the redevelopment  
 27.12 account. ~~If the commissioner determines that the applications for grants for projects in~~  
 27.13 ~~greater Minnesota are less than the amount of grant funds available, the commissioner~~  
 27.14 ~~may make grants for projects anywhere in Minnesota.~~ The commissioner's decisions and  
 27.15 application of the priorities under this section are not subject to judicial review, except  
 27.16 for abuse of discretion.

27.17 Sec. 31. Minnesota Statutes 2006, section 116J.575, subdivision 1a, is amended to read:

27.18 Subd. 1a. **Priorities.** (a) If applications for grants exceed the available  
 27.19 appropriations, grants shall be made for sites that, in the commissioner's judgment, provide  
 27.20 the highest return in public benefits for the public costs incurred. "Public benefits" include  
 27.21 job creation, bioscience development, environmental benefits to the state and region,  
 27.22 efficient use of public transportation, efficient use of existing infrastructure, provision of  
 27.23 affordable housing, multiuse development that constitutes community rebuilding rather  
 27.24 than single-use development, crime reduction, blight reduction, community stabilization,  
 27.25 and property tax base maintenance or improvement. In making this judgment, the  
 27.26 commissioner shall give priority to redevelopment projects with one or more of the  
 27.27 following characteristics:

27.28 (1) the need for redevelopment in conjunction with contamination remediation needs;

27.29 (2) the redevelopment project meets current tax increment financing requirements  
 27.30 for a redevelopment district and tax increments will contribute to the project;

27.31 (3) the redevelopment potential within the municipality;

27.32 (4) proximity to public transit if located in the metropolitan area; and

27.33 (5) multijurisdictional projects that take into account the need for affordable housing,  
 27.34 transportation, and environmental impact.

28.1 (b) The factors in paragraph (a) are not listed in a rank order of priority; rather, the  
 28.2 commissioner may weigh each factor, depending upon the facts and circumstances, as  
 28.3 the commissioner considers appropriate. The commissioner may consider other factors  
 28.4 that affect the net return of public benefits for completion of the redevelopment plan. The  
 28.5 commissioner, notwithstanding the listing of priorities and the goal of maximizing the  
 28.6 return of public benefits, shall make grants that distribute available money to sites both  
 28.7 within and outside the metropolitan area, at least 25 percent of the money provided as  
 28.8 grants must be made for sites located outside of the metropolitan area.

28.9 Sec. 32. Minnesota Statutes 2006, section 179A.04, subdivision 3, is amended to read:

28.10 Subd. 3. **Other duties.** (a) The commissioner shall:

28.11 (1) provide mediation services as requested by the parties until the parties reach  
 28.12 agreement, and may continue to assist parties after they have submitted their final  
 28.13 positions for interest arbitration;

28.14 (2) issue notices, subpoenas, and orders required by law to carry out duties under  
 28.15 sections 179A.01 to 179A.25;

28.16 (3) assist the parties in formulating petitions, notices, and other papers required to  
 28.17 be filed with the commissioner;

28.18 (4) conduct elections;

28.19 (5) certify the final results of any election or other voting procedure conducted  
 28.20 under sections 179A.01 to 179A.25;

28.21 (6) adopt rules relating to the administration of this chapter and the conduct of  
 28.22 hearings and elections;

28.23 (7) receive, catalogue, file, and make available to the public all decisions of  
 28.24 arbitrators and panels authorized by sections 179A.01 to 179A.25, all grievance arbitration  
 28.25 decisions, and the commissioner's orders and decisions;

28.26 (8) adopt, subject to chapter 14, a grievance procedure that fulfills the purposes of  
 28.27 section 179A.20, subdivision 4, that is available to any employee in a unit not covered by  
 28.28 a contractual grievance procedure;

28.29 (9) maintain a schedule of state employee classifications or positions assigned to  
 28.30 each unit established in section 179A.10, subdivision 2;

28.31 (10) collect fees established by rule for empanelment of persons on the labor  
 28.32 arbitrator roster maintained by the commissioner or in conjunction with fair share fee  
 28.33 challenges. Arbitrator application fees will be \$100 per year for initial and renewals  
 28.34 effective July 1, 2007;

29.1 (11) provide technical support and assistance to voluntary joint labor-management  
 29.2 committees established for the purpose of improving relationships between exclusive  
 29.3 representatives and employers, at the discretion of the commissioner;

29.4 (12) provide to the parties a list of arbitrators as required by section 179A.16,  
 29.5 subdivision 4; and

29.6 (13) maintain a list of up to 60 arbitrators for referral to employers and exclusive  
 29.7 representatives for the resolution of grievance or interest disputes. Each person on the  
 29.8 list must be knowledgeable about collective bargaining and labor relations in the public  
 29.9 sector, well versed in state and federal labor law, and experienced in and knowledgeable  
 29.10 about labor arbitration. To the extent practicable, the commissioner shall appoint members  
 29.11 to the list so that the list is gender and racially diverse.

29.12 (b) From the names provided by representative organizations, the commissioner  
 29.13 shall maintain a list of arbitrators to conduct teacher discharge or termination hearings  
 29.14 according to section 122A.40 or 122A.41. The persons on the list must meet at least  
 29.15 one of the following requirements:

29.16 (1) be a former or retired judge;

29.17 (2) be a qualified arbitrator on the list maintained by the bureau;

29.18 (3) be a present, former, or retired administrative law judge; or

29.19 (4) be a neutral individual who is learned in the law and admitted to practice in  
 29.20 Minnesota, who is qualified by experience to conduct these hearings, and who is without  
 29.21 bias to either party.

29.22 Each year, education Minnesota shall provide a list of up to 14 names and the  
 29.23 Minnesota School Boards Association a list of up to 14 names of persons to be on the list.  
 29.24 The commissioner may adopt rules about maintaining and updating the list.

29.25 Sec. 33. Minnesota Statutes 2006, section 270.97, is amended to read:

29.26 **270.97 DEPOSIT OF REVENUES.**

29.27 The commissioner shall deposit all revenues derived from the tax, interest, and  
 29.28 penalties received from the county in the contaminated site cleanup and development  
 29.29 account in the ~~general~~ special revenue fund.

29.30 Sec. 34. Minnesota Statutes 2006, section 332.54, subdivision 7, is amended to read:

29.31 Subd. 7. **Fees.** The fee for a credit services organization's registration is ~~\$100~~  
 29.32 \$1,000 for issuance or renewal for each location of business.

29.33 Sec. 35. Minnesota Statutes 2006, section 462A.21, subdivision 8b, is amended to read:

30.1 Subd. 8b. **Family rental housing.** It may establish a family rental housing  
 30.2 assistance program to provide loans or direct rental subsidies for housing for families  
 30.3 with incomes of up to 80 percent of state median income, or to provide grants for the  
 30.4 operating cost of public housing. Priority must be given to those developments with  
 30.5 resident families with the lowest income. The development may be financed by the  
 30.6 agency or other public or private lenders. Direct rental subsidies must be administered by  
 30.7 the agency for the benefit of eligible families. Financial assistance provided under this  
 30.8 subdivision to recipients of aid to families with dependent children must be in the form  
 30.9 of vendor payments whenever possible. Loans, grants, and direct rental subsidies under  
 30.10 this subdivision may be made only with specific appropriations by the legislature. The  
 30.11 limitations on eligible mortgagors contained in section 462A.03, subdivision 13, do not  
 30.12 apply to loans for the rehabilitation of existing housing under this subdivision.

30.13 Sec. 36. Minnesota Statutes 2006, section 462A.33, subdivision 3, is amended to read:

30.14 Subd. 3. **Contribution requirement.** Fifty percent of the funds appropriated for  
 30.15 this section must be used for challenge grants or loans ~~which meet the requirements of this~~  
 30.16 ~~subdivision~~ for housing proposals with financial or in-kind contributions from nonstate  
 30.17 resources that reduce the need for deferred loan or grant funds from state resources. ~~These~~  
 30.18 Challenge grants or loans must be used for economically viable homeownership or rental  
 30.19 housing proposals that:

30.20 ~~(1) include a financial or in-kind contribution from an area employer and either a unit~~  
 30.21 ~~of local government or a private philanthropic, religious, or charitable organization; and~~  
 30.22 ~~(2) address the housing needs of the local work force.~~

30.23 Among comparable proposals, preference shall be given to proposals that include  
 30.24 contributions from nonstate resources for the greatest portion of the total development  
 30.25 cost. Comparable proposals with contributions from local units of government or private  
 30.26 philanthropic, religious, or charitable organizations shall be given preference in awarding  
 30.27 grants or loans.

30.28 For the purpose of this subdivision, ~~an employer~~ a contribution may consist partially  
 30.29 or wholly of the premium paid for federal housing tax credits.

30.30 ~~Preference for grants and loans shall also be given to comparable proposals that~~  
 30.31 ~~include a financial or in-kind contribution from a unit of local government, an area~~  
 30.32 ~~employer, and a private philanthropic, religious, or charitable organization.~~

30.33 Sec. 37. **[609.614] RESIDENTIAL MORTGAGE FRAUD.**

31.1 Subdivision 1. Residential mortgage fraud prohibited. Whoever with the intent to  
31.2 defraud for the purpose of depriving another of property or for pecuniary gain, commits,  
31.3 or permits its employees or its agents to commit, any of the following acts, is guilty of  
31.4 residential mortgage fraud and may be sentenced as provided in subdivision 2:

31.5 (1) knowingly makes any deliberate misstatement, misrepresentation, or omission  
31.6 during the mortgage lending process with the intention that it be relied on by a mortgage  
31.7 lender, borrower, or any other party to the mortgage lending process;

31.8 (2) knowingly uses or facilitates the use of any deliberate misstatement,  
31.9 misrepresentation, or omission, knowing the same to contain a misstatement,  
31.10 misrepresentation, or omission, during the mortgage lending process with the intention  
31.11 that it be relied on by a mortgage lender, borrower, or any other party to the mortgage  
31.12 lending process;

31.13 (3) receives any proceeds or any other funds in connection with a residential  
31.14 mortgage closing that such person knew resulted from a violation of clause (1) or (2);

31.15 (4) conspires to violate any of the provisions of clause (1), (2), or (3); or

31.16 (5) files or causes to be filed with the official registrar of deeds of any county  
31.17 of this state any document such person knows to contain a deliberate misstatement,  
31.18 misrepresentation, or omission. An offense of residential mortgage fraud must not be  
31.19 predicated solely upon information lawfully disclosed under federal disclosure laws,  
31.20 regulations, and interpretations related to the mortgage lending process.

31.21 Subd. 2. Sentence. Whoever violates this provision may be sentenced as provided  
31.22 in section 609.52, subdivision 3, based on the greater of (1) the value of property, services,  
31.23 or other benefit wrongfully obtained or attempted to obtain, or (2) the aggregate economic  
31.24 loss suffered by any person as a result of the violation. A person convicted of a violation  
31.25 of this section must be ordered to pay restitution to persons aggrieved by the violation.  
31.26 Restitution must be ordered in addition to a fine or imprisonment but not in lieu of a  
31.27 fine or imprisonment.

31.28 Subd. 3. Definitions. (a) "Mortgage lending process" means the process through  
31.29 which a person seeks or obtains a residential mortgage loan including, but not limited  
31.30 to, solicitation, application, or origination, negotiation of terms, third-party provider  
31.31 services, underwriting, signing and closing, and funding of the loan. Documents involved  
31.32 in the mortgage lending process include, but are not limited to, uniform residential loan  
31.33 applications or other loan applications; appraisal reports; HUD-1 settlement statements;  
31.34 supporting personal documentation for loan applications such as W-2 forms, verifications  
31.35 of income and employment, bank statements, tax returns, and payroll stubs; and any  
31.36 required disclosures.

32.1 (b) "Pattern of residential mortgage fraud" means one or more misstatements,  
 32.2 misrepresentations, or omissions made during the mortgage lending process that involve  
 32.3 two or more residential properties, which have the same or similar intents, results,  
 32.4 accomplices, victims, or methods of commission or otherwise are interrelated by  
 32.5 distinguishing characteristics.

32.6 (c) "Person" means a natural person, corporation, company, limited liability  
 32.7 company, partnership, trustee, association, or any other entity.

32.8 (d) "Residential mortgage loan" means a loan or agreement to extend credit made to  
 32.9 a person, which loan is secured by a deed to secure debt, security deed, mortgage, security  
 32.10 interest, deed of trust, or other document representing a security interest or lien upon any  
 32.11 interest in one-to-four family residential property located in Minnesota including the  
 32.12 renewal or refinancing of any such loan.

32.13 **Sec. 38. LICENSE RENEWAL EXTENSION.**

32.14 The July 31, 2007, renewal date for mortgage originators is extended to October 30,  
 32.15 2007, because of the changes to the licensing requirements made by this act.

32.16 **Sec. 39. REPEALER.**

32.17 Minnesota Statutes 2006, section 58.08, subdivision 1, is repealed.

32.18 **ARTICLE 2**

32.19 **REVISOR'S INSTRUCTION**

32.20 **Section 1. REVISOR'S INSTRUCTION.**

32.21 (a) In Minnesota Rules, parts 3800.3500 to 3800.3885, the revisor of statutes shall  
 32.22 change the terms "board" and "Board of Electricity" to "commissioner."

32.23 (b) In Minnesota Rules, parts 4715.0150 to 4715.6000, the revisor of statutes shall  
 32.24 change the terms "commissioner" and "commissioner of health" to the term "commissioner  
 32.25 of labor and industry"; and shall change the terms "department" and "Department of  
 32.26 Health" to "Department of Labor and Industry."

32.27 (c) In Minnesota Rules, chapters 1300, 1301, 1305, 1306, 1307, 1309, 1311, 1315,  
 32.28 1346, 1350, 1360, and 7672, the revisor of statutes shall:

32.29 (1) change the term "commissioner of administration" to "commissioner of labor  
 32.30 and industry";

32.31 (2) change the term "Department of Administration" to "Department of Labor and  
 32.32 Industry";

33.1 (3) change the term "Department of Administration's Building Codes and Standards  
 33.2 Division" to "Department of Labor and Industry"; and

33.3 (4) change the term "director of the Building Codes and Standards Division of the  
 33.4 Department of Administration" to "individual appointed by the commissioner of labor and  
 33.5 industry to administer the code."

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

### 33.7 **ARTICLE 3**

### 33.8 **CONSTRUCTION CODES AND LICENSING**

33.9 Section 1. Minnesota Statutes 2006, section 299F.011, subdivision 1, is amended to  
 33.10 read:

33.11 Subdivision 1. **State Fire Code rulemaking authority.** The commissioner of  
 33.12 ~~public safety through the Division of Fire Marshal may promulgate~~ labor and industry,  
 33.13 consistent with the recommendations of the state fire marshal, shall adopt a State Fire  
 33.14 Code and make amendments thereto in accordance with the Administrative Procedure Act  
 33.15 in chapter 14. The code and its amendments shall conform insofar as practicable to model  
 33.16 fire codes generally accepted and in use throughout the United States, with consideration  
 33.17 given to existing statewide specialty codes presently in use in the state of Minnesota.  
 33.18 Statewide specialty codes and model codes with necessary modifications may be adopted  
 33.19 by reference in accordance with section 14.07, subdivision 4.

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

33.21 Sec. 2. **[326B.01] DEFINITIONS.**

33.22 Subdivision 1. **Scope.** The definitions in this section apply to chapter 326B.

33.23 Subd. 2. **ASME.** "ASME" means the American Society of Mechanical Engineers.

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

33.28 Subd. 4. **Department.** "Department" means the Department of Labor and Industry.

33.29 Subd. 5. **Day.** "Day" means calendar day unless otherwise provided.

33.30 Subd. 6. **Individual.** "Individual" means a human being.

33.31 Subd. 7. **Person.** "Person" means any individual, limited liability company,  
 33.32 corporation, partnership, incorporated or unincorporated association, sole proprietorship,  
 33.33 joint stock company, or any other legal or commercial entity.

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

34.2 Sec. 3. **[326B.02] POWERS.**

34.3 **Subdivision 1. Transfer of responsibilities.** The responsibilities of the  
 34.4 commissioner of administration relating to the state building code, sections 16B.59 to  
 34.5 16B.76; construction of low-cost manufactured home park storm shelters, section 327.205;  
 34.6 manufactured homes, sections 327.31 to 327.36 and 327B.01 to 327B.12; and statutory  
 34.7 warranties in connection with the sale of dwellings and home improvement work, chapter  
 34.8 327A, are transferred under section 15.039 to the commissioner of labor and industry as  
 34.9 amended and recodified in this chapter. The responsibilities of the commissioner of health  
 34.10 relating to the state plumbing code and licensing, sections 16B.61, 144.99 to 144.993, and  
 34.11 326.37 to 326.45, and water conditioning contractors and installers, sections 326.57 to  
 34.12 326.65, are transferred under section 15.039 to the commissioner of labor and industry  
 34.13 as amended and recodified in this chapter. The responsibilities of the commissioner of  
 34.14 commerce relating to residential contractors, residential remodelers, residential roofers,  
 34.15 manufactured home installers, and the contractor's recovery fund under sections 45.027 to  
 34.16 45.23 and 326.83 to 326.992 are transferred under section 15.039 to the commissioner of  
 34.17 labor and industry as amended and recodified in this chapter. The responsibilities of the  
 34.18 Board of Electricity relating to the state electrical code and licensing, sections 16B.61 and  
 34.19 326.241 to 326.248, are transferred under section 15.039 to the commissioner of labor and  
 34.20 industry as amended and recodified in this chapter.

34.21 **Subd. 2. Definition of responsibilities.** For purposes of subdivision 1,  
 34.22 responsibilities include powers, duties, rights, obligations, and other authority imposed by  
 34.23 law on the commissioner and the department.

34.24 **Subd. 3. State fire marshal cooperation.** The state fire marshal shall work with the  
 34.25 commissioner to improve the delivery of services to the public through the coordination  
 34.26 of services and utilization of technology.

34.27 **Subd. 4. General rulemaking authority.** The commissioner may, under the  
 34.28 rulemaking provisions of chapter 14 and as otherwise provided by this chapter, adopt,  
 34.29 amend, suspend, and repeal rules relating to the commissioner's responsibilities under  
 34.30 this chapter.

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

34.32 Sec. 4. **[326B.04] DEPOSIT OF MONEY.**

34.33 **Subdivision 1. Construction code fund.** There is created in the state treasury  
 34.34 a construction code fund as a special revenue fund for the purpose of administering this

35.1 chapter, sections 327.31 to 327.36, and chapter 327B. All money collected under those  
 35.2 sections, except penalties, are credited to the construction code fund unless otherwise  
 35.3 specifically designated by law. Any interest or profit accruing from investment of these  
 35.4 sums is credited to the construction code fund. All money collected in the construction  
 35.5 code fund is appropriated to the commissioner to administer and enforce the provisions  
 35.6 of these laws.

35.7 Unless otherwise provided by law, all penalties assessed under this chapter, section  
 35.8 327.35, and chapter 327B are credited to the assigned risk safety account established  
 35.9 by section 79.253.

35.10 Subd. 2. **Deposits.** All remaining balances as of June 30, 2007, in the state  
 35.11 government special revenue fund and special revenue fund accounts maintained for  
 35.12 the Building Codes and Standards Division, Board of Electricity, and plumbing and  
 35.13 engineering unit are transferred to the construction code fund. Unless otherwise  
 35.14 specifically designated by law: (1) all money collected under chapter 183 and sections  
 35.15 16B.59 to 16B.76; 144.122, paragraph (f); 326.241 to 326.248; 326.37 to 326.521; 326.57  
 35.16 to 326.65; 326.83 to 326.992; 327.31 to 327.36; and 327B.01 to 327B.12, except penalties,  
 35.17 is credited to the construction code fund; (2) all fees collected under section 45.23 in  
 35.18 connection with continuing education for residential contractors, residential remodelers,  
 35.19 and residential roofers are credited to the construction code fund; and (3) all penalties  
 35.20 assessed under the sections set forth in clauses (1) and (2) and all penalties assessed under  
 35.21 sections 144.99 to 144.993 in connection with any violation of sections 326.37 to 326.45  
 35.22 or 326.57 to 327.65 or the rules adopted under those sections are credited to the assigned  
 35.23 risk safety account established by section 79.253.

35.24 **EFFECTIVE DATE.** This section is effective July 1, 2007.

35.25 Sec. 5. **[326B.05] EXAM ADMINISTRATION.**

35.26 The commissioner may contract with an examination service to develop and  
 35.27 administer examinations. The contract may provide for the examination service to charge  
 35.28 an examination fee to each examinee. The examination fee shall be set by the contract.  
 35.29 For the purposes of these contracts, the department is not required to comply with section  
 35.30 16A.1283.

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

35.32 Sec. 6. **[326B.051] COMMISSIONER AUTHORIZED TO HIRE CONTRACT**  
 35.33 **INSPECTORS.**

36.1 The commissioner is authorized to contract with and fix the compensation  
 36.2 of inspectors for the purpose of inspecting elevators as defined by section 16B.74,  
 36.3 subdivision 5, and as required by section 16B.61, subdivision 1a. For the purposes of these  
 36.4 contracts, the department is required to comply with section 15.061. The department is not  
 36.5 required to comply with section 16B.748, clause (2), until the commissioner adopts rules  
 36.6 using the expedited process established in section 14.389, subdivision 5, or December  
 36.7 31, 2009, whichever occurs first.

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

36.9 **Sec. 7. [326B.06] BONDS.**

36.10 Bonds issued under this chapter are not state bonds or contracts for purposes of  
 36.11 sections 8.05 and 16C.05, subdivision 2.

36.12 **Sec. 8. [326B.075] COMMISSIONER NOT SUBJECT TO SUBPOENA.**

36.13 The commissioner shall not be subject to subpoena for purposes of providing expert  
 36.14 testimony or for purposes of providing testimony or documents, as that term is defined in  
 36.15 section 326B.081, subdivision 4, about an investigation or inspection conducted by the  
 36.16 commissioner, except in an enforcement proceeding brought by the commissioner.

36.17 **ARTICLE 4**  
 36.18 **ENFORCEMENT**

36.19 **Section 1. [326B.081] DEFINITIONS.**

36.20 Subdivision 1. **Application.** For purposes of sections 326B.081 to 326B.085, the  
 36.21 terms defined in this section have the meanings given them.

36.22 Subd. 2. **Administrative order.** "Administrative order" means an order issued  
 36.23 under section 326B.082, subdivision 7.

36.24 Subd. 3. **Applicable law.** "Applicable law" means the provisions of sections  
 36.25 326B.084 to 326B.998 and 327.31 to 327.36 and chapter 327B, and all rules, orders,  
 36.26 stipulation agreements, settlements, compliance agreements, licenses, registrations,  
 36.27 certificates, and permits adopted, issued, or enforced by the department under sections  
 36.28 326B.02 or 326B.084 to 326B.998 or 327.31 to 327.36 or chapter 327B.

36.29 Subd. 4. **Document or documents.** "Document" or "documents" includes papers;  
 36.30 books; records; memoranda; data; contracts; drawings; graphs; charts; photographs;  
 36.31 digital, video, and audio recordings; records; accounts; files; statements; letters; e-mails;  
 36.32 invoices; bills; notes; and calendars maintained in any form or manner.

37.1 Subd. 5. **Final.** "Final" when used to describe any order issued under section  
 37.2 326B.082 means that:

37.3 (1) no request for hearing in connection with the order was filed in the manner and  
 37.4 within the time provided by section 326B.082;

37.5 (2) all requests for hearing have been withdrawn;

37.6 (3) an agreement that resolves the order has been signed by all the parties; or

37.7 (4) after the filing of a request for hearing, an order has been issued by the  
 37.8 commissioner, the Court of Appeals, or the Supreme Court, and all appeals have been  
 37.9 pursued or forgone.

37.10 Subd. 6. **Licensing order.** "Licensing order" means an order issued under section  
 37.11 326B.082, subdivision 12, paragraph (a).

37.12 Subd. 7. **Minimum qualifications.** "Minimum qualifications" means the  
 37.13 educational, experience, fee, examination, application, and other eligibility requirements  
 37.14 that an applicant must meet in order to obtain a license, registration, certificate, or  
 37.15 permit under the applicable law. For an applicant that is not an individual, the minimum  
 37.16 qualifications include the requirement that an employee or other individual associated  
 37.17 with the applicant hold a license.

37.18 Subd. 8. **Stop order.** "Stop order" means an order issued under section 326B.082,  
 37.19 subdivision 10.

37.20 **Sec. 2. [326B.082] ENFORCEMENT.**

37.21 Subdivision 1. **Remedies available.** The commissioner may enforce all applicable  
 37.22 law under this section. The commissioner may use any enforcement provision in this  
 37.23 section, including the assessment of monetary penalties, against a person required to have  
 37.24 a license, registration, certificate, or permit under the applicable law based on conduct  
 37.25 that would provide grounds for action against a licensee, registrant, certificate holder,  
 37.26 or permit holder under the applicable law. The use of an enforcement provision in this  
 37.27 section shall not preclude the use of any other enforcement provision in this section or  
 37.28 otherwise provided by law.

37.29 Subd. 2. **Access to information and property; subpoenas.** (a) In order to carry out  
 37.30 the purposes of the applicable law, the commissioner may:

37.31 (1) administer oaths and affirmations, certify official acts, interview, question, take  
 37.32 oral or written statements, and take depositions;

37.33 (2) request, examine, take possession of, test, sample, measure, photograph, record,  
 37.34 and copy any documents, apparatus, devices, equipment, or materials;

38.1 (3) at a time and place indicated by the commissioner, request persons to appear  
38.2 before the commissioner to give testimony and produce documents, apparatus, devices,  
38.3 equipment, or materials;

38.4 (4) issue subpoenas to compel persons to appear before the commissioner to give  
38.5 testimony and produce documents, apparatus, devices, equipment, or materials; and

38.6 (5) with or without notice, enter without delay upon any property, public or private,  
38.7 for the purpose of taking any action authorized under this subdivision or the applicable  
38.8 law, including obtaining information, remedying violations, or conducting surveys,  
38.9 inspections, or investigations.

38.10 (b) Persons requested by the commissioner to give testimony or produce documents,  
38.11 apparatus, devices, equipment, or materials shall respond within the time and in the manner  
38.12 specified by the commissioner. If no time to respond is specified in the request, then a  
38.13 response shall be submitted within 30 days of the commissioner's service of the request.

38.14 (c) Upon the refusal or anticipated refusal of a property owner, lessee, property  
38.15 owner's representative, or lessee's representative to permit the commissioner's entry onto  
38.16 property as provided in paragraph (a), the commissioner may apply for an administrative  
38.17 inspection order in the Ramsey County District Court or, at the commissioner's discretion,  
38.18 in the district court in the county in which the property is located. The commissioner may  
38.19 anticipate that a property owner or lessee will refuse entry if the property owner, lessee,  
38.20 property owner's representative, or lessee's representative has refused to permit entry on a  
38.21 prior occasion or has informed the commissioner that entry will be refused. Upon showing  
38.22 of administrative probable cause by the commissioner, the district court shall issue an  
38.23 administrative inspection order that compels the property owner or lessee to permit the  
38.24 commissioner to enter the property for the purposes specified in paragraph (a).

38.25 (d) Upon the application of the commissioner, a district court shall treat the failure of  
38.26 any person to obey a subpoena lawfully issued by the commissioner under this subdivision  
38.27 as a contempt of court.

38.28 Subd. 3. **Service.** Unless otherwise specified, service of a document on a person  
38.29 under this section or section 326B.083 may be by mail, by personal service, or in  
38.30 accordance with any consent to service filed with the commissioner. Service by mail shall  
38.31 be accomplished in the manner provided in Minnesota Rules, part 1400.5550, subpart  
38.32 2. Personal service shall be accomplished in the manner provided in Minnesota Rules,  
38.33 part 1400.5550, subpart 3.

38.34 Subd. 4. **Fax transmission.** When this section or section 326B.083 permits a  
38.35 request for reconsideration or request for hearing to be served by fax on the commissioner,  
38.36 the fax shall not exceed 15 pages in length. The request shall be considered timely

39.1 served if the fax is received by the commissioner, at the fax number identified by the  
39.2 commissioner in the order or notice of violation, no later than 4:30 p.m. central time on  
39.3 the last day permitted for faxing the request. Where the quality or authenticity of the faxed  
39.4 request is at issue, the commissioner may require the original request to be filed. Where  
39.5 the commissioner has not identified quality or authenticity of the faxed request as an issue  
39.6 and the request has been faxed in accordance with this subdivision, the person faxing the  
39.7 request does not need to file the original request with the commissioner.

39.8 Subd. 5. **Time computation.** In computing any period of time prescribed or allowed  
39.9 by this section, the day of the act, event, or default from which the designated period of  
39.10 time begins to run shall not be included. The last day of the period so computed shall be  
39.11 included, unless it is a Saturday, Sunday, or legal holiday, in which event the period runs  
39.12 until the next day which is not a Saturday, Sunday, or legal holiday.

39.13 Subd. 6. **Notices of violation.** (a) The commissioner may issue a notice of violation  
39.14 to any person who the commissioner determines has committed a violation of the  
39.15 applicable law. The notice of violation must state a summary of the facts that constitute  
39.16 the violation and the applicable law violated. The notice of violation may require the  
39.17 person to correct the violation. If correction is required, the notice of violation must state  
39.18 the deadline by which the violation must be corrected.

39.19 (b) The commissioner shall issue the notice of violation by:

39.20 (1) serving the notice of violation on the property owner or on the person who  
39.21 committed the violation; or

39.22 (2) posting the notice of violation at the location where the violation occurred.

39.23 (c) If the person to whom the commissioner has issued the notice of violation  
39.24 believes the notice was issued in error, then the person may request reconsideration of the  
39.25 parts of the notice that the person believes are in error. The request for reconsideration  
39.26 must be in writing and must be served on or faxed to the commissioner at the address or  
39.27 fax number specified in the notice of violation by the tenth day after the commissioner  
39.28 issued the notice of violation. The date on which a request for reconsideration is served by  
39.29 mail shall be the postmark date on the envelope in which the request for reconsideration is  
39.30 mailed. If the person does not serve or fax a written request for reconsideration or if the  
39.31 person's written request for reconsideration is not served on or faxed to the commissioner  
39.32 by the tenth day after the commissioner issued the notice of violation, the notice of  
39.33 violation shall become a final order of the commissioner and will not be subject to review  
39.34 by any court or agency. The request for reconsideration must:

39.35 (1) specify which parts of the notice of violation the person believes are in error;

39.36 (2) explain why the person believes the parts are in error; and

40.1 (3) provide documentation to support the request for reconsideration.

40.2 The commissioner shall respond in writing to requests for reconsideration  
40.3 made under this paragraph within 15 days after receiving the request. A request for  
40.4 reconsideration does not stay a requirement to correct a violation as set forth in the notice  
40.5 of violation. After reviewing the request for reconsideration, the commissioner may  
40.6 affirm, modify, or rescind the notice of violation. The commissioner's response to a  
40.7 request for reconsideration is final and shall not be reviewed by any court or agency.

40.8 Subd. 7. **Administrative orders; correction; assessment of monetary**  
40.9 **penalties.** (a) The commissioner may issue an administrative order to any person who  
40.10 the commissioner determines has committed a violation of the applicable law. The  
40.11 commissioner shall issue the administrative order by serving the administrative order on  
40.12 the person. The administrative order may require the person to correct the violation,  
40.13 may require the person to cease and desist from committing the violation, and may  
40.14 assess monetary penalties. The commissioner shall follow the procedures in section  
40.15 326B.083 when issuing administrative orders. Except as provided in paragraph (b), the  
40.16 commissioner may issue to each person a monetary penalty of up to \$10,000 for each  
40.17 violation of applicable law committed by the person. The commissioner may order that  
40.18 part or all of the monetary penalty will be forgiven if the person to whom the order is  
40.19 issued demonstrates to the commissioner by the 31st day after the order is issued that  
40.20 the person has corrected the violation or has developed a correction plan acceptable to  
40.21 the commissioner.

40.22 (b) The commissioner may issue an administrative order for failure to correct a  
40.23 violation by the deadline stated in a final administrative order issued under paragraph (a).  
40.24 Each day after the deadline during which the violation remains uncorrected is a separate  
40.25 violation for purposes of calculating the maximum monetary penalty amount.

40.26 (c) Upon the application of the commissioner, a district court shall find the failure of  
40.27 any person to correct a violation as required by a final administrative order issued by the  
40.28 commissioner under this subdivision as a contempt of court.

40.29 Subd. 8. **Hearings related to administrative orders.** (a) Within 30 days after the  
40.30 commissioner issues an administrative order or within 20 days after the commissioner  
40.31 issues the notice under section 326B.083, subdivision 3, paragraph (b), clause (3), the  
40.32 person to whom the administrative order or notice is issued may request an expedited  
40.33 hearing to review the commissioner's order or notice. The request for hearing must be  
40.34 in writing and must be served on or faxed to the commissioner at the address or fax  
40.35 number specified in the order or notice. If the person does not request a hearing or if the  
40.36 person's written request for hearing is not served on or faxed to the commissioner by the

41.1 30th day after the commissioner issues the administrative order or the 20th day after the  
41.2 commissioner issues the notice under section 326B.083, subdivision 3, paragraph (b),  
41.3 clause (3), the order will become a final order of the commissioner and will not be subject  
41.4 to review by any court or agency. The date on which a request for hearing is served by  
41.5 mail shall be the postmark date on the envelope in which the request for hearing is mailed.  
41.6 The hearing request must specifically state the reasons for seeking review of the order or  
41.7 notice. The person to whom the order or notice is issued and the commissioner are the  
41.8 parties to the expedited hearing. The commissioner must notify the person to whom the  
41.9 order or notice is issued of the time and place of the hearing at least 15 days before the  
41.10 hearing. The expedited hearing must be held within 45 days after a request for hearing has  
41.11 been served on the commissioner unless the parties agree to a later date.

41.12 (b) All written arguments must be submitted within ten days following the close of  
41.13 the hearing. The hearing shall be conducted under Minnesota Rules, parts 1400.8510 to  
41.14 1400.8612, as modified by this subdivision. The Office of Administrative Hearings may, in  
41.15 consultation with the agency, adopt rules specifically applicable to cases under this section.

41.16 (c) The administrative law judge shall issue a report making findings of fact,  
41.17 conclusions of law, and a recommended order to the commissioner within 30 days  
41.18 following the close of the record.

41.19 (d) If the administrative law judge makes a finding that the hearing was requested  
41.20 solely for purposes of delay or that the hearing request was frivolous, the commissioner  
41.21 may add to the amount of the penalty the costs charged to the department by the Office of  
41.22 Administrative Hearings for the hearing.

41.23 (e) If a hearing has been held, the commissioner shall not issue a final order until  
41.24 at least five days after the date of the administrative law judge's report. Any person  
41.25 aggrieved by the administrative law judge's report may, within those five days, serve  
41.26 written comments to the commissioner on the report and the commissioner shall consider  
41.27 the comments. The commissioner's final order may be appealed in the manner provided in  
41.28 sections 14.63 to 14.69.

41.29 Subd. 9. **Injunctive relief.** In addition to any other remedy provided by law, the  
41.30 commissioner may bring an action for injunctive relief in the Ramsey County District  
41.31 Court or, at the commissioner's discretion, in the district court in the county in which the  
41.32 commissioner has determined a violation of the applicable law has occurred or is about to  
41.33 occur to enjoin the violation. A temporary restraining order and other injunctive relief  
41.34 shall be granted by the district court if the court determines that a person has engaged in or  
41.35 is about to engage in an act, conduct, or practice constituting a violation of the applicable  
41.36 law. The commissioner shall not be required to show irreparable harm.

42.1 Subd. 10. Stop orders. (a) If the commissioner determines based on an inspection  
42.2 or investigation that a person has violated or is about to violate the applicable law, the  
42.3 commissioner may issue to the person a stop order requiring the person to cease and desist  
42.4 from committing the violation.

42.5 (b) If the commissioner determines that a condition exists on real property that  
42.6 violates the applicable law, the commissioner may issue a stop order to the owner or  
42.7 lessee of the real property to cease and desist from committing the violation and to correct  
42.8 the condition that is in violation.

42.9 (c) The commissioner shall issue the stop work order by:

42.10 (1) serving the order on the person who has committed or is about to commit the  
42.11 violation;

42.12 (2) posting the order at the location where the violation was committed or is about to  
42.13 be committed or at the location where the violating condition exists; or

42.14 (3) serving the order on any owner or lessee of the real property where the violating  
42.15 condition exists.

42.16 (d) A stop order shall:

42.17 (1) describe the act, conduct, or practice committed or about to be committed, or the  
42.18 condition, and include a reference to the applicable law that the act, conduct, practice, or  
42.19 condition violates or would violate; and

42.20 (2) provide notice that any person aggrieved by the stop order may request a hearing  
42.21 as provided in paragraph (e).

42.22 (e) Within 30 days after the commissioner issues a stop order, any person aggrieved  
42.23 by the order may request an expedited hearing to review the commissioner's action.

42.24 The request for hearing must be made in writing and must be served on or faxed to the  
42.25 commissioner at the address or fax number specified in the order. If the person does not  
42.26 request a hearing or if the person's written request for hearing is not served on or faxed to  
42.27 the commissioner on or before the 30th day after the commissioner issued the stop order,  
42.28 the order will become a final order of the commissioner and will not be subject to review  
42.29 by any court or agency. The date on which a request for hearing is served by mail is the  
42.30 postmark date on the envelope in which the request for hearing is mailed. The hearing  
42.31 request must specifically state the reasons for seeking review of the order. The person who  
42.32 requested the hearing and the commissioner are the parties to the expedited hearing. The  
42.33 hearing shall be commenced within ten days after the commissioner receives the request  
42.34 for hearing. The hearing shall be conducted under Minnesota Rules, parts 1400.8510 to  
42.35 1400.8612, as modified by this subdivision. The administrative law judge shall issue a  
42.36 report containing findings of fact, conclusions of law, and a recommended order within

43.1 ten days after the conclusion of the hearing. Any party aggrieved by the administrative  
43.2 law judge's report shall have five days after the date of the administrative law judge's  
43.3 report to submit exceptions and argument to the commissioner. Within 15 days after  
43.4 receiving the administrative law judge's report, the commissioner shall issue an order  
43.5 vacating, modifying, or making permanent the stop order. The commissioner and the  
43.6 person requesting the hearing may by agreement lengthen any time periods described in  
43.7 this paragraph. The Office of Administrative Hearings may, in consultation with the  
43.8 agency, adopt rules specifically applicable to cases under this subdivision.

43.9 (f) A stop order issued under this subdivision shall be in effect until it is modified or  
43.10 vacated by the commissioner or an appellate court. The administrative hearing provided  
43.11 by this subdivision and any appellate judicial review as provided in chapter 14 shall  
43.12 constitute the exclusive remedy for any person aggrieved by a stop order.

43.13 (g) Upon the application of the commissioner, a district court shall find the failure of  
43.14 any person to comply with a final stop order lawfully issued by the commissioner under  
43.15 this subdivision as a contempt of court.

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

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

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

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

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

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

43.33 (5) violated a final administrative order issued under subdivision 7 or a final stop  
43.34 order issued under subdivision 10, or injunctive relief issued under subdivision 9;

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

44.4 (7) retaliated in any manner against any employee or person who is questioned by,  
44.5 cooperates with, or provides information to the commissioner or an employee or agent  
44.6 authorized by the commissioner who seeks access to property or things under subdivision  
44.7 2;

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

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

44.12 (c) If the commissioner revokes a person's permit, license, registration, or certificate  
44.13 under paragraph (b), the person is prohibited from reapplying for the same type of permit,  
44.14 license, registration, or certificate for at least two years after the effective date of the  
44.15 revocation. The commissioner may, as a condition of reapplication, require the person to  
44.16 obtain a bond or comply with additional reasonable conditions the commissioner considers  
44.17 necessary to protect the public.

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

44.23 **Subd. 12. Issuance of licensing orders; hearings related to licensing orders.**

44.24 (a) If the commissioner determines that a permit, license, registration, or certificate  
44.25 should be conditioned, limited, suspended, revoked, or denied under subdivision 11,  
44.26 or that the permit holder, licensee, registrant, or certificate holder should be censured  
44.27 under subdivision 11, then the commissioner shall issue to the person an order denying,  
44.28 conditioning, limiting, suspending, or revoking the person's permit, license, registration,  
44.29 or certificate, or censuring the permit holder, licensee, registrant, or certificate holder.

44.30 (b) Any order issued under paragraph (a) may include an assessment of monetary  
44.31 penalties and may require the person to cease and desist from committing the violation  
44.32 or committing the act, conduct, or practice set out in subdivision 11, paragraph (b). The  
44.33 monetary penalty may be up to \$10,000 for each violation or act, conduct, or practice  
44.34 committed by the person. The procedures in section 326B.083 must be followed when  
44.35 issuing orders under paragraph (a).

45.1 (c) The permit holder, licensee, registrant, certificate holder, or applicant to whom  
45.2 the commissioner issues an order under paragraph (a) shall have 30 days after service of  
45.3 the order to request a hearing. The request for hearing must be in writing and must be  
45.4 served on or faxed to the commissioner at the address or fax number specified in the order  
45.5 by the 30th day after service of the order. If the person does not request a hearing or if  
45.6 the person's written request for hearing is not served on or faxed to the commissioner  
45.7 by the 30th day after service of the order, the order shall become a final order of the  
45.8 commissioner and will not be subject to review by any court or agency. The date on which  
45.9 a request for hearing is served by mail shall be the postmark date on the envelope in which  
45.10 the request for hearing is mailed. If the person submits to the commissioner a timely  
45.11 request for hearing, a contested case hearing shall be held in accordance with chapter 14.

45.12 (d) Paragraph (c) does not apply to summary suspension under subdivision 13.

45.13 Subd. 13. **Summary suspension.** In any case where the commissioner has  
45.14 issued an order to revoke or suspend a license, registration, certificate, or permit under  
45.15 subdivision 12, the commissioner may summarily suspend the person's permit, license,  
45.16 registration, or certificate before the order becomes final. The commissioner shall issue a  
45.17 summary suspension order when the safety of life or property is threatened or to prevent  
45.18 the commission of fraudulent, deceptive, untrustworthy, or dishonest acts against the  
45.19 public. The summary suspension shall not affect the deadline for submitting a request  
45.20 for hearing under subdivision 12. If the commissioner summarily suspends a person's  
45.21 permit, license, registration, or certificate, a timely request for hearing submitted under  
45.22 subdivision 12 shall also be considered a timely request for hearing on continuation of  
45.23 the summary suspension. If the commissioner summarily suspends a person's permit,  
45.24 license, registration, or certificate under this subdivision and the person submits a timely  
45.25 request for a hearing, then a hearing on continuation of the summary suspension must be  
45.26 held within ten days after the commissioner receives the request for hearing unless the  
45.27 parties agree to a later date.

45.28 Subd. 14. **Plan for assessing penalties.** The commissioner may prepare a plan for  
45.29 assessing penalties in orders issued under subdivision 7 or 12. The commissioner shall  
45.30 provide a 30-day period for public comment on any such plan. Penalties assessed by the  
45.31 commissioner in accordance with the plan shall be presumed reasonable.

45.32 Subd. 15. **Effect on other laws.** Nothing in this section shall be construed to limit  
45.33 the application of other state or federal laws, including specifically but not exclusively  
45.34 section 270C.72, that require suspension of, revocation of, denial of, or refusal to renew a  
45.35 permit, license, registration, or certificate issued by the commissioner.

46.1 Subd. 16. **Misdemeanor penalties.** Except as otherwise provided by law, a person  
 46.2 who violates an applicable law is guilty of a misdemeanor.

46.3 Subd. 17. **Revocation and suspension of license.** If a person fails to pay a penalty  
 46.4 owed under this section or section 326B.083, the commissioner may revoke, suspend, or  
 46.5 deny any or all licenses, permits, certificates, and registrations issued by the department.

46.6 Sec. 3. **[326B.083] AMOUNT OF PENALTY; CONTENTS OF**  
 46.7 **ADMINISTRATIVE AND LICENSING ORDERS.**

46.8 Subdivision 1. **Amount of penalty; considerations.** In determining the amount of  
 46.9 a penalty assessed under section 326B.082, subdivision 7 or 12, the commissioner shall  
 46.10 consider the factors described in section 14.045, subdivision 3.

46.11 Subd. 2. **Contents of administrative order and licensing order.** (a) An  
 46.12 administrative order and a licensing order must include:

46.13 (1) a summary of the facts that constitute the violation or violations;

46.14 (2) a reference to the applicable law that has been violated; and

46.15 (3) a statement of the person's right to request a hearing.

46.16 (b) An administrative order may include a requirement that the violation be  
 46.17 corrected. If the order includes a requirement that the violation be corrected, then the  
 46.18 order must include, in addition to any statements required under paragraphs (a) and (c),  
 46.19 the deadline by which the violation must be corrected.

46.20 (c) An administrative order or a licensing order may assess monetary penalties. If  
 46.21 the order assesses monetary penalties, then the order must include, in addition to any  
 46.22 statements required under paragraphs (a) and (b):

46.23 (1) a statement of the amount of the monetary penalty imposed;

46.24 (2) a statement that, when the order becomes final, the commissioner may file and  
 46.25 enforce the unpaid portion of a penalty as a judgment in district court without further  
 46.26 notice or additional proceedings; and

46.27 (3) if the order is an administrative order, a statement of the amount of the penalty,  
 46.28 if any, that will be forgiven if the person who is subject to the order demonstrates to the  
 46.29 commissioner by the 31st day after the order is served that the person has corrected the  
 46.30 violation or has developed a correction plan acceptable to the commissioner.

46.31 Subd. 3. **Penalty.** (a) If an administrative order includes a penalty assessment, then  
 46.32 the penalty is due and payable on the date the administrative order becomes final unless  
 46.33 some or all of the penalty is forgivable. If a licensing order includes a penalty assessment,  
 46.34 then the penalty is due and payable on the date the licensing order becomes final.

47.1 (b) This paragraph applies if an administrative order includes a penalty assessment  
 47.2 and all or a portion of the penalty is forgivable.

47.3 (1) If any portion of the penalty is not forgivable, that portion of the penalty is due  
 47.4 and payable ten days after the date the administrative order becomes final.

47.5 (2) The commissioner shall forgive the forgivable portion of the penalty if the  
 47.6 commissioner determines that the violation has been corrected within the time set by  
 47.7 the order or the person to whom the order was issued has developed a correction plan  
 47.8 acceptable to the commissioner within the time set by the order.

47.9 (3) If the commissioner determines that the person to whom the order was issued  
 47.10 has failed to correct the violation within the time set by the order or has failed to develop  
 47.11 a correction plan acceptable to the commissioner within the time set by the order, then  
 47.12 the forgivable portion of the penalty is due and payable ten days after the commissioner  
 47.13 serves notice of the determination on the person or on the date the administrative order  
 47.14 becomes final, whichever is later.

47.15 (c) This paragraph applies if an administrative order or a licensing order includes a  
 47.16 penalty assessment and if the person subject to the order has requested a hearing. The  
 47.17 administrative law judge may not recommend a change in the amount of the penalty if  
 47.18 the penalty was assessed in accordance with a plan prepared under section 326B.082,  
 47.19 subdivision 14. If the commissioner has not prepared a plan under section 326B.082,  
 47.20 subdivision 14, then the administrative law judge may not recommend a change in the  
 47.21 amount of the penalty unless the administrative law judge determines that, based on the  
 47.22 factors in section 14.045, subdivision 3, the amount of the penalty is unreasonable.

47.23 (d) The assessment of a penalty does not preclude the use of other enforcement  
 47.24 provisions, under which penalties are not assessed, in connection with the violation for  
 47.25 which the penalty was assessed.

47.26 **Sec. 4. [326B.084] FALSE INFORMATION.**

47.27 A person subject to any of the requirements in the applicable law may not make a  
 47.28 false material statement, representation, or certification in; omit material information  
 47.29 from; or alter, conceal, or fail to file or maintain a notice, application, record, report, plan,  
 47.30 or other document required under the applicable law.

47.31 **Sec. 5. [326B.085] RECOVERY OF LITIGATION COSTS AND EXPENSES.**

47.32 In any action brought by the commissioner for enforcement of an order issued  
 47.33 under section 326B.082 for injunctive relief, or to compel performance pursuant to the  
 47.34 applicable law, if the state finally prevails, the state, in addition to other penalties provided

48.1 by law, may be allowed an amount determined by the court to be the reasonable value of  
 48.2 all or part of the litigation expenses incurred by the state. In determining the amount of  
 48.3 the litigation expenses to be allowed, the court shall give consideration to the economic  
 48.4 circumstances of the defendant.

48.5 Sec. 6. **REVISOR'S INSTRUCTION.**

48.6 The revisor of statutes shall renumber Minnesota Statutes, section 299F.011,  
 48.7 subdivision 1, as Minnesota Statutes, section 326B.02, subdivision 5.

48.8 **ARTICLE 5**  
 48.9 **BUILDING CODE**

48.10 Section 1. Minnesota Statutes 2006, section 16B.04, subdivision 2, is amended to read:

48.11 Subd. 2. **Powers and duties, general.** Subject to other provisions of this chapter,  
 48.12 the commissioner is authorized to:

48.13 (1) supervise, control, review, and approve all state contracts and purchasing;

48.14 (2) provide agencies with supplies and equipment and operate all central store or  
 48.15 supply rooms serving more than one agency;

48.16 (3) investigate and study the management and organization of agencies, and  
 48.17 reorganize them when necessary to ensure their effective and efficient operation;

48.18 (4) manage and control state property, real and personal;

48.19 (5) maintain and operate all state buildings, as described in section 16B.24,  
 48.20 subdivision 1;

48.21 (6) supervise, control, review, and approve all capital improvements to state  
 48.22 buildings and the capitol building and grounds;

48.23 (7) provide central duplicating, printing, and mail facilities;

48.24 (8) oversee publication of official documents and provide for their sale;

48.25 (9) manage and operate parking facilities for state employees and a central motor  
 48.26 pool for travel on state business; and

48.27 ~~(10) establish and administer a State Building Code; and~~

48.28 ~~(10)~~ (10) provide rental space within the capitol complex for a private day care  
 48.29 center for children of state employees. The commissioner shall contract for services as  
 48.30 provided in this chapter. The commissioner shall report back to the legislature by October  
 48.31 1, 1984, with the recommendation to implement the private day care operation.

48.32 Sec. 2. Minnesota Statutes 2006, section 16B.60, subdivision 4, is amended to read:

49.1 Subd. 4. **Code.** "Code" means the State Building Code adopted by the commissioner  
49.2 of labor and industry in accordance with sections 16B.59 to 16B.75.

49.3 Sec. 3. Minnesota Statutes 2006, section 16B.60, subdivision 7, is amended to read:

49.4 Subd. 7. ~~**Physically disabled Person with a disability.** "Physically disabled" means~~  
49.5 ~~having sight disabilities, hearing disabilities, disabilities of incoordination, disabilities~~  
49.6 ~~of aging, or other disabilities that significantly reduce mobility, flexibility, coordination,~~  
49.7 ~~or perceptiveness.~~ "Person with a disability" or "persons with disabilities" includes  
49.8 people who have a vision disability, a hearing disability, a disability of coordination, a  
49.9 disability of aging, or any other disability that significantly reduces mobility, flexibility,  
49.10 coordination, or perceptiveness.

49.11 Sec. 4. Minnesota Statutes 2006, section 16B.60, subdivision 8, is amended to read:

49.12 Subd. 8. **Remodeling.** "Remodeling" means deliberate reconstruction of an existing  
49.13 public building in whole or in part in order to bring it ~~up to date in~~ into conformity with  
49.14 present uses of the structure and to which other rules on the upgrading of health and  
49.15 safety provisions are applicable.

49.16 Sec. 5. Minnesota Statutes 2006, section 16B.60, subdivision 11, is amended to read:

49.17 Subd. 11. **State licensed facilities facility.** "State licensed ~~facilities~~ facility" means  
49.18 a building and its grounds that are licensed by the state as a hospital, nursing home,  
49.19 supervised living facility, free-standing outpatient surgical center, ~~or~~ correctional facility,  
49.20 boarding care home, or residential hospice.

49.21 Sec. 6. Minnesota Statutes 2006, section 16B.61, is amended to read:

49.22 **16B.61 GENERAL POWERS OF COMMISSIONER OF LABOR AND**  
49.23 **INDUSTRY.**

49.24 Subdivision 1. **Adoption of code.** Subject to sections 16B.59 to 16B.75,  
49.25 the commissioner shall by rule establish a code of standards for the construction,  
49.26 reconstruction, alteration, and repair of buildings, governing matters of structural  
49.27 materials, design and construction, fire protection, health, sanitation, and safety, including  
49.28 design and construction standards regarding heat loss control, illumination, and climate  
49.29 control. The code must also include duties and responsibilities for code administration,  
49.30 including procedures for administrative action, penalties, and suspension and revocation  
49.31 of certification. The code must conform insofar as practicable to model building codes  
49.32 generally accepted and in use throughout the United States, including a code for

50.1 building conservation. In the preparation of the code, consideration must be given to  
50.2 the existing statewide specialty codes presently in use in the state. Model codes with  
50.3 necessary modifications and statewide specialty codes may be adopted by reference.  
50.4 The code must be based on the application of scientific principles, approved tests, and  
50.5 professional judgment. To the extent possible, the code must be adopted in terms of  
50.6 desired results instead of the means of achieving those results, avoiding wherever possible  
50.7 the incorporation of specifications of particular methods or materials. To that end the  
50.8 code must encourage the use of new methods and new materials. Except as otherwise  
50.9 provided in sections 16B.59 to 16B.75, the commissioner shall administer and enforce  
50.10 the provisions of those sections.

50.11 The commissioner shall develop rules addressing the plan review fee assessed  
50.12 to similar buildings without significant modifications including provisions for use of  
50.13 building systems as specified in the industrial/modular program specified in section  
50.14 16B.75. Additional plan review fees associated with similar plans must be based on costs  
50.15 commensurate with the direct and indirect costs of the service.

50.16 Subd. 1a. **Administration by commissioner.** The commissioner shall administer  
50.17 and enforce the State Building Code as a municipality with respect to public buildings and  
50.18 state licensed facilities in the state. The commissioner shall establish appropriate permit,  
50.19 plan review, ~~and inspection fees, and surcharges~~ for public buildings and state licensed  
50.20 facilities. ~~Fees and surcharges for public buildings and state licensed facilities must be~~  
50.21 ~~remitted to the commissioner, who shall deposit them in the state treasury for credit to~~  
50.22 ~~the special revenue fund.~~

50.23 Municipalities other than the state having an agreement with the commissioner  
50.24 for code administration and enforcement service for public buildings and state licensed  
50.25 facilities shall charge their customary fees, including surcharge, to be paid directly to the  
50.26 jurisdiction by the applicant seeking authorization to construct a public building or a state  
50.27 licensed facility. The commissioner shall sign an agreement with a municipality other than  
50.28 the state for plan review, code administration, and code enforcement service for public  
50.29 buildings and state licensed facilities in the jurisdiction if the building officials of the  
50.30 municipality meet the requirements of section 16B.65 and wish to provide those services  
50.31 and if the commissioner determines that the municipality has enough adequately trained  
50.32 and qualified building inspectors to provide those services for the construction project.

50.33 The commissioner may direct the state building official to assist a community that  
50.34 has been affected by a natural disaster with building evaluation and other activities related  
50.35 to building codes.

51.1 Administration and enforcement in a municipality under this section must apply  
 51.2 any optional provisions of the State Building Code adopted by the municipality. A  
 51.3 municipality adopting any optional code provision shall notify the state building official  
 51.4 within 30 days of its adoption.

51.5 The commissioner shall administer and enforce the provisions of the code relating to  
 51.6 elevators statewide, except as provided for under section 16B.747, subdivision 3.

51.7 Subd. 2. **Enforcement by certain bodies.** Under the direction and supervision of  
 51.8 the commissioner, the provisions of the code relating to electrical installations ~~shall be~~  
 51.9 ~~enforced by the State Board of Electricity, pursuant to the Minnesota Electrical Act,~~  
 51.10 ~~the provisions relating to,~~ plumbing ~~shall be enforced by the commissioner of health,~~  
 51.11 ~~the provisions relating to,~~ boilers, high pressure steam piping and appurtenances, and  
 51.12 ammonia refrigeration piping, ~~and bioprocess piping~~ shall be enforced by the Department  
 51.13 of Labor and Industry. Fees for inspections conducted by the ~~State Board of Electricity~~  
 51.14 commissioner shall be paid in accordance with the rules of the ~~State Board of Electricity~~  
 51.15 department. Under direction of the commissioner of public safety, the state fire marshal  
 51.16 shall enforce the State Fire Code as provided in chapter 299F. The commissioner, ~~in~~  
 51.17 ~~consultation with the commissioner of labor and industry,~~ shall adopt amendments to the  
 51.18 mechanical code portion of the State Building Code to implement standards for process  
 51.19 piping.

51.20 Subd. 3. **Special requirements.** (a) **Space for commuter vans.** The code must  
 51.21 require that any parking ramp or other parking facility constructed in accordance with the  
 51.22 code include an appropriate number of spaces suitable for the parking of motor vehicles  
 51.23 having a capacity of seven to 16 persons and which are principally used to provide  
 51.24 prearranged commuter transportation of employees to or from their place of employment  
 51.25 or to or from a transit stop authorized by a local transit authority.

51.26 (b) **Smoke detection devices.** The code must require that all dwellings, lodging  
 51.27 houses, apartment houses, and hotels as defined in section 299F.362 comply with the  
 51.28 provisions of section 299F.362.

51.29 (c) **Doors in nursing homes and hospitals.** The State Building Code may not  
 51.30 require that each door entering a sleeping or patient's room from a corridor in a nursing  
 51.31 home or hospital with an approved complete standard automatic fire extinguishing system  
 51.32 be constructed or maintained as self-closing or automatically closing.

51.33 (d) **Child care facilities in churches; ground level exit.** A licensed day care center  
 51.34 serving fewer than 30 preschool age persons and which is located in a belowground space  
 51.35 in a church building is exempt from the State Building Code requirement for a ground  
 51.36 level exit when the center has more than two stairways to the ground level and its exit.

52.1 ~~(e) **Child care facilities in churches; vertical access.** Until August 1, 1996, an~~  
 52.2 ~~organization providing child care in an existing church building which is exempt from~~  
 52.3 ~~taxation under section 272.02, subdivision 6, shall have five years from the date of initial~~  
 52.4 ~~licensure under chapter 245A to provide interior vertical access, such as an elevator, to~~  
 52.5 ~~persons with disabilities as required by the State Building Code. To obtain the extension,~~  
 52.6 ~~the organization providing child care must secure a \$2,500 performance bond with the~~  
 52.7 ~~commissioner of human services to ensure that interior vertical access is achieved by the~~  
 52.8 ~~agreed upon date.~~

52.9 ~~(f)~~ (e) **Family and group family day care.** Until the legislature enacts legislation  
 52.10 specifying appropriate standards, the definition of ~~Group R-3 occupancies in dwellings~~  
 52.11 constructed in accordance with the International Residential Code as adopted as part of the  
 52.12 State Building Code applies to family and group family day care homes licensed by the  
 52.13 Department of Human Services under Minnesota Rules, chapter 9502.

52.14 ~~(g)~~ (f) **Enclosed stairways.** No provision of the code or any appendix chapter of  
 52.15 the code may require stairways of existing multiple dwelling buildings of two stories or  
 52.16 less to be enclosed.

52.17 ~~(h)~~ (g) **Double cylinder dead bolt locks.** No provision of the code or appendix  
 52.18 chapter of the code may prohibit double cylinder dead bolt locks in existing single-family  
 52.19 homes, townhouses, and first floor duplexes used exclusively as a residential dwelling.  
 52.20 Any recommendation or promotion of double cylinder dead bolt locks must include a  
 52.21 warning about their potential fire danger and procedures to minimize the danger.

52.22 ~~(i)~~ (h) **Relocated residential buildings.** A residential building relocated within  
 52.23 or into a political subdivision of the state need not comply with the State Energy Code  
 52.24 or section 326.371 provided that, where available, an energy audit is conducted on the  
 52.25 relocated building.

52.26 ~~(j)~~ (i) **Automatic garage door opening systems.** The code must require all  
 52.27 residential buildings as defined in section 325F.82 to comply with the provisions of  
 52.28 sections 325F.82 and 325F.83.

52.29 ~~(k)~~ (j) **Exit sign illumination.** For a new building on which construction is begun  
 52.30 on or after October 1, 1993, or an existing building on which remodeling affecting 50  
 52.31 percent or more of the enclosed space is begun on or after October 1, 1993, the code must  
 52.32 prohibit the use of internally illuminated exit signs whose electrical consumption during  
 52.33 nonemergency operation exceeds 20 watts of resistive power. All other requirements in  
 52.34 the code for exit signs must be complied with.

52.35 ~~(l)~~ (k) **Exterior wood decks, patios, and balconies.** The code must permit the  
 52.36 decking surface and upper portions of exterior wood decks, patios, and balconies to be

53.1 constructed of (1) heartwood from species of wood having natural resistance to decay or  
 53.2 termites, including redwood and cedars, (2) grades of lumber which contain sapwood from  
 53.3 species of wood having natural resistance to decay or termites, including redwood and  
 53.4 cedars, or (3) treated wood. The species and grades of wood products used to construct the  
 53.5 decking surface and upper portions of exterior decks, patios, and balconies must be made  
 53.6 available to the building official on request before final construction approval.

53.7 ~~(m)~~ (l) **Bioprocess piping and equipment.** No permit fee for bioprocess piping may  
 53.8 be imposed by municipalities under the State Building Code, except as required under  
 53.9 section 326.47, subdivision 1. Permits for bioprocess piping shall be according to section  
 53.10 326.47 administered by the Department of Labor and Industry. All data regarding the  
 53.11 material production processes, including the bioprocess system's structural design and  
 53.12 layout, are nonpublic data as provided by section 13.7911.

53.13 Subd. 3a. **Recycling space.** The code must require suitable space for the separation,  
 53.14 collection, and temporary storage of recyclable materials within or adjacent to new or  
 53.15 significantly remodeled structures that contain 1,000 square feet or more. Residential  
 53.16 structures with fewer than four dwelling units are exempt from this subdivision.

53.17 Subd. 4. **Review of plans for public buildings and state licensed facilities.**  
 53.18 Construction or remodeling may not begin on any public building or state licensed facility  
 53.19 until the plans and specifications have been approved by the commissioner or municipality  
 53.20 under contractual agreement pursuant to subdivision 1a. The plans and specifications must  
 53.21 be submitted for review, and within 30 days after receipt of the plans and specifications,  
 53.22 the commissioner or municipality under contractual agreement shall notify the submitting  
 53.23 authority of any corrections.

53.24 Subd. 5. **Accessibility.** (a) **Public buildings.** The code must provide for making  
 53.25 public buildings constructed or remodeled after July 1, 1963, accessible to and usable by  
 53.26 ~~physically disabled~~ persons with disabilities, although this does not require the remodeling  
 53.27 of public buildings solely to provide accessibility and usability to ~~the physically disabled~~  
 53.28 persons with disabilities when remodeling would not otherwise be undertaken.

53.29 (b) **Leased space.** No agency of the state may lease space for agency operations  
 53.30 in a non-state-owned building unless the building satisfies the requirements of the State  
 53.31 Building Code for accessibility by ~~the physically disabled~~ persons with disabilities, or  
 53.32 is eligible to display the state symbol of accessibility. This limitation applies to leases  
 53.33 of 30 days or more for space of at least 1,000 square feet.

53.34 (c) **Meetings or conferences.** Meetings or conferences for the public or for state  
 53.35 employees which are sponsored in whole or in part by a state agency must be held in  
 53.36 buildings that meet the State Building Code requirements relating to accessibility for

54.1 ~~physically disabled~~ persons with disabilities. This subdivision does not apply to any  
 54.2 classes, seminars, or training programs offered by the Minnesota State Colleges and  
 54.3 Universities or the University of Minnesota. Meetings or conferences intended for specific  
 54.4 individuals none of whom need the accessibility features for ~~disabled~~ persons with  
 54.5 disabilities specified in the State Building Code need not comply with this subdivision  
 54.6 unless a ~~disabled~~ person with a disability gives reasonable advance notice of an intent to  
 54.7 attend the meeting or conference. When sign language interpreters will be provided,  
 54.8 meetings or conference sites must be chosen which allow hearing impaired participants to  
 54.9 see their signing clearly.

54.10 (d) **Exemptions.** The commissioner may grant an exemption from the requirements  
 54.11 of paragraphs (b) and (c) in advance if an agency has demonstrated that reasonable  
 54.12 efforts were made to secure facilities which complied with those requirements and if the  
 54.13 selected facilities are the best available for access for ~~disabled~~ persons with disabilities.  
 54.14 Exemptions shall be granted using criteria developed by the commissioner in consultation  
 54.15 with the Council on Disability.

54.16 (e) **Symbol indicating access.** The wheelchair symbol adopted by Rehabilitation  
 54.17 International's Eleventh World Congress is the state symbol indicating buildings, facilities,  
 54.18 and grounds which are accessible to and usable by ~~disabled~~ persons with disabilities. In  
 54.19 the interests of uniformity, this symbol is the sole symbol for display in or on all public  
 54.20 or private buildings, facilities, and grounds which qualify for its use. The secretary of  
 54.21 state shall obtain the symbol and keep it on file. No building, facility, or grounds may  
 54.22 display the symbol unless it is in compliance with the rules adopted by the commissioner  
 54.23 under subdivision 1. Before any rules are proposed for adoption under this paragraph,  
 54.24 the commissioner shall consult with the Council on Disability. Rules adopted under this  
 54.25 paragraph must be enforced in the same way as other accessibility rules of the State  
 54.26 Building Code.

54.27 (f) **Municipal enforcement.** Municipalities which have not adopted the State  
 54.28 Building Code may enforce the building code requirements for ~~disabled~~ persons with  
 54.29 disabilities by either entering into a joint powers agreement for enforcement with another  
 54.30 municipality which has adopted the State Building Code; or contracting for enforcement  
 54.31 with an individual certified under section 16B.65, subdivision 3, to enforce the State  
 54.32 Building Code.

54.33 ~~(g) **Equipment allowed.** The code must allow the use of vertical wheelchair lifts  
 54.34 and inclined stairway wheelchair lifts in public buildings. An inclined stairway wheelchair  
 54.35 lift must be equipped with light or sound signaling device for use during operation of the  
 54.36 lift. The stairway or ramp shall be marked in a bright color that clearly indicates the~~

55.1 ~~outside edge of the lift when in operation. The code shall not require a guardrail between~~  
 55.2 ~~the lift and the stairway or ramp. Compliance with this provision by itself does not mean~~  
 55.3 ~~other disability accessibility requirements have been met.~~

55.4 Subd. 6. **Energy efficiency.** The code must provide for building new low-income  
 55.5 housing in accordance with energy efficiency standards adopted under subdivision 1.  
 55.6 For purposes of this subdivision, low-income housing means residential housing built  
 55.7 for low-income persons and families under a program of a housing and redevelopment  
 55.8 authority, the Minnesota Housing Finance Agency, or another entity receiving money  
 55.9 from the state to construct such housing.

55.10 Subd. 7. **Access for the hearing-impaired.** All rooms in the State Office Building  
 55.11 and in the Capitol that are used by the house of representatives or the senate for legislative  
 55.12 hearings, and the public galleries overlooking the house and senate chambers, must  
 55.13 be fitted with assistive listening devices for the hearing-impaired. Each hearing room  
 55.14 and the public galleries must have a sufficient number of receivers available so that  
 55.15 hearing-impaired members of the public may participate in the committee hearings and  
 55.16 public sessions of the house and senate.

55.17 Subd. 8. **Separate metering for electric service.** The standards concerning heat  
 55.18 loss, illumination, and climate control adopted pursuant to subdivision 1, shall require  
 55.19 that electrical service to individual dwelling units in buildings containing two or more  
 55.20 units be separately metered, with individual metering readily accessible to the individual  
 55.21 occupants. The standards authorized by this subdivision shall only apply to buildings  
 55.22 constructed after the effective date of the amended standards. Buildings intended for  
 55.23 occupancy primarily by persons who are 62 years of age or older or disabled, or which  
 55.24 contain a majority of units not equipped with complete kitchen facilities, shall be exempt  
 55.25 from the provisions of this subdivision.

55.26 Sec. 7. Minnesota Statutes 2006, section 16B.615, subdivision 4, is amended to read:

55.27 Subd. 4. **Rules.** The commissioner of administration shall adopt rules to implement  
 55.28 this section. The rules may provide for a greater ratio of women's to men's facilities  
 55.29 for certain types of occupancies than is required in subdivision 3, and may apply the  
 55.30 required ratios to categories of occupancies other than those defined as places of public  
 55.31 accommodation under subdivision 1.

55.32 Sec. 8. Minnesota Statutes 2006, section 16B.617, is amended to read:

55.33 **16B.617 ENERGY CODE RULES REMAIN IN EFFECT.**

56.1 (a) Notwithstanding Laws 1999, chapter 135, section 9, Minnesota Rules, chapter  
 56.2 7670, does not expire on April 15, 2000, but remains in effect for residential buildings not  
 56.3 covered by Minnesota Rules, chapter 7676. The provisions of Minnesota Rules, chapter  
 56.4 7670, that apply to category 1 buildings govern new, detached single one- and two-family  
 56.5 R-3 occupancy residential buildings. All new, detached single one- and two-family R-3  
 56.6 occupancy buildings subject to Minnesota Rules, chapter 7670, submitting an application  
 56.7 for a building permit after April 14, 2000, must meet the requirements for category 1  
 56.8 buildings, as set out in Minnesota Rules, chapter 7670.

56.9 (b) As an alternative to compliance with paragraph (a), compliance with Minnesota  
 56.10 Rules, chapters 7672 and 7674, is optional for a contractor or owner.

56.11 ~~(c) The Department of Administration, Building Codes and Standards Division~~  
 56.12 ~~(BCSD), shall issue a report to the legislature by December 1, 2001, addressing the cost~~  
 56.13 ~~benefit, as well as air quality, building durability, moisture, enforcement, enforceability,~~  
 56.14 ~~and liability regarding implementation of Minnesota Rules, chapters 7670, 7672, and~~  
 56.15 ~~7674. The report must include a feasibility study of establishing new criteria for category~~  
 56.16 ~~2 detached single one- and two-family R-3 occupancy buildings that are energy efficient,~~  
 56.17 ~~enforceable, and provide sufficient nonmechanical ventilation or permeability for a home~~  
 56.18 ~~to maintain good air quality, building durability, and adequate release of moisture.~~

56.19 ~~(d)~~ (c) This section expires when the commissioner of administration adopts a new  
 56.20 energy code in accordance with Laws 2002, chapter 317, section 4.

56.21 Sec. 9. Minnesota Statutes 2006, section 16B.6175, is amended to read:

56.22 **16B.6175 ENERGY CODE.**

56.23 Notwithstanding section 16B.617, the commissioner ~~of administration, in~~  
 56.24 ~~consultation with the Construction Codes Advisory Council,~~ shall explore and review the  
 56.25 availability and appropriateness of any model energy codes related to the construction of  
 56.26 single one- and two-family residential buildings. ~~In consultation with the council,~~ The  
 56.27 commissioner shall take steps to adopt the chosen code with all necessary and appropriate  
 56.28 amendments.

56.29 The commissioner may not adopt all or part of a model energy code relating to  
 56.30 the construction of residential buildings without research and analysis that addresses,  
 56.31 at a minimum, air quality, building durability, moisture, enforcement, enforceability  
 56.32 cost benefit, and liability. The research and analysis must be completed in cooperation  
 56.33 with practitioners in residential construction and building science ~~and an affirmative~~  
 56.34 ~~recommendation by the Construction Codes Advisory Council.~~

57.1 Sec. 10. Minnesota Statutes 2006, section 16B.63, is amended to read:

57.2 **16B.63 STATE BUILDING OFFICIAL.**

57.3 Subdivision 1. **Appointment.** The commissioner shall appoint a state building  
57.4 official who under the direction and supervision of the commissioner shall administer  
57.5 the code.

57.6 Subd. 2. **Qualifications.** To be eligible for appointment as state building official an  
57.7 individual must be competent in the field of administration and shall have the experience  
57.8 in building design, construction, and supervision which the commissioner considers  
57.9 necessary.

57.10 Subd. 3. **Powers and duties.** The state building official may, with the approval of  
57.11 the commissioner, employ personnel necessary to carry out the inspector's function under  
57.12 sections 16B.59 to 16B.75. The state building official shall distribute without charge  
57.13 ~~one copy~~ a printed or electronic version of the code to each municipality within the state.  
57.14 ~~Additional copies~~ A printed or electronic version of the code shall be made available  
57.15 to municipalities and interested parties for a fee prescribed by the commissioner. The  
57.16 state building official shall perform other duties in administering the code assigned by  
57.17 the commissioner.

57.18 Subd. 4. **Accessibility specialists.** The state building official shall, with the  
57.19 approval of the commissioner, assign three department employees to assist municipalities  
57.20 in complying with section 16B.61, subdivision 5.

57.21 Subd. 5. **Interpretative authority.** To achieve uniform and consistent application  
57.22 of the State Building Code, the state building official has final interpretative authority  
57.23 applicable to all codes adopted as part of the State Building Code ~~except for the~~  
57.24 ~~Plumbing Code and the Electrical Code when enforced by the State Board of Electricity.~~  
57.25 A final interpretative committee composed of seven members, consisting of three  
57.26 building officials, two inspectors from the affected field, and two construction industry  
57.27 representatives, shall review requests for final interpretations relating to that field. A  
57.28 request for final interpretation must come from a local or state level building code  
57.29 board of appeals. The state building official must establish procedures for membership  
57.30 of the interpretative committees. The appropriate committee shall review the request  
57.31 and make a recommendation to the state building official for the final interpretation  
57.32 within 30 days of the request. The state building official must issue an interpretation  
57.33 within ten business days from the recommendation from the review committee. A final  
57.34 interpretation may be appealed within 30 days of its issuance to the commissioner under  
57.35 section 16B.67. The final interpretation must be published within ten business days of its  
57.36 issuance and made available to the public. Municipal building officials shall administer all

58.1 final interpretations issued by the state building official until the final interpretations are  
58.2 considered for adoption as part of the State Building Code.

58.3 Sec. 11. Minnesota Statutes 2006, section 16B.65, is amended to read:

58.4 **16B.65 BUILDING OFFICIALS.**

58.5 Subdivision 1. **Designation.** ~~By January 1, 2002,~~ Each municipality shall designate  
58.6 a building official to administer the code. A municipality may designate no more than one  
58.7 building official responsible for code administration defined by each certification category  
58.8 established in rule. Two or more municipalities may combine in the designation of a  
58.9 building official for the purpose of administering the provisions of the code within their  
58.10 communities. In those municipalities for which no building officials have been designated,  
58.11 the state building official may use whichever state employees are necessary to perform  
58.12 the duties of the building official until the municipality makes a temporary or permanent  
58.13 designation. All costs incurred by virtue of these services rendered by state employees  
58.14 must be borne by the involved municipality and receipts arising from these services must  
58.15 be paid ~~into the state treasury and credited to the special revenue fund~~ to the commissioner.

58.16 Subd. 2. **Qualifications.** A building official, to be eligible for designation, must  
58.17 be certified and have the experience in design, construction, and supervision which  
58.18 the commissioner deems necessary and must be generally informed on the quality and  
58.19 strength of building materials, accepted building construction requirements, and the nature  
58.20 of equipment and needs conducive to the safety, comfort, and convenience of building  
58.21 occupants. No person may be designated as a building official for a municipality unless  
58.22 the commissioner determines that the official is qualified as provided in subdivision 3.

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

58.25 (1) ~~prepare and conduct~~ develop and administer written and practical examinations  
58.26 to determine if a person is qualified pursuant to subdivision 2 to be a building official;

58.27 (2) accept documentation of successful completion of testing programs developed  
58.28 and administered by nationally recognized testing agencies, as proof of qualification  
58.29 pursuant to subdivision 2; or

58.30 (3) determine qualifications by ~~both clauses (1) and (2)~~ satisfactory completion of  
58.31 clause (2) and a mandatory training program developed or approved by the commissioner.

58.32 Upon a determination of qualification under clause (1), (2), or ~~both of them~~ (3),  
58.33 the commissioner shall issue a certificate to the building official stating that the official  
58.34 is certified. Each person applying for examination and certification pursuant to this  
58.35 section shall pay a nonrefundable fee of \$70. The commissioner or a designee may

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

59.5 ~~The Department of Employee Relations may, at the request of the commissioner,~~  
 59.6 ~~provide statewide testing services.~~

59.7 Subd. 4. **Duties.** Building officials shall, in the municipality for which they  
 59.8 are designated, be responsible for all aspects of code administration for which they  
 59.9 are certified, including the issuance of all building permits and the inspection of all  
 59.10 manufactured home installations. The commissioner may direct a municipality with  
 59.11 a building official to perform services for another municipality, and in that event the  
 59.12 municipality being served shall pay the municipality rendering the services the reasonable  
 59.13 costs of the services. The costs may be subject to approval by the commissioner.

59.14 Subd. 5. **Oversight committee.** (a) The commissioner shall establish a Code  
 59.15 Administration Oversight Committee ~~to evaluate, mediate, and~~ that will, at the  
 59.16 commissioner's request, recommend to the commissioner any administrative action,  
 59.17 penalty, suspension, or revocation with respect appropriate action pursuant to section  
 59.18 326B.82, in response to complaints filed with or information received or obtained by the  
 59.19 commissioner ~~alleging or indicating that~~ supports a finding that: (1) an individual has  
 59.20 engaged in, or is about to engage in, the unauthorized performance of official the duties  
 59.21 of a certified building official or the unauthorized use of the title certified building official;  
 59.22 title; or a violation of (2) a certified building official has violated a statute, rule, stipulation,  
 59.23 agreement, settlement, compliance agreement, cease and desist agreement, or order that  
 59.24 the commissioner has adopted, issued, or is empowered has the authority to enforce and  
 59.25 that is related to the duties of a certified building official.

59.26 (b) The committee consists shall consist of six members. One member shall be the  
 59.27 commissioner's designee and five members shall be certified building officials; who are  
 59.28 appointed by the commissioner. At least two of whom the appointed certified building  
 59.29 officials must be from nonmetropolitan counties. For the committee members must be  
 59.30 compensated according to who are not state officials or employees, their compensation  
 59.31 and removal from the oversight committee is governed by section 15.059, subdivision 3.  
 59.32 The commissioner's designee shall ~~act as an ex-officio member of the oversight committee~~  
 59.33 serve as the chair of the oversight committee and shall not vote. The terms of the appointed  
 59.34 members of the oversight committee shall be four years. The terms of three of the  
 59.35 appointed members shall be coterminous with the governor and the terms of the remaining  
 59.36 two appointed members shall end on the first Monday in January one year after the terms

60.1 of the other appointed members expire. An appointed member may be reappointed. The  
 60.2 committee is not subject to the expiration provisions of section 15.059, subdivision 5.

60.3 ~~(b)~~ (c) If the commissioner ~~has a reasonable basis to believe~~ determines that  
 60.4 ~~a person~~ an individual has engaged in ~~an act or practice constituting~~ the unauthorized  
 60.5 performance of ~~official~~ the duties; of a certified building official or the unauthorized use  
 60.6 of the ~~title~~ certified building official title, or that a violation of certified building official  
 60.7 has violated a statute, rule, stipulation, agreement, settlement, compliance agreement,  
 60.8 cease and desist agreement, or order that the commissioner has adopted, issued, or is  
 60.9 ~~empowered~~ authorized to enforce that is related to the duties of a certified building official,  
 60.10 the commissioner may ~~proceed with~~ take administrative actions ~~or penalties as described~~  
 60.11 ~~in subdivision 5a or suspension or revocation as described in subdivision 5b.~~ against the  
 60.12 individual pursuant to section 326B.082, subdivisions 7 and 11.

60.13 ~~Subd. 5a. **Administrative action and penalties.** The commissioner shall, by rule,~~  
 60.14 ~~establish a graduated schedule of administrative actions for violations of sections 16B.59~~  
 60.15 ~~to 16B.75 and rules adopted under those sections. The schedule must be based on and~~  
 60.16 ~~reflect the culpability, frequency, and severity of the violator's actions. The commissioner~~  
 60.17 ~~may impose a penalty from the schedule on a certification holder for a violation of sections~~  
 60.18 ~~16B.59 to 16B.75 and rules adopted under those sections. The penalty is in addition to~~  
 60.19 ~~any criminal penalty imposed for the same violation. Administrative monetary penalties~~  
 60.20 ~~imposed by the commissioner must be paid to the special revenue fund.~~

60.21 ~~Subd. 5b. **Suspension, revocation. Grounds.** Except as otherwise provided for by~~  
 60.22 ~~law, the commissioner may, upon notice and hearing, revoke or suspend or refuse to issue~~  
 60.23 ~~or reissue a building official certification if the applicant, building official, or certification~~  
 60.24 ~~holder:~~ In addition to the grounds set forth in section 326B.082, subdivision 11, the  
 60.25 commissioner may deny, suspend, limit, place conditions on, or revoke a certificate, or  
 60.26 may censure an applicant or individual holding a certificate, if the applicant or individual:

60.27 (1) violates a provision of sections 16B.59 to 16B.75 or a rule adopted under those  
 60.28 sections; or

60.29 (2) engages in fraud, deceit, or misrepresentation while performing the duties of a  
 60.30 certified building official;\_

60.31 ~~(3) makes a false statement in an application submitted to the commissioner or in a~~  
 60.32 ~~document required to be submitted to the commissioner; or~~

60.33 ~~(4) violates an order of the commissioner.~~

60.34 ~~Notice must be provided and the hearing conducted in accordance with the provisions~~  
 60.35 ~~of chapter 14 governing contested case proceedings. Nothing in this subdivision limits or~~

61.1 otherwise affects the authority of a municipality to dismiss or suspend a building official  
61.2 at its discretion, except as otherwise provided for by law.

61.3 Subd. 5c. **Action against unlicensed persons.** The commissioner may take any  
61.4 administrative action provided under section 326B.082, against an individual required  
61.5 to be certified under subdivision 3, based upon conduct that would provide grounds for  
61.6 action against a certificate holder under this section.

61.7 **Subd. 6. Vacancies.** In the event that a designated building official position is  
61.8 vacant within a municipality, that municipality shall designate a certified building official  
61.9 to fill the vacancy as soon as possible. The commissioner must be notified of any vacancy  
61.10 or designation in writing within 15 days. If the municipality fails to designate a certified  
61.11 building official within 15 days of the occurrence of the vacancy, the state building official  
61.12 may provide state employees to serve that function as provided in subdivision 1 until the  
61.13 municipality makes a temporary or permanent designation. Municipalities must not issue  
61.14 permits without a designated certified building official.

61.15 **Subd. 7. Continuing education.** Subject to sections 16B.59 to 16B.75, the  
61.16 commissioner may by rule establish or approve continuing education programs for  
61.17 ~~municipal certified~~ building officials dealing with matters of building code administration,  
61.18 inspection, and enforcement.

61.19 Each person certified as a building official for the state must satisfactorily complete  
61.20 applicable educational programs established or approved by the commissioner ~~every~~  
61.21 ~~three calendar years~~ to retain certification.

61.22 ~~Each person certified as a building official must submit in writing to the~~  
61.23 ~~commissioner an application for renewal of certification within 60 days of the last day of~~  
61.24 ~~the third calendar year following the last certificate issued. Each application for renewal~~  
61.25 ~~must be accompanied by proof of satisfactory completion of minimum continuing~~  
61.26 ~~education requirements and the certification renewal fee established by the commissioner.~~

61.27 **Subd. 8. Renewal.** (a) Subject to sections 16B.59 to 16B.76, the commissioner of  
61.28 labor and industry may by rule adopt standards dealing with renewal requirements.

61.29 (b) If the commissioner has not issued a notice of denial of application for a  
61.30 certificate holder and if the certificate holder has properly and timely filed a fully completed  
61.31 renewal application, then the certificate holder may continue to engage in building official  
61.32 activities whether or not the renewed certificate has been received. Applications must be  
61.33 made on a form approved by the commissioner. Each application for renewal must be  
61.34 fully completed, and be accompanied by proof of the satisfactory completion of minimum  
61.35 continuing education requirements and the certification renewal fee established by the  
61.36 commissioner. Applications are timely if received prior to the expiration of the most

62.1 recently issued certificate. An application for renewal that does not contain all of the  
 62.2 information requested is an incomplete application and will not be accepted.

62.3 Subd. 9. **Expiration.** All certificates expire at 11:59:59 p.m. central time on the  
 62.4 date of expiration if not properly renewed in accordance with subdivision 8, paragraph (b).

62.5 Subd. 10. **Failure to renew.** An individual who has failed to make a timely  
 62.6 application for renewal of a certificate is not certified and must not serve as the designated  
 62.7 building official for any municipality until a renewed certificate has been issued by the  
 62.8 commissioner.

62.9 **EFFECTIVE DATE.** This section is effective July 1, 2007.

62.10 Sec. 12. Minnesota Statutes 2006, section 16B.70, is amended to read:

62.11 **16B.70 SURCHARGE.**

62.12 Subdivision 1. **Computation.** To defray the costs of administering sections  
 62.13 16B.59 to 16B.76, a surcharge is imposed on all permits issued by municipalities in  
 62.14 connection with the construction of or addition or alteration to buildings and equipment or  
 62.15 appurtenances after June 30, 1971. The commissioner may use any surplus in surcharge  
 62.16 receipts to award grants for code research and development and education.

62.17 If the fee for the permit issued is fixed in amount the surcharge is equivalent to  
 62.18 one-half mill (.0005) of the fee or 50 cents, whichever amount is greater. For all other  
 62.19 permits, the surcharge is as follows:

62.20 (1) if the valuation of the structure, addition, or alteration is \$1,000,000 or less, the  
 62.21 surcharge is equivalent to one-half mill (.0005) of the valuation of the structure, addition,  
 62.22 or alteration;

62.23 (2) if the valuation is greater than \$1,000,000, the surcharge is \$500 plus two-fifths  
 62.24 mill (.0004) of the value between \$1,000,000 and \$2,000,000;

62.25 (3) if the valuation is greater than \$2,000,000, the surcharge is \$900 plus three-tenths  
 62.26 mill (.0003) of the value between \$2,000,000 and \$3,000,000;

62.27 (4) if the valuation is greater than \$3,000,000, the surcharge is \$1,200 plus one-fifth  
 62.28 mill (.0002) of the value between \$3,000,000 and \$4,000,000;

62.29 (5) if the valuation is greater than \$4,000,000, the surcharge is \$1,400 plus one-tenth  
 62.30 mill (.0001) of the value between \$4,000,000 and \$5,000,000; and

62.31 (6) if the valuation exceeds \$5,000,000, the surcharge is \$1,500 plus one-twentieth  
 62.32 mill (.00005) of the value that exceeds \$5,000,000.

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

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

63.15       Subd. 3. **Revenue to equal costs.** Revenue received from the surcharge imposed  
 63.16 in subdivision 1 should approximately equal the cost, including the overhead cost, of  
 63.17 administering sections 16B.59 to 16B.75. By November 30 each year, the commissioner  
 63.18 must report to the commissioner of finance and to the legislature on changes in the  
 63.19 surcharge imposed in subdivision 1 needed to comply with this policy. In making this  
 63.20 report, the commissioner must assume that the services associated with administering  
 63.21 sections 16B.59 to 16B.75 will continue to be provided at the same level provided during  
 63.22 the fiscal year in which the report is made.

63.23       **EFFECTIVE DATE.** This section is effective July 1, 2007.

63.24       Sec. 13. Minnesota Statutes 2006, section 16B.72, is amended to read:

63.25       **16B.72 REFERENDA ON STATE BUILDING CODE IN**  
 63.26 **NONMETROPOLITAN COUNTIES.**

63.27       Notwithstanding any other provision of law to the contrary, a county that is not a  
 63.28 metropolitan county as defined by section 473.121, subdivision 4, may provide, by a vote  
 63.29 of the majority of its electors residing outside of municipalities that have adopted the State  
 63.30 Building Code before January 1, 1977, that no part of the State Building Code except the  
 63.31 building requirements for ~~disabled~~ persons with disabilities, the requirements for bleacher  
 63.32 safety, and the requirements for elevator safety applies within its jurisdiction.

63.33       The county board may submit to the voters at a regular or special election the  
 63.34 question of adopting the building code. The county board shall submit the question to

64.1 the voters if it receives a petition for the question signed by a number of voters equal  
 64.2 to at least five percent of those voting in the last general election. The question on the  
 64.3 ballot must be stated substantially as follows:

64.4 "Shall the State Building Code be adopted in ..... County?"

64.5 If the majority of the votes cast on the proposition is in the negative, the State  
 64.6 Building Code does not apply in the subject county, outside home rule charter or statutory  
 64.7 cities or towns that adopted the building code before January 1, 1977, except the building  
 64.8 requirements for ~~disabled~~ persons with disabilities, the requirements for bleacher safety,  
 64.9 and the requirements for elevator safety do apply.

64.10 Nothing in this section precludes a municipality or town that has not adopted the  
 64.11 State Building Code from adopting and enforcing by ordinance or other legal means the  
 64.12 State Building Code within its jurisdiction.

64.13 Sec. 14. Minnesota Statutes 2006, section 16B.73, is amended to read:

64.14 **16B.73 STATE BUILDING CODE IN MUNICIPALITIES UNDER 2,500;**  
 64.15 **LOCAL OPTION.**

64.16 The governing body of a municipality whose population is less than 2,500 may  
 64.17 provide that the State Building Code, except the requirements for ~~disabled~~ persons with  
 64.18 disabilities, the requirements for bleacher safety, and the requirements for elevator  
 64.19 safety, will not apply within the jurisdiction of the municipality, if the municipality is  
 64.20 located in whole or in part within a county exempted from its application under section  
 64.21 16B.72. If more than one municipality has jurisdiction over an area, the State Building  
 64.22 Code continues to apply unless all municipalities having jurisdiction over the area have  
 64.23 provided that the State Building Code, except the requirements for ~~disabled~~ persons with  
 64.24 disabilities, the requirements for bleacher safety, and the requirements for elevator safety,  
 64.25 does not apply within their respective jurisdictions. Nothing in this section precludes a  
 64.26 municipality or town from adopting and enforcing by ordinance or other legal means the  
 64.27 State Building Code within its jurisdiction.

64.28 Sec. 15. Minnesota Statutes 2006, section 16B.735, is amended to read:

64.29 **16B.735 ENFORCEMENT OF REQUIREMENTS FOR ~~DISABLED~~**  
 64.30 **PERSONS WITH DISABILITIES.**

64.31 A statutory or home rule charter city that is not covered by the State Building Code  
 64.32 because of action taken under section 16B.72 or 16B.73 is responsible for enforcement in  
 64.33 the city of the State Building Code's requirements for ~~disabled~~ persons with disabilities. In

65.1 all other areas where the State Building Code does not apply because of action taken under  
65.2 section 16B.72 or 16B.73, the county is responsible for enforcement of those requirements.

65.3 Sec. 16. Minnesota Statutes 2006, section 16B.74, subdivision 1, is amended to read:

65.4 Subdivision 1. **Applicability.** ~~As used in~~ For the purposes of sections 16B.61,  
65.5 16B.72, 16B.73, and 16B.74 to ~~16B.746~~ 16B.748 the terms "passenger or freight elevator,"  
65.6 "automatic operation" and "continuous pressure operation" defined in this section shall  
65.7 have the ~~following~~ meanings given them.

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

65.9 Sec. 17. Minnesota Statutes 2006, section 16B.74, subdivision 2, is amended to read:

65.10 Subd. 2. **Passenger or freight elevator.** "Passenger or freight elevator" means  
65.11 all elevators except those that comply with the safety rules of the department ~~of~~  
65.12 ~~Administration~~ relating to construction and installation and that have automatic operation  
65.13 or continuous pressure operation.

65.14 Sec. 18. Minnesota Statutes 2006, section 16B.74, is amended by adding a subdivision  
65.15 to read:

65.16 Subd. 7. **Elevator inspection.** "Elevator inspection" means an examination of  
65.17 elevator installations, repairs, alterations, removal, and construction for compliance with  
65.18 the State Building Code that may include witnessing tests performed on elevators by  
65.19 elevator personnel, performing tests on elevators, or an audit of records related to routine  
65.20 and periodic maintenance and testing, or any combination thereof when performed by the  
65.21 department or a municipality authorized to perform such inspections.

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

65.23 Sec. 19. Minnesota Statutes 2006, section 16B.74, is amended by adding a subdivision  
65.24 to read:

65.25 Subd. 8. **Elevator inspector.** "Elevator inspector" means an individual who meets  
65.26 the requirements established pursuant to section 16B.748, clause (1), who is performing  
65.27 elevator inspections for the department or a municipality authorized to perform such  
65.28 inspections.

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

66.1 Sec. 20. Minnesota Statutes 2006, section 16B.74, is amended by adding a subdivision  
66.2 to read:

66.3 Subd. 9. **Limited elevator inspector.** "Limited elevator inspector" means an  
66.4 individual who performs annual elevator inspections for the department or a municipality  
66.5 authorized to perform such inspections. Until rules are adopted pursuant to sections  
66.6 16B.748, clause (2), and 326B.051, the commissioner shall approve limited elevator  
66.7 inspector qualifications.

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

66.9 Sec. 21. Minnesota Statutes 2006, section 16B.741, is amended to read:

66.10 **16B.741 ELEVATOR AVAILABLE FOR INSPECTION AND REPORTING.**

66.11 Subdivision 1. **Elevator available for inspection.** A person, ~~firm, entity, or~~  
66.12 ~~corporation~~ that owns or controls a building or other structure housing an elevator that is  
66.13 subject to inspection by the department, shall, upon request, provide access at a reasonable  
66.14 hour to the elevator for purposes of inspection.

66.15 Subd. 2. **Persons required to report.** The following persons shall report the  
66.16 information specified in subdivision 3 to the commissioner by January 1, 2008:

66.17 (a) any person that, between August 1, 2005, and July 31, 2007, has provided  
66.18 service, alteration, repair, or maintenance to any elevator located in Minnesota;

66.19 (b) any person that, between August 1, 2005, and July 31, 2007, has entered into an  
66.20 agreement to provide service, alteration, repair, or maintenance to any elevator located  
66.21 in Minnesota;

66.22 (c) any person that owns or controls an elevator located in Minnesota that, between  
66.23 August 1, 2005, and July 31, 2007, has not received service, alteration, repair, or  
66.24 maintenance on the elevator; or

66.25 (d) any person that owns or controls an elevator located in Minnesota that, between  
66.26 August 1, 2005, and July 31, 2007, has not entered into an agreement to receive service,  
66.27 alteration, repair, or maintenance on the elevator.

66.28 Subd. 3. **Elevator location, type, and installation date.** On a form prescribed by  
66.29 the commissioner, the persons required to report pursuant to subdivision 2 shall provide  
66.30 the following:

66.31 (a) the location of each elevator;

66.32 (b) the type of each elevator; and

66.33 (c) the date the elevator was installed.

67.1 Subd. 4. **Definition.** As used in this section, "elevator" is as defined in section  
 67.2 16B.74, subdivision 5.

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

67.4 Sec. 22. Minnesota Statutes 2006, section 16B.744, is amended to read:

67.5 **16B.744 ELEVATORS, ENTRANCES SEALED.**

67.6 It shall be the duty of the department ~~of Administration~~ and the licensing authority  
 67.7 of any municipality which adopts any such ordinance whenever it finds any such elevator  
 67.8 under its jurisdiction in use in violation of any provision of sections 16B.74 to 16B.745 to  
 67.9 seal the entrances of such elevator and attach a notice forbidding the use of such elevator  
 67.10 until the provisions thereof are complied with.

67.11 Sec. 23. Minnesota Statutes 2006, section 16B.745, subdivision 1, is amended to read:

67.12 Subdivision 1. **Removal of seal.** No person, firm, or corporation may remove any  
 67.13 seal or notice forbidding the use of an elevator, except by authority of the department ~~of~~  
 67.14 ~~Administration~~ or the licensing authority having jurisdiction over the elevator, or operate  
 67.15 an elevator after a notice has been attached forbidding its use, unless the notice has been  
 67.16 removed by authority of the department ~~of Administration~~ or the licensing authority  
 67.17 having jurisdiction over the elevator.

67.18 Sec. 24. Minnesota Statutes 2006, section 16B.745, subdivision 4, is amended to read:

67.19 Subd. 4. **Penalties.** The commissioner ~~of administration~~ shall administer sections  
 67.20 16B.74 to 16B.749. In addition to the remedies provided for violations of this chapter,  
 67.21 the commissioner may impose a penalty of up to ~~\$1,000~~ \$10,000 for a violation of any  
 67.22 provision of sections 16B.74 to 16B.749.

67.23 Sec. 25. Minnesota Statutes 2006, section 16B.747, is amended to read:

67.24 **16B.747 FEES FOR LICENSURE AND INSPECTION.**

67.25 Subdivision 1. **Permits.** No person, firm, or corporation may construct, install, alter,  
 67.26 or remove an elevator without first filing an application for a permit with the department  
 67.27 ~~of Administration~~ or a municipality authorized by subdivision 3 to inspect elevators.  
 67.28 Upon successfully completing inspection and the payment of the appropriate fee, the  
 67.29 owner must be granted an operating permit for the elevator.

68.1 Subd. 2. **Contractor licenses.** The commissioner may establish criteria for the  
 68.2 qualifications of elevator contractors and issue licenses based upon proof of the applicant's  
 68.3 qualifications.

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

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

68.17 ~~Subd. 4. **Deposit of fees.** Fees received under this section must be deposited in the~~  
 68.18 ~~state treasury and credited to the special revenue fund.~~

68.19 **EFFECTIVE DATE.** This section is effective July 1, 2007.

68.20 Sec. 26. Minnesota Statutes 2006, section 16B.748, is amended to read:

68.21 **16B.748 RULES.**

68.22 The commissioner may adopt rules for the following purposes:

68.23 (1) to establish minimum qualifications for elevator inspectors that must include  
 68.24 possession of a current elevator constructor electrician's license issued by the ~~State Board~~  
 68.25 ~~of Electricity department~~ and proof of successful completion of the national elevator  
 68.26 industry education program examination or equivalent experience;

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

68.28 ~~(2)~~ (3) to establish criteria for the qualifications of elevator contractors;

68.29 ~~(3)~~ (4) to establish elevator standards under sections 16B.61, subdivisions 1 and  
 68.30 2, and 16B.64;

68.31 ~~(4)~~ (5) to establish procedures for appeals of decisions of the commissioner under  
 68.32 chapter 14 and procedures allowing the commissioner, before issuing a decision, to seek  
 68.33 advice from the elevator trade, building owners or managers, and others knowledgeable in  
 68.34 the installation, construction, and repair of elevators; and

69.1 ~~(5)~~ (6) to establish requirements for the registration of all elevators.

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

69.3 Sec. 27. Minnesota Statutes 2006, section 16B.76, is amended to read:

69.4 **16B.76 CONSTRUCTION CODES ADVISORY COUNCIL.**

69.5 Subdivision 1. **Membership.** (a) The Construction Codes Advisory Council  
69.6 consists of the following members:

69.7 (1) the commissioner of ~~administration~~ or the commissioner's designee representing  
69.8 the department's ~~Building Codes and Standards~~ Construction Codes and Licensing  
69.9 Division;

69.10 ~~(2) the commissioner of health or the commissioner's designee representing an~~  
69.11 ~~Environmental Health Section of the department;~~

69.12 ~~(3)~~ (2) the commissioner of public safety or the ~~commissioner's~~ commissioner of  
69.13 public safety's designee representing the ~~department's~~ Department of Public Safety's State  
69.14 Fire Marshal Division;

69.15 ~~(4) the commissioner of commerce or the commissioner's designee representing~~  
69.16 ~~the department's State Energy Office; and~~

69.17 ~~(5)~~ (3) one member, appointed by the commissioner, representing each of the  
69.18 following occupations ~~or~~ entities, appointed by the commissioner of administration or  
69.19 industries:

69.20 (i) a certified building ~~official~~ officials;

69.21 (ii) a fire ~~service representative~~ chiefs or fire marshals;

69.22 (iii) a licensed ~~architect~~ architects;

69.23 (iv) a licensed ~~engineer~~ professional engineers;

69.24 (v) a ~~building owners and managers representative~~ commercial building owners  
69.25 and managers;

69.26 (vi) a ~~the~~ licensed residential building ~~contractor~~ industry;

69.27 (vii) a ~~the~~ commercial building ~~contractor~~ industry;

69.28 (viii) a ~~the~~ heating and ventilation ~~contractor~~ industry;

69.29 (ix) a ~~the~~ plumbing ~~contractor~~ industry;

69.30 (x) a ~~representative of a construction and building trades union; and~~ member of  
69.31 the Electrical Advisory Council;

69.32 (xi) a ~~local unit of government representative.~~ the high pressure piping industry;

69.33 (xii) the boiler industry;

69.34 (xiii) the manufactured housing industry;

70.1 (xiv) public utility suppliers;

70.2 (xv) the Minnesota Building and Construction Trades Council; and

70.3 (xvi) local units of government.

70.4 (b) The commissioner or the commissioner's designee representing the department's  
70.5 Construction Codes and Licensing Division shall serve as chair of the advisory council.

70.6 For members who are not state officials or employees, ~~terms, compensation; and removal;~~  
70.7 ~~and the filling of vacancies~~ of members of the advisory council are governed by section

70.8 15.059. ~~The council shall select one of its members to serve as chair.~~ The terms of the

70.9 members of the advisory council shall be four years. The terms of eight of the appointed

70.10 members shall be coterminous with the governor and the terms of the remaining nine

70.11 appointed members shall end on the first Monday in January one year after the terms of

70.12 the other appointed members expire. An appointed member may be reappointed. Each

70.13 council member shall appoint an alternate to serve in their absence. The committee is not

70.14 subject to the expiration provision of section 15.059, subdivision 5.

70.15 ~~(c) The council expires June 30, 2003.~~

70.16 Subd. 2. **Duties of council.** The council shall review laws, codes, rules, standards,  
70.17 and licensing requirements relating to building construction and may:

70.18 (1) recommend ways to eliminate inconsistencies, to streamline construction  
70.19 regulation and construction ~~processes~~ procedures, and to improve procedures within  
70.20 and among jurisdictions;

70.21 (2) review and comment on current and proposed laws and rules to promote  
70.22 coordination and consistency;

70.23 (3) advise agencies on possible changes in rules to make them easier to understand  
70.24 and apply; and

70.25 (4) promote the coordination, within each jurisdiction, of the administration and  
70.26 enforcement of construction codes.

70.27 The council shall meet a minimum of two times each year. The council shall report  
70.28 its findings and recommendations to the commissioner of administration and the head of

70.29 ~~any other affected agency by the end of each calendar year.~~ The council may recommend

70.30 changes in laws or rules governing building construction. The council may establish

70.31 subcommittees to facilitate its work. If the council establishes subcommittees, it shall

70.32 include in their memberships representation from entities and organizations expressing

70.33 an interest in membership. The commissioner ~~of administration~~ shall maintain a list of

70.34 interested entities and organizations.

70.35 Subd. 3. **Agency cooperation.** State agencies and local governmental units shall  
70.36 cooperate with the council and, so far as possible, provide information or assistance to

71.1 it upon its request. The commissioner ~~of administration~~ shall provide necessary staff  
71.2 and administrative support to the council.

71.3 Sec. 28. Minnesota Statutes 2006, section 326.992, is amended to read:

71.4 **326.992 BOND REQUIRED FOR CERTAIN CONTRACTORS.**

71.5 (a) A person contracting to do gas, heating, ventilation, cooling, air conditioning,  
71.6 fuel burning, or refrigeration work must give bond to the state in the amount of \$25,000 for  
71.7 all work entered into within the state. The bond must be for the benefit of persons suffering  
71.8 financial loss by reason of the contractor's failure to comply with the requirements of the  
71.9 State Mechanical Code. A bond given to the state must be filed with the commissioner  
71.10 ~~of administration~~ and is in lieu of all other bonds to any political subdivision required for  
71.11 work covered by this section. The bond must be written by a corporate surety licensed to  
71.12 do business in the state.

71.13 (b) The commissioner ~~of administration~~ may charge each person giving bond under  
71.14 this section an annual bond filing fee of \$15. ~~The money must be deposited in a special~~  
71.15 ~~revenue fund and is appropriated to the commissioner to cover the cost of administering~~  
71.16 ~~the bond program.~~

71.17 **EFFECTIVE DATE.** This section is effective July 1, 2007.

71.18 Sec. 29. Minnesota Statutes 2006, section 327.31, subdivision 2, is amended to read:

71.19 Subd. 2. **Authorized representative.** "Authorized representative" means any  
71.20 person, firm or corporation, or employee thereof, approved or hired by the commissioner  
71.21 of labor and industry to perform inspection services.

71.22 Sec. 30. Minnesota Statutes 2006, section 327.31, subdivision 3, is amended to read:

71.23 Subd. 3. **Manufactured Home Building Code.** "Manufactured Home Building  
71.24 Code" means, for manufactured homes manufactured after July 1, 1972, and prior to June  
71.25 15, 1976, the standards code promulgated by the American National Standards Institute  
71.26 and identified as ANSI A119.1, including all revisions thereof in effect on May 21, 1971,  
71.27 or the provisions of the National Fire Protection Association and identified as NFPA 501B,  
71.28 and further revisions adopted by the commissioner of labor and industry.

71.29 "Manufactured Home Building Code" means, for manufactured homes constructed  
71.30 after June 14, 1976, the manufactured home construction and safety standards promulgated  
71.31 by the United States Department of Housing and Urban Development which are in effect  
71.32 at the time of the manufactured home's manufacture.

72.1 Sec. 31. Minnesota Statutes 2006, section 327.31, subdivision 4, is amended to read:

72.2 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of  
72.3 ~~administration~~ labor and industry.

72.4 Sec. 32. Minnesota Statutes 2006, section 327.31, is amended by adding a subdivision  
72.5 to read:

72.6 Subd. 6a. **Individual.** "Individual" means a human being.

72.7 Sec. 33. Minnesota Statutes 2006, section 327.31, subdivision 7, is amended to read:

72.8 Subd. 7. **Person.** "Person" means ~~a person, partnership, corporation or other legal~~  
72.9 ~~entity~~ any individual, limited liability company, corporation, partnership, incorporated  
72.10 or unincorporated association, sole proprietorship, joint stock company, or any other  
72.11 legal or commercial entity.

72.12 Sec. 34. Minnesota Statutes 2006, section 327.31, subdivision 15, is amended to read:

72.13 Subd. 15. **Purchaser.** "Purchaser" means the first ~~person~~ individual purchasing a  
72.14 manufactured home in good faith for purposes other than resale.

72.15 Sec. 35. Minnesota Statutes 2006, section 327.32, subdivision 8, is amended to read:

72.16 Subd. 8. **Evidence of compliance.** Each manufacturer, distributor, and dealer  
72.17 shall establish and maintain records, make reports, and provide information as the  
72.18 commissioner or the secretary may reasonably require to be able to determine whether  
72.19 the manufacturer, distributor, or dealer has acted or is acting in compliance with sections  
72.20 327.31 to 327.35, and shall, upon request of a person duly designated by the commissioner  
72.21 or the secretary, permit that person to inspect appropriate books, papers, records, and  
72.22 documents relevant to determining whether that manufacturer, distributor, or dealer  
72.23 has acted or is acting in compliance with sections 327.31 to 327.35, and the National  
72.24 Manufactured Home Construction and Safety Standards Act of 1974, United States  
72.25 Code, title 42, section 5401, et seq., as amended by the National Manufactured Housing  
72.26 Construction and Safety Standards Act, Title VI, Manufactured Housing Improvement  
72.27 Act of 2000, or other applicable federal or state law.

72.28 Sec. 36. Minnesota Statutes 2006, section 327.33, subdivision 2, is amended to read:

72.29 Subd. 2. **Fees.** The commissioner shall by rule establish reasonable fees for seals,  
72.30 installation seals and inspections which are sufficient to cover all costs incurred in the  
72.31 administration of sections 327.31 to 327.35. The commissioner shall also establish by

73.1 rule a monitoring inspection fee in an amount that will comply with the secretary's fee  
 73.2 distribution program. This monitoring inspection fee shall be an amount paid by the  
 73.3 manufacturer for each manufactured home produced in Minnesota. The monitoring  
 73.4 inspection fee shall be paid by the manufacturer to the secretary. The rules of the  
 73.5 fee distribution program require the secretary to distribute the fees collected from all  
 73.6 manufactured home manufacturers among states approved and conditionally approved  
 73.7 based on the number of new manufactured homes whose first location after leaving the  
 73.8 manufacturer is on the premises of a distributor, dealer or purchaser in that state. ~~All~~  
 73.9 ~~money collected by the commissioner through fees prescribed by sections 327.31 to~~  
 73.10 ~~327.36 shall be deposited in the state government special revenue fund and is appropriated~~  
 73.11 ~~to the commissioner for the purpose of administering and enforcing the Manufactured~~  
 73.12 ~~Home Building Code under sections 327.31 to 327.36.~~

73.13 **EFFECTIVE DATE.** This section is effective July 1, 2007.

73.14 Sec. 37. Minnesota Statutes 2006, section 327.33, subdivision 6, is amended to read:

73.15 Subd. 6. **Authorization as agency.** The commissioner shall apply to the secretary  
 73.16 for approval of the commissioner as the administrative agency for the regulation of  
 73.17 manufactured homes under the rules of the secretary. The commissioner may make  
 73.18 rules for the administration and enforcement of department responsibilities as a state  
 73.19 administrative agency including, but not limited to, rules for the handling of citizen's  
 73.20 complaints. All money received for services provided by the commissioner or the  
 73.21 department's authorized agents as a state administrative agency shall be deposited in  
 73.22 the ~~general~~ construction code fund. The commissioner is charged with the adoption,  
 73.23 administration, and enforcement of the Manufactured Home Construction and Safety  
 73.24 Standards, consistent with rules and regulations promulgated by the United States  
 73.25 Department of Housing and Urban Development. The commissioner may adopt the  
 73.26 rules, codes, and standards necessary to enforce the standards promulgated under this  
 73.27 section. The commissioner is authorized to conduct hearings and presentations of views  
 73.28 consistent with regulations adopted by the United States Department of Housing and  
 73.29 Urban Development and to adopt rules in order to carry out this function.

73.30 **EFFECTIVE DATE.** This section is effective July 1, 2007.

73.31 Sec. 38. Minnesota Statutes 2006, section 327.33, subdivision 7, is amended to read:

74.1 Subd. 7. **Employees.** The commissioner may appoint such employees within  
 74.2 the Department of ~~Administration~~ Labor and Industry as deemed necessary for the  
 74.3 administration of sections 327.31 to 327.35.

74.4 Sec. 39. Minnesota Statutes 2006, section 327.34, subdivision 3, is amended to read:

74.5 Subd. 3. **Removal of seals.** Manufactured home seals remain the property of  
 74.6 the Department of ~~Administration~~ Labor and Industry and may be removed by the  
 74.7 commissioner from any manufactured home which is in violation of the Manufactured  
 74.8 Home Building Code.

74.9 Sec. 40. Minnesota Statutes 2006, section 327.35, subdivision 1, is amended to read:

74.10 Subdivision 1. **Civil Monetary penalty.** Notwithstanding the penalty amount of  
 74.11 section 326B.082, subdivisions 7 and 12, any person who violates any provision of this  
 74.12 section is liable to the state of Minnesota for a ~~civil~~ monetary penalty of not to exceed  
 74.13 \$1,000 for each ~~offense~~ violation. Each violation involving a separate manufactured home  
 74.14 or involving a separate failure or refusal to allow or perform any act required by this  
 74.15 section constitutes a separate ~~offense~~ violation, except that the maximum ~~civil~~ monetary  
 74.16 penalties for any related series of violations occurring within one year from the date of the  
 74.17 first violation may not exceed \$1,000,000.

74.18 Sec. 41. Minnesota Statutes 2006, section 327.35, subdivision 2, is amended to read:

74.19 Subd. 2. **Willful violations.** Any individual or a director, officer, or agent of a  
 74.20 corporation who knowingly and willfully violates any provision of this section in a manner  
 74.21 which threatens the health or safety of any purchaser shall be ~~fined not more than \$3,000~~  
 74.22 ~~or imprisoned not more than one year, or both~~ guilty of a gross misdemeanor.

74.23 Sec. 42. Minnesota Statutes 2006, section 327B.01, subdivision 4, is amended to read:

74.24 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of  
 74.25 ~~administration~~ labor and industry.

74.26 Sec. 43. Minnesota Statutes 2006, section 327B.01, subdivision 5, is amended to read:

74.27 Subd. 5. **Consumer customer.** "Consumer customer" means any ~~natural person~~  
 74.28 individual who, primarily for personal, household or family purposes, buys, sells, or seeks  
 74.29 to buy or sell, a manufactured home from, to or through a dealer or manufacturer.

74.30 Sec. 44. Minnesota Statutes 2006, section 327B.01, subdivision 7, is amended to read:

75.1 Subd. 7. **Dealer or retailer.** "Dealer" or "retailer" means any person who engages  
75.2 in the business, either exclusively or in addition to any other occupation, of selling or  
75.3 brokering manufactured homes, new or used, or who offers to sell, solicit, broker or  
75.4 advertise the sale of manufactured homes, new or used.

75.5 Sec. 45. Minnesota Statutes 2006, section 327B.01, is amended by adding a  
75.6 subdivision to read:

75.7 Subd. 10a. **Individual.** "Individual" means a human being.

75.8 Sec. 46. Minnesota Statutes 2006, section 327B.01, is amended by adding a  
75.9 subdivision to read:

75.10 Subd. 11a. **Licensee.** "Licensee" means a person who is licensed as a dealer, limited  
75.11 dealer, or manufacturer by the Department of Labor and Industry.

75.12 Sec. 47. Minnesota Statutes 2006, section 327B.01, is amended by adding a  
75.13 subdivision to read:

75.14 Subd. 11b. **Limited dealer or limited retailer.** "Limited dealer" or "limited  
75.15 retailer" means any person who is an owner of a manufactured home park authorized, as  
75.16 principal only, to engage in the sale, offering for sale, soliciting, or advertising the sale  
75.17 of used manufactured homes located in the owned manufactured home park, who is the  
75.18 title holder and engages in no more than ten sales annually.

75.19 Sec. 48. Minnesota Statutes 2006, section 327B.01, is amended by adding a  
75.20 subdivision to read:

75.21 Subd. 14a. **Manufacturing facility.** "Manufacturing facility" means the physical  
75.22 site where a manufacturer engages in the business of manufacture, assembly, or production  
75.23 of manufactured homes.

75.24 Sec. 49. Minnesota Statutes 2006, section 327B.01, is amended by adding a  
75.25 subdivision to read:

75.26 Subd. 16a. **Owner.** "Owner" means any person holding title to a manufactured  
75.27 home park or manufactured homes.

75.28 Sec. 50. Minnesota Statutes 2006, section 327B.01, subdivision 17, is amended to read:

76.1 Subd. 17. **Person.** "Person" means any individual, limited liability company,  
 76.2 corporation, firm, partnership, incorporated and unincorporated association, sole  
 76.3 proprietorship, joint stock company, or any other legal or commercial entity.

76.4 Sec. 51. Minnesota Statutes 2006, section 327B.04, subdivision 1, is amended to read:

76.5 Subdivision 1. **License ~~and~~, bond, and liability insurance required.** No person  
 76.6 shall act as a dealer in manufactured homes, new or used, without a license ~~and~~, a surety  
 76.7 bond, and liability insurance as provided in this section. No person shall manufacture  
 76.8 manufactured homes without a license ~~and~~ for each manufacturing facility shipping into or  
 76.9 located within Minnesota's boundaries, a surety bond, and liability insurance as provided  
 76.10 in this section. The licensing and bonding requirements of this section do not apply to  
 76.11 any bank, savings bank, savings association, or credit union, chartered by either this state  
 76.12 or the federal government, which acts as a dealer only by repossessing manufactured  
 76.13 homes and then offering the homes for resale.

76.14 Sec. 52. Minnesota Statutes 2006, section 327B.04, subdivision 4, is amended to read:

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

76.17 (a) the applicant has a permanent, established place of business at each licensed  
 76.18 location. An "established place of business" means a permanent enclosed building other  
 76.19 than a residence, or a commercial office space, either owned by the applicant or leased by  
 76.20 the applicant for a term of at least one year, located in an area where zoning regulations  
 76.21 allow commercial activity, and where the books, records and files necessary to conduct  
 76.22 the business are kept and maintained. The owner of a licensed manufactured home park  
 76.23 who resides in or adjacent to the park may use the residence as the established place of  
 76.24 business required by this subdivision, unless prohibited by local zoning ordinance.

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

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

76.31 (c) the applicant has secured: (1) a surety bond in the amount of \$20,000 for the  
 76.32 agency and each subagency location that bears the applicant's name and the name under  
 76.33 which the applicant will be licensed and do business in this state. Each bond is for the  
 76.34 protection of consumer customers, and must be executed by the applicant as principal and

77.1 issued by a surety company admitted to do business in this state. ~~The~~ Each bond shall be  
 77.2 exclusively for the purpose of reimbursing consumer customers and shall be conditioned  
 77.3 upon the faithful compliance by the applicant with all of the laws and rules of this state  
 77.4 pertaining to the applicant's business as a dealer or manufacturer, including sections  
 77.5 325D.44, 325F.67 and 325F.69, and upon the applicant's faithful performance of all its  
 77.6 legal obligations to consumer customers; and (2) a certificate of liability insurance in the  
 77.7 amount of \$1,000,000 that provides coverage for the agency and each subagency location;

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

77.11 (e) the applicant has provided evidence of having had at least two years' prior  
 77.12 experience in the sale of manufactured homes, working for a licensed dealer.

77.13 Sec. 53. Minnesota Statutes 2006, section 327B.04, subdivision 6, is amended to read:

77.14 Subd. 6. **Certificate of license.** For each license granted the commissioner shall  
 77.15 issue a certificate which includes the name of the licensee, the name of the surety company  
 77.16 and the amount of the surety bond, and the insurance underwriter and policy number, the  
 77.17 names and addresses of any related principal or subagencies, and a license number.

77.18 Sec. 54. Minnesota Statutes 2006, section 327B.04, subdivision 7, is amended to read:

77.19 Subd. 7. **Fees; licenses; when granted.** Each application for a license or license  
 77.20 renewal must be accompanied by a fee in an amount established by the commissioner  
 77.21 by rule pursuant to section 327B.10. The fees shall be set in an amount which over  
 77.22 the fiscal biennium will produce revenues approximately equal to the expenses which  
 77.23 the commissioner expects to incur during that fiscal biennium while administering and  
 77.24 enforcing sections 327B.01 to 327B.12. ~~All money collected by the commissioner~~  
 77.25 ~~through fees prescribed in sections 327B.01 to 327B.12 shall be deposited in the state~~  
 77.26 ~~government special revenue fund and is appropriated to the commissioner for purposes of~~  
 77.27 ~~administering and enforcing the provisions of this chapter.~~ The commissioner shall grant  
 77.28 or deny a license application or a renewal application within 60 days of its filing. If the  
 77.29 license is granted, the commissioner shall license the applicant as a dealer or manufacturer  
 77.30 for the remainder of the calendar year. Upon application by the licensee, the commissioner  
 77.31 shall renew the license for a two year period, if:

77.32 (a) the renewal application satisfies the requirements of subdivisions 3 and 4;

77.33 (b) the renewal applicant has made all listings, registrations, notices and reports  
 77.34 required by the commissioner during the preceding year; and

78.1 (c) the renewal applicant has paid all fees owed pursuant to sections 327B.01 to  
78.2 327B.12 and all taxes, arrearages, and penalties owed to the state.

78.3 **EFFECTIVE DATE.** This section is effective July 1, 2007.

78.4 Sec. 55. Minnesota Statutes 2006, section 327B.04, subdivision 8, is amended to read:

78.5 Subd. 8. **Limited dealer's license.** The commissioner shall issue a limited dealer's  
78.6 license to an owner of a manufactured home park authorizing the licensee as principal  
78.7 only to engage in the sale, offering for sale, soliciting, or advertising the sale of used  
78.8 manufactured homes located in the owned manufactured home park. The licensee must  
78.9 be the title holder of the homes and may engage in no more than ten sales annually. An  
78.10 owner may, upon payment of the applicable fee and compliance with this subdivision,  
78.11 obtain a separate license for each owned manufactured home park and is entitled to sell up  
78.12 to ten homes per license provided that only one limited dealer license may be issued for  
78.13 each park. The license shall be issued after:

78.14 (1) receipt of an application on forms provided by the commissioner containing  
78.15 the following information:

78.16 (i) the identity of the applicant;

78.17 (ii) the name under which the applicant will be licensed and do business in this state;

78.18 (iii) the name and address of the owned manufactured home park, including a copy  
78.19 of the park license, serving as the basis for the issuance of the license; ~~and~~

78.20 (iv) the name, home, and business address of the applicant;

78.21 (v) the name, address, and telephone number of one individual that is designated  
78.22 by the applicant to receive all communications and cooperate with all inspections and  
78.23 investigations of the commissioner pertaining to the sale of manufactured homes in the  
78.24 manufactured home park owned by the applicant;

78.25 (vi) whether the applicant or its designated individual has been convicted of a crime  
78.26 within the previous ten years that is either related directly to the business for which the  
78.27 license is sought or involved fraud, misrepresentation or misuse of funds, or has suffered a  
78.28 judgment in a civil action involving fraud, misrepresentation, or conversion within the  
78.29 previous five years or has had any government license or permit suspended or revoked  
78.30 as a result of an action brought by a federal or state governmental agency in this or any  
78.31 other state within the last five years; and

78.32 (vii) the applicant's qualifications and business history, including whether the  
78.33 applicant or its designated individual has ever been adjudged bankrupt or insolvent, or has  
78.34 any unsatisfied court judgments outstanding against it or them;

78.35 (2) payment of a \$100 annual fee; and

79.1 (3) provision of a surety bond in the amount of \$5,000. A separate surety bond  
79.2 must be provided for each limited license.

79.3 The applicant need not comply with section 327B.04, subdivision 4, paragraph (e).  
79.4 The holding of a limited dealer's license does not satisfy the requirement contained in  
79.5 section 327B.04, subdivision 4, paragraph (e), for the licensee or salespersons with respect  
79.6 to obtaining a dealer license. The commissioner may, upon application for a renewal of  
79.7 a license, require only a verification that copies of sales documents have been retained  
79.8 and payment of a \$100 renewal fee. "Sales documents" mean only the safety feature  
79.9 disclosure form defined in section 327C.07, subdivision 3a, title of the home, financing  
79.10 agreements, and purchase agreements.

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

79.14 Sec. 56. Minnesota Statutes 2006, section 327B.04, is amended by adding a  
79.15 subdivision to read:

79.16 Subd. 8a. **Service.** Service of a document on a limited dealer licensed under this  
79.17 section may be effected by mail to or by personal service on: (1) the licensee at the  
79.18 licensee's last known address; or (2) the individual designated by the licensee at that  
79.19 individual's last known address.

79.20 Sec. 57. **[327B.042] NOTICE TO COMMISSIONER.**

79.21 Subdivision 1. **Notification.** A person licensed as a dealer, limited dealer, or  
79.22 manufacturer shall notify the commissioner of the occurrence of any of the events in  
79.23 subdivisions 2 to 5.

79.24 Subd. 2. **Change in application information.** A licensee shall notify the  
79.25 commissioner in writing within ten days of the change of any change in information  
79.26 contained in the most recent license application on file with the commissioner, which  
79.27 shall include any change in the information pertaining to the individual designated under  
79.28 section 327B.04, subdivision 8, clause (1), item (vi).

79.29 Subd. 3. **Civil judgment.** A licensee shall notify the commissioner in writing  
79.30 within ten days of any decision of a court regarding a proceeding in which the licensee  
79.31 was named as a defendant, and in which fraud, misrepresentation, or the conversion of  
79.32 funds was found to have been committed by the licensee.

79.33 Subd. 4. **Disciplinary action in another state.** A licensee shall notify the  
79.34 commissioner in writing within ten days of the condition, reprimand, censure, limitation,

80.1 suspension, or revocation of any other professional or occupational license, registration,  
 80.2 permit, or certificate held by the licensee in this or any other state, or any other United  
 80.3 States jurisdiction.

80.4 Subd. 5. **Criminal offense.** A licensee shall notify the commissioner in  
 80.5 writing within ten days if the licensee is found guilty of a felony, gross misdemeanor,  
 80.6 misdemeanor, or any comparable offense related to manufactured home sales, improper  
 80.7 business practices, fraud, misrepresentation, misuse of funds, or violation of the consumer  
 80.8 laws in this or any other state, or any other United States jurisdiction.

80.9 Sec. 58. Minnesota Statutes 2006, section 327B.05, subdivision 1, is amended to read:

80.10 Subdivision 1. **Grounds.** In addition to the grounds in section 326B.082,  
 80.11 subdivision 11, the commissioner may by order deny, suspend, limit, place conditions  
 80.12 on, or revoke any the application or license on finding (1) that the order is in the public  
 80.13 interest and (2) that the of any applicant or licensee or any of its directors, officers, limited  
 80.14 or general partners, controlling shareholders, or affiliates for any of the following grounds:

80.15 ~~(a) has filed an application for a license or a license renewal which fails to disclose~~  
 80.16 ~~any material information or contains any statement which is false or misleading with~~  
 80.17 ~~respect to any material fact;~~

80.18 ~~(b)~~ (a) has violated any of the provisions of sections 327B.01 to 327B.12 or any  
 80.19 rule or order issued by the commissioner or any prior law providing for the licensing of  
 80.20 manufactured home dealers or manufacturers;

80.21 ~~(c)~~ (b) has had a previous manufacturer or dealer license revoked in this or any  
 80.22 other state;

80.23 ~~(d)~~ (c) has engaged in acts or omissions which have been adjudicated or amount to a  
 80.24 violation of any of the provisions of section 325D.44, 325F.67 or 325F.69;

80.25 ~~(e)~~ (d) has sold or brokered the sale of a home containing a material violation of  
 80.26 sections 327.31 to 327.35 about which the dealer knew or which should have been obvious  
 80.27 to a reasonably prudent dealer;

80.28 ~~(f)~~ (e) has failed to make or provide all listings, notices and reports required by  
 80.29 the commissioner;

80.30 ~~(g)~~ (f) has failed to pay a civil penalty assessed under subdivision 5 within ten  
 80.31 days after the assessment becomes final;

80.32 ~~(h)~~ (g) has failed to pay to the commissioner or other responsible government agency  
 80.33 all taxes, fees and arrearages due;

80.34 ~~(i)~~ (h) has failed to duly apply for license renewal;

80.35 ~~(j)~~ (i) has violated any applicable manufactured home building or safety code;

81.1 ~~(k)~~ (j) has failed or refused to honor any express or implied warranty as provided  
81.2 in section 327B.03;

81.3 ~~(l)~~ (k) has failed to continuously occupy a permanent, established place of business  
81.4 licensed under section 327B.04;

81.5 ~~(m)~~ (l) has, without first notifying the commissioner, sold a new and unused  
81.6 manufactured home other than the make of manufactured home described in a franchise or  
81.7 contract filed with the application for license or license renewal;

81.8 ~~(n)~~ (m) has wrongfully failed to deliver a certificate of title to a person entitled to it;

81.9 ~~(o)~~ (n) is insolvent or bankrupt;

81.10 ~~(p)~~ (o) holds an impaired or canceled bond;

81.11 ~~(q)~~ (p) has failed to notify the commissioner of bankruptcy proceedings within ten  
81.12 days after a petition in bankruptcy has been filed by or against the dealer or manufacturer;

81.13 ~~(r)~~ (q) has, within the previous ten years, been convicted of a crime that either related  
81.14 directly to the business of the dealer or manufacturer or involved fraud, misrepresentation  
81.15 or misuse of funds;

81.16 ~~(s)~~ (r) has suffered a judgment within the previous five years in a civil action  
81.17 involving fraud, misrepresentation or misuse of funds; or

81.18 ~~(t)~~ (s) has failed to reasonably supervise any employee or agent of the dealer or  
81.19 manufacturer, resulting in injury or harm to the public.

81.20 The commissioner may establish rules pursuant to section 327B.10 further  
81.21 specifying, defining or establishing standards of conduct for manufactured home dealers  
81.22 and manufacturers.

81.23 Sec. 59. Minnesota Statutes 2006, section 327B.10, is amended to read:

81.24 **327B.10 RULEMAKING AUTHORITY.**

81.25 The commissioner may promulgate rules and issue orders reasonably necessary  
81.26 to implement and administer the provisions of sections 327B.01 to 327B.12. The  
81.27 commissioner shall adopt rules establishing and approving education programs for  
81.28 manufactured home installers. Each manufactured home installer must satisfactorily  
81.29 complete the continuing education requirements established by the commissioner in rule.

81.30 Sec. 60. **REVISOR'S INSTRUCTION.**

81.31 The revisor of statutes shall renumber each section of Minnesota Statutes listed in  
81.32 column A with the number listed in column B. The revisor shall also make necessary  
81.33 cross-reference changes consistent with the renumbering.

	<u>Column A</u>	<u>Column B</u>
82.1	<u>16B.59</u>	<u>326B.101</u>
82.2	<u>16B.60, subd. 1</u>	<u>326B.103, subd. 1</u>
82.3	<u>16B.60, subd. 2</u>	<u>326B.103, subd. 4</u>
82.4	<u>16B.60, subd. 3</u>	<u>326B.103, subd. 9</u>
82.5	<u>16B.60, subd. 4</u>	<u>326B.103, subd. 5</u>
82.6	<u>16B.60, subd. 5</u>	<u>326B.103, subd. 3</u>
82.7	<u>16B.60, subd. 6</u>	<u>326B.103, subd. 11</u>
82.8	<u>16B.60, subd. 7</u>	<u>326B.103, subd. 10</u>
82.9	<u>16B.60, subd. 8</u>	<u>326B.103, subd. 12</u>
82.10	<u>16B.60, subd. 9</u>	<u>326B.103, subd. 8</u>
82.11	<u>16B.60, subd. 10</u>	<u>326B.103, subd. 7</u>
82.12	<u>16B.60, subd. 11</u>	<u>326B.103, subd. 13</u>
82.13	<u>16B.60, subd. 12</u>	<u>326B.103, subd. 6</u>
82.14	<u>16B.60, subd. 13</u>	<u>326B.103, subd. 2</u>
82.15	<u>16B.61</u>	<u>326B.106</u>
82.16	<u>16B.615</u>	<u>326B.109</u>
82.17	<u>16B.616</u>	<u>326B.112</u>
82.18	<u>16B.617</u>	<u>326B.115</u>
82.19	<u>16B.6175</u>	<u>326B.118</u>
82.20	<u>16B.62</u>	<u>326B.121</u>
82.21	<u>16B.625</u>	<u>326B.124</u>
82.22	<u>16B.63</u>	<u>326B.127</u>
82.23	<u>16B.64</u>	<u>326B.13</u>
82.24	<u>16B.65</u>	<u>326B.133</u>
82.25	<u>16B.66</u>	<u>326B.136</u>
82.26	<u>16B.67</u>	<u>326B.139</u>
82.27	<u>16B.68</u>	<u>326B.142</u>
82.28	<u>16B.685</u>	<u>326B.145</u>
82.29	<u>16B.70</u>	<u>326B.148</u>
82.30	<u>16B.71</u>	<u>326B.151</u>
82.31	<u>16B.72</u>	<u>326B.154</u>
82.32	<u>16B.73</u>	<u>326B.157</u>
82.33	<u>16B.735</u>	<u>326B.16</u>
82.34	<u>16B.74</u>	<u>326B.163</u>
82.35	<u>16B.741</u>	<u>326B.166</u>
82.36	<u>16B.742</u>	<u>326B.169</u>
82.37	<u>16B.743</u>	<u>326B.172</u>
82.38	<u>16B.744</u>	<u>326B.175</u>
82.39	<u>16B.745</u>	<u>326B.178</u>
82.40	<u>16B.746</u>	<u>326B.181</u>
82.41	<u>16B.747</u>	<u>326B.184</u>
82.42	<u>16B.748</u>	<u>326B.187</u>
82.43	<u>16B.749</u>	<u>326B.191</u>
83.1		

83.2	<u>16B.75</u>	<u>326B.194</u>
83.3	<u>16B.76</u>	<u>326B.07</u>
83.4	<u>326.992</u>	<u>326B.197</u>

**ARTICLE 6  
ELECTRICAL**

83.7 Section 1. Minnesota Statutes 2006, section 326.01, subdivision 2, is amended to read:

83.8 Subd. 2. **Class A master electrician.** ~~The term "Class A master electrician"~~  
83.9 means ~~a person~~ an individual having the necessary qualifications, training, experience,  
83.10 and technical knowledge to ~~install, alter, repair, plan, lay out, and supervise the installing,~~  
83.11 ~~altering, and repairing of electrical wiring, apparatus, and equipment for light, heat, power,~~  
83.12 ~~and other purposes~~ perform and supervise any electrical work, and who is licensed as such  
83.13 a Class A master electrician by the Board of Electricity commissioner.

83.14 Sec. 2. Minnesota Statutes 2006, section 326.01, subdivision 3, is amended to read:

83.15 Subd. 3. **Class A journeyman electrician.** ~~The term "Class A journeyman~~  
83.16 ~~electrician" means a person~~ an individual having the necessary qualifications, training,  
83.17 experience, and technical knowledge to install, alter, repair, and supervise the installing,  
83.18 altering, or repairing of electrical wiring, apparatus, and equipment for light, heat, power,  
83.19 and other purposes, and who is licensed as such a Class A journeyman electrician by the  
83.20 Board of Electricity commissioner.

83.21 Sec. 3. Minnesota Statutes 2006, section 326.01, subdivision 4, is amended to read:

83.22 Subd. 4. **Special electrician.** ~~The term "Special electrician" means a person having~~  
83.23 ~~the necessary qualifications, training, experience, and technical knowledge to install, alter,~~  
83.24 ~~repair, and supervise the installing, altering, or repairing of special classes of electrical~~  
83.25 ~~wiring, apparatus, or equipment for light, heat, power, and other purposes or for special~~  
83.26 ~~classes of electrical work who is an individual~~ licensed as such by the Board of Electricity.  
83.27 ~~The scope of any special electrician license created by the board under section 326.242,~~  
83.28 ~~subdivision 4, shall be limited to that provided for by the rules adopted by the board.~~  
83.29 commissioner as an elevator constructor, lineman, maintenance electrician, or master  
83.30 elevator constructor.

83.31 Sec. 4. Minnesota Statutes 2006, section 326.01, subdivision 5, is amended to read:

84.1 Subd. 5. **Contractor.** ~~The term "Contractor" means a person, partnership, or~~  
84.2 ~~corporation operating a business that undertakes~~ who performs or offers to undertake to

84.3 ~~plan for, lay out, or install or to make additions, alterations, or repairs in the installation~~  
 84.4 ~~of electrical wiring, apparatus, or equipment for light, heat, power, and other purposes~~  
 84.5 perform any electrical work, with or without compensation, who is licensed as such a  
 84.6 contractor by the Board of Electricity commissioner. A contractor's license does not of  
 84.7 itself qualify its holder to perform or supervise the electrical work authorized by holding  
 84.8 any class of electrician's or other personal electrical license. Contractor includes electrical  
 84.9 contractors and technology system contractors.

84.10 Sec. 5. Minnesota Statutes 2006, section 326.01, subdivision 6, is amended to read:

84.11 Subd. 6. **Class B master electrician.** ~~The term~~ "Class B master electrician"  
 84.12 means ~~a person~~ an individual having the necessary qualifications, training, experience,  
 84.13 and technical knowledge to ~~install, alter, repair, plan, lay out,~~ perform and supervise  
 84.14 ~~the installing, altering, and repairing of electrical wiring, apparatus, and equipment~~ any  
 84.15 electrical work for single phase systems of not over 200 ampere capacity for light, heat,  
 84.16 power, and other purposes on any farm or in any single family dwelling located in any  
 84.17 town or municipality which has a population of less than ~~2500~~ 2,500 inhabitants, and who  
 84.18 is licensed as ~~such~~ a Class B master electrician by the ~~Board of Electricity~~ commissioner.

84.19 Sec. 6. Minnesota Statutes 2006, section 326.01, subdivision 6a, is amended to read:

84.20 Subd. 6a. **Class B journeyman electrician.** ~~The term~~ "Class B journeyman  
 84.21 electrician" means ~~a person~~ an individual having the necessary qualifications, training,  
 84.22 experience, and technical knowledge to install, alter, repair, and supervise the installing,  
 84.23 altering, or repairing of electrical wiring, apparatus, and equipment for single phase  
 84.24 systems of not more than 200 ampere capacity for light, heat, power, and other purposes  
 84.25 on any farm or in any single family dwelling located in any town or municipality which  
 84.26 has a population of less than ~~2500~~ 2,500 inhabitants, and who is licensed as ~~such~~ a Class B  
 84.27 journeyman electrician by the ~~Board of Electricity~~ commissioner.

84.28 Sec. 7. Minnesota Statutes 2006, section 326.01, subdivision 6b, is amended to read:

84.29 Subd. 6b. **Class A installer.** ~~The term~~ "Class A installer" means ~~a person~~ an  
 84.30 individual who has the necessary qualifications, training, experience, and technical  
 84.31 knowledge to properly lay out and install electrical wiring, apparatus, and equipment for  
 84.32 major electrical home appliances and such other electrical equipment as is determined by  
 84.33 the ~~state Board of Electricity~~ commissioner pursuant to section 326.242, subdivision 3,  
 85.1 on the load side of the main service on farmsteads or in any town or municipality with  
 85.2 less than 1,500 inhabitants, which is not contiguous to a city of the first class and does not

85.3 contain an established business of a master electrician, and who is licensed as ~~such~~ a Class  
85.4 A installer by the ~~state Board of Electricity~~ commissioner.

85.5 Sec. 8. Minnesota Statutes 2006, section 326.01, subdivision 6c, is amended to read:

85.6 Subd. 6c. **Class B installer.** ~~The term "Class B installer" means a person an~~  
85.7 individual who has the necessary qualifications, training, experience, and technical  
85.8 knowledge to properly lay out and install electrical wiring, apparatus, and equipment  
85.9 on center pivot irrigation booms on the load side of the main service on farmsteads,  
85.10 and install other electrical equipment determined by the ~~state Board of Electricity~~  
85.11 commissioner, and who is licensed as a Class B installer ~~must be licensed by the Board of~~  
85.12 Electricity commissioner.

85.13 Sec. 9. Minnesota Statutes 2006, section 326.01, subdivision 6e, is amended to read:

85.14 Subd. 6e. **Owner.** An owner is ~~a natural person~~ an individual who physically  
85.15 performs electrical work on premises the ~~person~~ individual owns and actually occupies as  
85.16 a residence or owns and will occupy as a residence upon completion of its construction.

85.17 Sec. 10. Minnesota Statutes 2006, section 326.01, subdivision 6f, is amended to read:

85.18 Subd. 6f. **Electrical work.** ~~The term "Electrical work" means the installing,~~  
85.19 altering, repairing, planning, or laying out of electrical wiring, apparatus, or equipment  
85.20 for electrical light, heat, power, technology circuits or systems, or other purposes. The  
85.21 installing, ~~alteration~~ altering, repairing, planning, or laying out of electrical wiring,  
85.22 apparatus, or equipment for electrical light, heat, power, technology circuits or systems,  
85.23 or other purposes includes, but is not limited to, the performance of any work ~~governed~~  
85.24 regulated by the standards referred to in section 326.243.

85.25 Sec. 11. Minnesota Statutes 2006, section 326.01, subdivision 6g, is amended to read:

85.26 Subd. 6g. **Personal Direct supervision.** ~~The term "personal "Direct supervision"~~  
85.27 ~~means that a person licensed to perform electrical work oversees and directs the electrical~~  
85.28 ~~work performed by an unlicensed person such that:~~

85.29 (1) ~~the licensed person actually reviews the electrical work performed by the~~  
85.30 ~~unlicensed person~~ an unlicensed individual is being supervised by an individual licensed  
85.31 to perform the electrical work being supervised;

86.1 (2) during the entire working day of the unlicensed individual, the licensed individual  
86.2 is present at the location where the unlicensed individual is performing electrical work;

86.3 (3) the licensed person individual is immediately available to the unlicensed person  
86.4 individual at all times for assistance and direction;

86.5 (4) the licensed individual actually reviews the electrical work performed by the  
86.6 unlicensed individual before the electrical work is operated; and

86.7 ~~(3)~~ (5) the licensed person individual is able to and does determine that all electrical  
86.8 work performed by the unlicensed person individual is performed in compliance with  
86.9 section 326.243.

86.10 ~~The licensed person is responsible for the compliance with section 326.243 of all~~  
86.11 ~~electrical work performed by the unlicensed person.~~

86.12 Sec. 12. Minnesota Statutes 2006, section 326.01, subdivision 6j, is amended to read:

86.13 Subd. 6j. **Residential dwelling.** A "residential dwelling" is ~~an individual dwelling~~  
86.14 ~~of a single dwelling unit that is contained in a one-family, two-family, or multifamily~~  
86.15 ~~dwelling as defined in the National Electrical Code pursuant to section 326.243, including~~  
86.16 ~~its garage or accessory building.~~ A residential dwelling includes a garage and accessory  
86.17 building that can only be used by the residents of the single dwelling unit.

86.18 Sec. 13. Minnesota Statutes 2006, section 326.01, subdivision 6k, is amended to read:

86.19 Subd. 6k. **Power limited technician.** ~~The term~~ "Power limited technician" means  
86.20 ~~a person~~ an individual having the necessary qualifications, training, experience, and  
86.21 technical knowledge to install, alter, repair, plan, lay out, and supervise the installing,  
86.22 altering, and repairing of electrical wiring, apparatus, and equipment for technology  
86.23 circuits or systems, and who is licensed as such a power limited technician by the ~~Board of~~  
86.24 Electricity commissioner.

86.25 Sec. 14. Minnesota Statutes 2006, section 326.01, subdivision 6l, is amended to read:

86.26 Subd. 6l. **Technology circuits or systems.** "Technology circuits or systems" means  
86.27 class 2 or class 3 circuits or systems for, but not limited to, remote control, signaling,  
86.28 control, alarm, and audio signal, including associated components as covered by the  
86.29 National Electrical Code, articles 640, 645, 650, 725, 760, 770, and 780, and which are  
86.30 isolated from circuits or systems other than class 2 or class 3 by a demarcation and are  
86.31 not process control circuits or systems; antenna and communication circuits or systems  
86.32 as covered by chapter 8 of the National Electrical Code; and circuitry and equipment for  
86.33 indoor lighting and outdoor landscape lighting systems that are supplied by the secondary  
87.1 circuit of an isolating power supply operating at 30 volts or less as covered by the National  
87.2 Electrical Code, article 411. The planning, laying out, installing, altering, and repairing

87.3 of technology circuits or systems must be performed in accordance with the applicable  
87.4 requirements of the National Electrical Code pursuant to section 326.243.

87.5 Sec. 15. Minnesota Statutes 2006, section 326.241, is amended to read:

87.6 **326.241 BOARD OF ELECTRICITY ELECTRICAL ADVISORY COUNCIL.**

87.7 Subdivision 1. **Composition.** The Board of Electricity Electrical Advisory Council  
87.8 shall be advisory to the commissioner and shall consist of 11 members; who are residents  
87.9 of the state; and appointed by the governor of whom commissioner. Two members shall  
87.10 be representatives of the electrical suppliers in the rural areas of the state; two shall be  
87.11 master electricians, who shall be contractors; two shall be journeyman electricians; one  
87.12 registered consulting shall be a licensed electrical engineer; two shall be power limited  
87.13 technicians, who shall be technology system contractors primarily engaged in the business  
87.14 of installing technology circuits or systems; and two; one shall be a public members  
87.15 member as defined by section 214.02; and one shall be a department employee designated  
87.16 by the commissioner. The commissioner may also appoint one or more alternates for  
87.17 each member of the advisory council. Membership terms, compensation of members,  
87.18 removal of members, the filling of membership vacancies, and fiscal year and reporting  
87.19 requirements shall be as provided in sections 214.07 to 214.09. The provision of staff,  
87.20 administrative services and office space, the review and processing of complaints, the  
87.21 setting of board fees, and other provisions relating to board operations shall be as provided  
87.22 in chapter 214.

87.23 Subd. 1a. **Organization.** (a) The advisory council shall be organized and  
87.24 administered according to section 15.059, except that, notwithstanding any other law to  
87.25 the contrary, the advisory council shall not expire. Upon the commissioner's request, the  
87.26 advisory council shall form a complaint committee, a technical committee, a technical  
87.27 program committee, and any other committee that the commissioner directs. Each  
87.28 committee shall render advice to the commissioner without referring matters to the full  
87.29 advisory council, unless the committee determines that referral of a technical matter  
87.30 to the full advisory council is appropriate.

87.31 (b) The complaint committee shall consist of three members of the advisory council  
87.32 who are not department employees, plus one department employee designated by the  
87.33 commissioner. The department employee shall be a nonvoting member of the committee  
87.34 regardless of whether that employee is a member of the advisory council. The complaint  
87.35 committee shall, upon the commissioner's request, advise the commissioner regarding the  
88.1 disposition of complaints filed with or information received by the commissioner alleging  
88.2 or indicating violations of sections 326B.32 to 326B.399.

88.3 (c) The technical committee shall consist of one department employee designated  
 88.4 by the commissioner and at least one member but no more than three members of the  
 88.5 advisory council. The technical committee shall, upon the commissioner's request, advise  
 88.6 the commissioner regarding technical electrical code issues and proposed licensing  
 88.7 examinations.

88.8 (d) The technical program committee shall consist of two department employees  
 88.9 designated by the commissioner and at least one member but no more than three members  
 88.10 of the advisory council. The technical program committee shall, upon the commissioner's  
 88.11 request, advise the commissioner regarding experience credits for technical programs.

88.12 ~~Subd. 2. **Powers Duties.** The board, or the complaint committee on behalf of the~~  
 88.13 ~~board where authorized by law, advisory council shall have power to meet at least four~~  
 88.14 ~~times per year and shall:~~

88.15 ~~(1) elect its own officers, who shall select advisory council members to serve on the~~  
 88.16 ~~complaint committee, the technical committee, the technical program committee, and any~~  
 88.17 ~~other committee directed by the commissioner;~~

88.18 ~~(2) Engage and fix the compensation of inspectors, and hire employees. The salary~~  
 88.19 ~~of the executive secretary shall be established pursuant to chapter 43A. All agents and~~  
 88.20 ~~employees other than contract inspectors shall be in the classified service and shall be~~  
 88.21 ~~compensated pursuant to chapter 43A. All inspectors shall hold licenses as master or~~  
 88.22 ~~journeyman electricians under section 326.242, subdivision 1(1) or 2(1), and shall give~~  
 88.23 ~~bond in an amount fixed by the board, conditioned upon the faithful performance of their~~  
 88.24 ~~duties; select an advisory council member to serve on the Construction Codes Advisory~~  
 88.25 ~~Council established in section 326B.07;~~

88.26 ~~(3) Pay such other expenses as it may deem necessary in the performance of its~~  
 88.27 ~~duties, including rent, supplies, and such like; at the request of the commissioner, advise~~  
 88.28 ~~the commissioner on issues related to the electrical industry; and~~

88.29 ~~(4) Enforce the provisions of sections 326.241 to 326.248, and provide, upon~~  
 88.30 ~~request, such additional voluntary inspections and reviews as it may deem appropriate~~  
 88.31 ~~at the request of an advisory council committee, provide advice to that committee or~~  
 88.32 ~~to the commissioner on technical issues.~~

88.33 ~~(5) Issue, renew, refuse to renew, suspend, temporarily suspend, and revoke licenses;~~  
 88.34 ~~censure licensees, assess civil penalties, issue cease and desist orders, and seek injunctive~~  
 88.35 ~~relief and civil penalties in court as authorized by section 326.242 and other provisions~~  
 88.36 ~~of Minnesota law.~~

89.1 ~~(6) Adopt reasonable rules to carry out its duties under sections 326.241 to 326.248~~  
 89.2 ~~and to provide for the amount and collection of fees for inspection and other services. All~~  
 89.3 ~~rules shall be adopted in accordance with chapter 14.~~

89.4 ~~Subd. 3. **Fees and finances; disposition.** All fees collected under the provisions of~~  
 89.5 ~~sections 326.241 to 326.248 are to be credited to a special account in the state treasury.~~  
 89.6 ~~Money in the account is appropriated to the Board of Electricity to administer and enforce~~  
 89.7 ~~sections 326.241 to 326.248, to pay indirect costs, to compensate contract electrical~~  
 89.8 ~~inspectors for inspections performed, and to make refunds.~~

89.9 **EFFECTIVE DATE.** The repeal of subdivision 3 is effective July 1, 2007.

89.10 Sec. 16. Minnesota Statutes 2006, section 326.242, is amended to read:

89.11 **326.242 LICENSES.**

89.12 Subdivision 1. **Master electrician.** Except as otherwise provided by law, no ~~person~~  
 89.13 ~~individual~~ shall ~~install, alter, repair, plan, lay out, or supervise the installing, altering, or~~  
 89.14 ~~repairing of electrical wiring, apparatus, or equipment for light, heat, power, or other~~  
 89.15 ~~purposes~~ perform or supervise electrical work unless the ~~person~~ individual is: (a) licensed  
 89.16 by the ~~board~~ commissioner as a master electrician; and (b)(i) the electrical work is for a  
 89.17 licensed contractor and the ~~person~~ individual is an employee, partner, or officer of, or is  
 89.18 the licensed contractor, or (ii) the electrical work is performed for the ~~person's~~ individual's  
 89.19 employer on ~~electric~~ electrical wiring, apparatus, equipment, or facilities that are owned  
 89.20 or leased by the employer ~~which is~~ and that are located within the limits of property  
 89.21 ~~which is~~ operated, maintained, and either owned or leased ~~and operated and maintained~~ by  
 89.22 the employer.

89.23 (1) An applicant for a Class A master ~~electrician's~~ electrician license shall (a)  
 89.24 be a graduate of a four-year electrical course ~~in~~ offered by an accredited college or  
 89.25 university; or (b) shall have had at least one ~~year's~~ year of experience, acceptable to the  
 89.26 ~~board~~ commissioner, as a licensed journeyman; or (c) shall have had at least five years'  
 89.27 experience, acceptable to the ~~board~~ commissioner, in planning for, laying out, supervising  
 89.28 and installing wiring, apparatus, or equipment for electrical light, heat and power.

89.29 (2) As of August 1, 1985, no new Class B master ~~electrician's~~ electrician licenses  
 89.30 shall be issued. An individual who has a Class B master ~~electrician's~~ electrician license as  
 89.31 of August 1, 1985, may retain and renew the license and exercise the privileges it grants,  
 89.32 which include electrical work limited to single phase systems, not over 200 amperes in  
 89.33 capacity, on farmsteads or single-family dwellings located in towns or municipalities  
 89.34 with fewer than 2,500 inhabitants.

90.1 Subd. 2. **Journeyman electrician.** (a) Except as otherwise provided by law,  
 90.2 no person individual shall install, alter, repair, or supervise the installing, altering, or  
 90.3 repairing of electrical wiring, apparatus, or equipment for electrical light, heat, power,  
 90.4 or other purposes unless:

90.5 (1) the person individual is licensed by the ~~board~~ commissioner as a journeyman  
 90.6 electrician; and

90.7 (2) the electrical work is:

90.8 (i) for a contractor and the person individual is an employee, partner, or officer of  
 90.9 the licensed contractor; or

90.10 (ii) performed under the supervision of a master electrician also employed by the  
 90.11 person's individual's employer on electrical wiring, apparatus, equipment, or facilities  
 90.12 that are owned or leased by the employer and that is are located within the limits of  
 90.13 property operated, maintained, and either owned or leased, ~~operated, and maintained~~ by  
 90.14 the employer.

90.15 (b) An applicant for a Class A journeyman ~~electrician's~~ electrician license shall have  
 90.16 had at least four years of experience, acceptable to the ~~board~~ commissioner, in wiring for,  
 90.17 installing, and repairing electrical wiring, apparatus, or equipment, provided however,  
 90.18 that the ~~board~~ commissioner may by rule ~~provide for the allowance of~~ allow one year of  
 90.19 experience credit for the successful completion of a two-year post high school electrical  
 90.20 course approved by the ~~board~~ commissioner.

90.21 (c) As of August 1, 1985, no new Class B journeyman ~~electrician's~~ electrician  
 90.22 licenses shall be issued. An individual who holds a Class B journeyman ~~electrician's~~  
 90.23 electrician license as of August 1, 1985, may retain and renew the license and exercise the  
 90.24 privileges it grants, which include electrical work limited to single phase systems, not over  
 90.25 200 amperes in capacity, on farmsteads or on single-family dwellings located in towns or  
 90.26 municipalities with fewer than 2,500 inhabitants.

90.27 Subd. 3. **Class A installer.** Notwithstanding the provisions of subdivisions 1, 2, and  
 90.28 6, any person individual holding a Class A installer license may lay out and install and  
 90.29 supervise the laying out and installing of electrical wiring, apparatus, or equipment for  
 90.30 major electrical home appliances on the load side of the main service on farmsteads and in  
 90.31 any town or municipality with fewer than 1,500 inhabitants, which is not contiguous to  
 90.32 a city of the first class and does not contain an established business of a contractor. As  
 90.33 of December 1, 2007, no new Class A installer licenses shall be issued. An individual  
 90.34 who holds a Class A installer license as of December 1, 2007, may retain and renew the  
 90.35 license and exercise the privileges it grants.

91.1 Subd. 3a. **Class B installer.** Notwithstanding the provisions of subdivisions 1, 2  
 91.2 and 6, any ~~person~~ individual holding a Class B installer license may lay out and install  
 91.3 electrical wiring, apparatus and equipment on center pivot irrigation booms on the load  
 91.4 side of the main service on farmsteads, and install such other electrical equipment as is  
 91.5 ~~determined~~ approved by the ~~board~~ commissioner.

91.6 Subd. 3b. **Coursework or experience.** An applicant for a Class A or B installer  
 91.7 license shall have completed a post high school course in electricity ~~acceptable to~~  
 91.8 approved by the board commissioner or shall have had at least one ~~year's~~ year of  
 91.9 experience, ~~acceptable to~~ approved by the board commissioner, in electrical wiring.

91.10 Subd. 3c. **Bond.** Every Class A and Class B installer, as a condition of licensure,  
 91.11 shall give bond to the state in the sum of \$1,000 conditioned upon the faithful and lawful  
 91.12 performance of all work contracted for or entered upon by the installer within the state of  
 91.13 Minnesota, and such bond shall be for the benefit of persons injured or suffering financial  
 91.14 loss by reason of failure of such performance. Such bond shall be in lieu of all other  
 91.15 license bonds to any political subdivision of the state. Such bond shall be written by a  
 91.16 corporate surety licensed to do business in the state of Minnesota.

91.17 Subd. 3d. **Power limited technician.** (a) Except as otherwise provided by law,  
 91.18 no ~~person~~ individual shall install, alter, repair, plan, lay out, or supervise the installing,  
 91.19 altering, ~~or repairing,~~ planning, or laying out of electrical wiring, apparatus, or equipment  
 91.20 for technology circuits or systems unless:

91.21 (1) the ~~person~~ individual is licensed by the ~~board~~ commissioner as a power limited  
 91.22 technician; and

91.23 (2) the electrical work is:

91.24 (i) for a licensed contractor and the ~~person~~ individual is an employee, partner, or  
 91.25 officer of, or is the licensed contractor; or

91.26 (ii) performed under the supervision of a master electrician or power limited  
 91.27 technician also employed by the ~~person's~~ individual's employer on technology circuits,  
 91.28 systems, apparatus, equipment, or facilities that are owned or leased by the employer and  
 91.29 that are located within the limits of property operated, maintained, and either owned or  
 91.30 leased, ~~operated, and maintained~~ by the employer.

91.31 (b) An applicant for a power limited technician's license shall (1) be a graduate of a  
 91.32 four-year electrical course in offered by an accredited college or university; or (2) have  
 91.33 had at least 36 months' experience, acceptable to the ~~board~~ commissioner, in planning  
 91.34 for, laying out, supervising, ~~and~~ installing, altering, and repairing wiring, apparatus, or  
 91.35 equipment for power limited systems, provided however, that the ~~board~~ commissioner  
 91.36 may by rule provide for the allowance of up to 12 months (2,000 hours) of experience

92.1 credit for successful completion of a two-year post high school electrical course or other  
 92.2 technical training approved by the board commissioner.

92.3 ~~(c) The board may initially set experience requirements without rulemaking, but  
 92.4 must adopt rules before July 1, 2004.~~

92.5 ~~(d) Licensees must attain eight hours of continuing education acceptable to the  
 92.6 board every renewal period.~~

92.7 ~~(e) A person who has submitted an application by June 30, 2003, to take the alarm  
 92.8 and communications examination administered by the board, and who has achieved a  
 92.9 minimal score of 70 percent on the examination by September 30, 2003, may obtain a  
 92.10 power limited technician license without further examination by submitting an application  
 92.11 and a license fee of \$30.~~

92.12 ~~(f)~~ (c) A company holding an alarm and communication license as of June 30, 2003,  
 92.13 may designate one person individual who may obtain a power limited technician license  
 92.14 without passing an examination administered by the board commissioner by submitting an  
 92.15 application and license fee of \$30.

92.16 ~~(g) A person who has submitted an application by September 30, 2005, to take the  
 92.17 power limited technician examination administered by the board is not required to meet  
 92.18 the qualifications set forth in paragraph (b).~~

92.19 Subd. 4. **Special electrician.** Notwithstanding the provisions of subdivisions 1, 2, 6,  
 92.20 and 7, the board commissioner may by rule provide for the issuance of special electrician  
 92.21 licenses empowering the licensee to engage in a one or more of the following limited  
 92.22 class or classes of electrical work, which class or classes shall be specified on the license  
 92.23 certificate: elevator constructor, lineman, maintenance electrician, and master elevator  
 92.24 constructor. Each licensee shall have had at least two years of experience, acceptable to  
 92.25 the board commissioner, in each such limited class of work for which the licensee is  
 92.26 licensed. The scope of each special electrician license created by the commissioner under  
 92.27 this section shall be limited to that provided for by the rules adopted by the commissioner.

92.28 Subd. 5. **Unlicensed persons individuals.** (a) An unlicensed person individual  
 92.29 shall not perform electrical work unless the work is performed under the personal direct  
 92.30 supervision of a person actually an individual licensed to perform such work and the  
 92.31 licensed electrician individual and unlicensed persons individual are employed by the  
 92.32 same employer. Licensed persons shall not permit unlicensed persons individuals to  
 92.33 perform electrical work except under the personal direct supervision of a person actually  
 92.34 an individual licensed to perform such the electrical work. Unlicensed persons individuals  
 92.35 shall not supervise the performance of electrical work or make assignments of electrical  
 92.36 work to unlicensed persons individuals. Except for technology circuit or system work,

93.1 each licensed persons individual shall supervise no more than two unlicensed ~~persons~~  
 93.2 individuals. For technology circuit or system work, each licensed persons individual shall  
 93.3 supervise no more than three unlicensed ~~persons~~ individuals.

93.4 (b) Notwithstanding any other provision of this section, no ~~person~~ individual other  
 93.5 than a licensed master electrician or licensed power limited technician shall plan or lay out  
 93.6 electrical wiring, apparatus, or equipment for light, heat, power, or other purposes, except  
 93.7 circuits or systems exempted from personal licensing by subdivision 12, paragraph (b).

93.8 (c) Contractors employing unlicensed ~~persons performing~~ individuals to perform  
 93.9 electrical work shall maintain records establishing compliance with this subdivision, ~~which~~  
 93.10 that shall designate identify all unlicensed ~~persons~~ individuals performing electrical work,  
 93.11 except for ~~persons~~ individuals working on circuits or systems exempted from personal  
 93.12 licensing by subdivision 12, paragraph (b), and shall permit the ~~board~~ commissioner to  
 93.13 examine and copy all such records as provided for in section 326.244, subdivision 6.

93.14 (d) When a licensed individual supervises the electrical work of an unlicensed  
 93.15 individual, the licensed individual is responsible for ensuring that the electrical work  
 93.16 complies with the Minnesota Electrical Act and all rules adopted under the act.

93.17 Subd. 6. **Contractor's license required.** Except as otherwise provided by law, no  
 93.18 ~~person~~ individual other than an employee, partner, or officer of a licensed contractor, as  
 93.19 defined by section ~~326.01~~ 326B.31, subdivision ~~5~~ 12, shall ~~undertake~~ perform or offer  
 93.20 to ~~undertake to plan for, lay out, supervise or install or to make additions, alterations, or~~  
 93.21 ~~repairs in the installation of electrical wiring, apparatus, and equipment for light, heat,~~  
 93.22 ~~power, and other purposes~~ perform electrical work with or without compensation unless  
 93.23 the ~~person~~ individual obtains a contractor's license. A contractor's license does not of itself  
 93.24 qualify its holder to perform or supervise the electrical work authorized by holding any  
 93.25 class of personal ~~electrical~~ license.

93.26 Subd. 6a. **Bond required.** As a condition of licensing, each contractor shall give  
 93.27 and maintain bond to the state in the ~~penal~~ sum of \$5,000 ~~\$5,000~~ \$25,000 conditioned upon the  
 93.28 faithful and lawful performance of all work ~~entered upon~~ contracted for or performed by  
 93.29 the contractor within the state of Minnesota and such bond shall be for the benefit of  
 93.30 persons injured or suffering financial loss by reason of failure of such performance. The  
 93.31 bond shall be filed with the ~~board~~ commissioner and shall be in lieu of all other license  
 93.32 bonds to any other political subdivision. Such bond shall be written by a corporate surety  
 93.33 licensed to do business in the state of Minnesota.

93.34 Subd. 6b. **Insurance required.** Each contractor shall have and maintain in effect  
 93.35 general liability insurance, which includes premises and operations insurance and products  
 93.36 and completed operations insurance, with limits of at least \$100,000 per occurrence,

94.1 \$300,000 aggregate limit for bodily injury, and property damage insurance with limits  
 94.2 of at least ~~\$25,000~~ \$50,000 or a policy with a single limit for bodily injury and property  
 94.3 damage of \$300,000 per occurrence and \$300,000 aggregate limits. Such insurance  
 94.4 shall be written by an insurer licensed to do business in the state of Minnesota and each  
 94.5 contractor shall maintain on file with the ~~board~~ commissioner a certificate evidencing such  
 94.6 insurance which provides that such insurance shall not be canceled without the insurer  
 94.7 first giving 15 days written notice to the ~~board~~ commissioner of such cancellation.

94.8 Subd. 6c. **Employment of master electrician or power limited technician.** (a) ~~No~~  
 94.9 ~~contractor shall engage in business of electrical contracting unless the contractor employs~~  
 94.10 ~~a licensed Class A master or Class B~~ Each contractor must designate a responsible master  
 94.11 electrician; or power limited technician, who shall be responsible for the performance of  
 94.12 all electrical work in accordance with the requirements of sections ~~326.241 to 326.248~~  
 94.13 326B.31 to 326B.399 or any rule or order adopted or issued under these sections. The  
 94.14 classes of work for which the that a licensed contractor is authorized to perform shall be  
 94.15 limited to those for which such Class A master electrician, Class B master electrician,  
 94.16 or power limited technician employed by the contractor the classes of work that the  
 94.17 responsible master electrician or power limited electrician is licensed to perform.

94.18 (b) When a contractor's license is held by an individual, sole proprietorship,  
 94.19 partnership, limited liability company, or corporation and the individual, proprietor, one  
 94.20 of the partners, one of the members, or an officer of the corporation, respectively, is not  
 94.21 the responsible master electrician or power limited technician of record, all requests for  
 94.22 inspection shall be signed by the responsible master electrician or power limited technician  
 94.23 of record. The designated responsible master electrician or power limited technician of  
 94.24 record shall be employed by the individual, partnership, limited liability company, or  
 94.25 corporation which is applying for a contractor's license and shall not be employed in any  
 94.26 capacity as a licensed electrician or licensed technician by any other contractor or employer  
 94.27 designated in subdivision 12. If the contractor is an individual or a sole proprietorship, the  
 94.28 responsible licensed individual must be the individual, proprietor, or managing employee.  
 94.29 If the contractor is a partnership, the responsible licensed individual must be a general  
 94.30 partner or managing employee. If the licensed contractor is a limited liability company,  
 94.31 the responsible licensed individual must be a chief manager or managing employee. If  
 94.32 the contractor is a corporation, the responsible licensed individual must be an officer or  
 94.33 managing employee. If the responsible licensed individual is a managing employee, the  
 94.34 responsible licensed individual must be actively engaged in performing electrical work  
 94.35 on behalf of the contractor, and cannot be employed in any capacity as an electrician

95.1 or technician by any other contractor or employer designated in subdivision 12. An  
 95.2 individual may be the responsible licensed individual for only one contractor or employer.

95.3 (c) All applications and renewals for ~~contractor's~~ contractor licenses ~~and all renewals~~  
 95.4 shall include a verified statement that the applicant or licensee has complied with this  
 95.5 subdivision.

95.6 Subd. 7. **Examination.** In addition to the other requirements ~~imposed herein~~  
 95.7 described in this section and except as ~~herein otherwise~~ provided in subdivision 11, as  
 95.8 a precondition to issuance of a personal license, each applicant must pass a written  
 95.9 or oral examination ~~given~~ developed and administered by the ~~board~~ commissioner to  
 95.10 ~~insure~~ ensure the competence of each applicant for license. An oral examination shall  
 95.11 be administered only to an applicant who furnishes a written statement from a certified  
 95.12 teacher or other professional, trained in the area of reading disabilities stating that the  
 95.13 applicant has a specific reading disability which would prevent the applicant from  
 95.14 performing satisfactorily on a written test. The oral examination shall be structured so that  
 95.15 an applicant who passes the examination will not impair the applicant's own safety or that  
 95.16 of others while acting as a licensed ~~person~~ individual. No ~~person~~ individual failing an  
 95.17 examination may retake it for six months thereafter, but within such six months the ~~person~~  
 95.18 individual may take an examination for a lesser grade of license. Any ~~licensee~~ individual  
 95.19 failing to renew a personal license for two years or more after its expiration, and any  
 95.20 licensee whose personal license is revoked under this chapter, shall be required to retake  
 95.21 the examination before being issued a new license. An individual whose personal license  
 95.22 is revoked under any other chapter is not required to retake the examination before being  
 95.23 issued a new license, unless the personal license was revoked two years or more before the  
 95.24 commissioner received the completed application for a new license. A licensee whose  
 95.25 personal license is suspended for any reason is not required to retake the examination  
 95.26 before the personal license is reinstated, unless the personal license has not been reinstated  
 95.27 within two years after the suspension began.

95.28 An applicant for a personal license shall submit to the ~~board~~ commissioner an  
 95.29 application and examination fee at the time of application. Upon approval of the  
 95.30 application, the ~~board~~ commissioner shall schedule the applicant for the next available  
 95.31 examination, which shall be held within 60 days. The applicant shall be allowed one  
 95.32 opportunity to reschedule an examination without being required to submit another  
 95.33 application and examination fee. Additionally, an applicant who fails an examination, or  
 95.34 whose application ~~has been disapproved, must~~ was not approved, shall submit another  
 95.35 application and examination fee.

96.1 Subd. 8. **License and renewal fees; expiration.** ~~All licenses issued hereunder shall~~  
 96.2 ~~expire in a manner as provided by the board.~~ (a) Unless revoked or suspended under this  
 96.3 chapter, all licenses issued or renewed under this section expire on the date specified  
 96.4 in this subdivision. Master licenses expire March 1 of each odd-numbered year after  
 96.5 issuance or renewal. Electrical contractor licenses expire March 1 of each even-numbered  
 96.6 year after issuance or renewal. Technology system contractor licenses expire August 1 of  
 96.7 each even-numbered year after issuance or renewal. Journeyman, installer, power limited  
 96.8 technician, and special electrician licenses expire two years from the date of original  
 96.9 issuance and every two years thereafter.

96.10 (b) ~~Fees, as set by the board, shall be payable for application and examination, and~~  
 96.11 for the original issuance and each subsequent renewal of the following, are:

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

96.13 ~~Class A Master:~~

96.14 ~~Class B Master:~~

96.15 ~~Class A Journeyman, Class B Journeyman, Installer, Power Limited Technician, or~~  
 96.16 ~~Special Electrician:~~

96.17 (2) For original issuance of original license and each subsequent renewal of:

96.18 ~~Class A Master; or master special electrician, including master elevator constructor:~~  
 96.19 \$40 per year;

96.20 ~~Class B Master;:~~ \$25 per year;

96.21 ~~Power Limited Technician;:~~ \$15 per year;

96.22 ~~Class A Journeyman, Class B Journeyman, Installer, or Special Electrician; other~~  
 96.23 than master special electrician: \$15 per year;

96.24 ~~Electrical contractor: \$100 per year.~~

96.25 ~~Technology Systems Contractor:~~

96.26 (c) If any new license is issued in accordance with this subdivision for less than two  
 96.27 years, the fee for the license shall be prorated on an annual basis.

96.28 (d) A license fee may not be refunded after a license is issued or renewed. However,  
 96.29 if the fee paid for a license was not prorated in accordance with this subdivision, the  
 96.30 amount of the overpayment shall be refunded.

96.31 (e) Any contractor who seeks reissuance of a license after it has been revoked or  
 96.32 suspended under this chapter shall submit a reissuance fee of \$100 before the license is  
 96.33 reinstated.

96.34 (f) The fee for the issuance of each duplicate license is \$15.

96.35 ~~(3)~~ (g) An individual or contractor who fails to renew a license before 30 days  
 96.36 after the expiration of the license must submit a late fee equal to one year's license fee in

97.1 addition to the full renewal fee. Fees for renewed licenses are not prorated. An individual  
 97.2 or contractor that fails to renew a license by the expiration date is unlicensed until the  
 97.3 license is renewed.

97.4 Subd. 8a. Continuing education. The commissioner shall adopt rules governing  
 97.5 continuing education requirements for individuals licensed under this section.

97.6 Notwithstanding the provisions of section 14.125, the commissioner shall publish a notice  
 97.7 of intent to adopt rules or a notice of hearing with respect to the proposed continuing  
 97.8 education rules by January 4, 2010. Until such rules are effective, the commissioner shall  
 97.9 enforce the continuing education requirements of Minnesota Rules, parts 3800.3601  
 97.10 to 3800.3603.

97.11 ~~Subd. 9. Denial, suspension, and revocation of licenses.~~ The board may by order  
 97.12 deny, suspend, revoke, or refuse to renew a license, or may censure a licensee if the board  
 97.13 finds (1) in its discretion that the order is in the public interest and (2) that, based upon a  
 97.14 preponderance of the evidence presented, the applicant or licensee:

97.15 ~~(a) has filed an application for a license which is incomplete in any material respect~~  
 97.16 ~~or contains any statement which, in light of the circumstances under which it is made, is~~  
 97.17 ~~false or misleading with respect to any material fact;~~

97.18 ~~(b) has engaged in any fraudulent, deceptive, or dishonest act or practice;~~

97.19 ~~(c) has been convicted within the past five years of a misdemeanor involving a~~  
 97.20 ~~violation of sections 326.241 to 326.248;~~

97.21 ~~(d) has violated or failed to comply with sections 326.241 to 326.248 or any rule or~~  
 97.22 ~~order adopted or issued under these sections; or~~

97.23 ~~(e) has, in the conduct of the applicant's or licensee's affairs, including, but~~  
 97.24 ~~not limited to, the performance of electrical work, been shown to be incompetent or~~  
 97.25 ~~untrustworthy.~~

97.26 ~~If a licensee engages in conduct that is proven by a preponderance of the evidence to~~  
 97.27 ~~be a basis for discipline pursuant to paragraphs (a) to (e), the conduct shall constitute a~~  
 97.28 ~~violation of this subdivision. The board may take action under this subdivision or any~~  
 97.29 ~~other law authorizing action against a licensee regardless of whether the underlying~~  
 97.30 ~~conduct was willful.~~

97.31 ~~The board may adopt rules further specifying and defining actions, conduct, and~~  
 97.32 ~~omissions that constitute fraudulent, deceptive, dishonest, or prohibited practices, and~~  
 97.33 ~~establishing standards of conduct for applicants and licensees.~~

97.34 ~~Subd. 9a. Civil penalties.~~ Whenever a preponderance of the evidence presented  
 97.35 ~~proves that a person has violated or failed to comply with sections 326.241 to 326.248 or~~

98.1 ~~any rule or order adopted or issued under these sections, the board may impose a civil~~  
98.2 ~~penalty upon the person in an amount not to exceed \$10,000 per violation:~~

98.3 ~~Subd. 9b. **Orders for hearing.** The complaint committee may, on behalf of the~~  
98.4 ~~board, issue an order requiring a licensee or an applicant for a license to appear at a~~  
98.5 ~~hearing on the issue of whether the license should be revoked or suspended, the licensee~~  
98.6 ~~censured, the application denied, or a civil penalty imposed. The order shall be calculated~~  
98.7 ~~to give reasonable notice of the time and place for hearing, and shall state the reasons for~~  
98.8 ~~the entry of the order. All hearings shall be conducted in accordance with chapter 14.~~  
98.9 ~~After the hearing, the board shall enter an order making a disposition of the matter as the~~  
98.10 ~~facts require. If the licensee or applicant fails to appear at a hearing of which that person~~  
98.11 ~~has been duly notified, the person is in default and the proceeding may be determined~~  
98.12 ~~against that person upon consideration of the order for hearing, the allegations of which~~  
98.13 ~~may be deemed to be true:~~

98.14 ~~Subd. 9c. **Temporary suspension.** (a) The complaint committee may, on~~  
98.15 ~~behalf of the board and in the public interest, temporarily suspend a license pending~~  
98.16 ~~final determination of an order for hearing. The complaint committee shall not issue~~  
98.17 ~~a temporary suspension order until an investigation of the facts has been conducted~~  
98.18 ~~pursuant to section 214.10 by the attorney general. The complaint committee shall issue a~~  
98.19 ~~temporary suspension order only when the safety of life or property is threatened or to~~  
98.20 ~~prevent the commission of fraudulent, deceptive, or dishonest acts against the public.~~  
98.21 ~~Service of the temporary suspension order is effective if the order is served on the licensee~~  
98.22 ~~or counsel of record personally or by first class mail to the most recent address provided to~~  
98.23 ~~the board for the licensee or the counsel of record:~~

98.24 ~~(b) If a license is suspended pending final determination of an order for hearing, a~~  
98.25 ~~hearing on the merits shall be held within 45 days of the issuance of the order of temporary~~  
98.26 ~~suspension. The administrative law judge shall issue a report within 30 days after closing~~  
98.27 ~~of the contested case hearing record. The board shall issue a final order within 30 days~~  
98.28 ~~after receipt of that report and any exceptions:~~

98.29 ~~(c) If the licensee requests a hearing in writing within ten days of service of the~~  
98.30 ~~order, the board shall hold a hearing before its own members on the sole issue of whether~~  
98.31 ~~there is a reasonable basis to continue, modify, or vacate the temporary suspension. The~~  
98.32 ~~board shall hold the hearing within five working days of the licensee's request for hearing.~~  
98.33 ~~Evidence presented by the complaint committee or licensee shall be in affidavit form only.~~  
98.34 ~~The licensee or counsel of record for the licensee may appear for oral argument. Within~~  
98.35 ~~five working days after the hearing, the board shall issue its order either continuing or~~  
98.36 ~~vacating the temporary suspension:~~

99.1 ~~Subd. 9d. **Cease and desist order.** (a) Whenever it appears to the complaint~~  
 99.2 ~~committee that any person has engaged or is about to engage in any act or practice~~  
 99.3 ~~constituting a violation of sections 326.241 to 326.248, any other law authorizing the~~  
 99.4 ~~issuance of a cease and desist order, or any rule or order adopted or issued under these~~  
 99.5 ~~sections, the complaint committee may, on behalf of the board, issue and cause to be~~  
 99.6 ~~served upon the person an order requiring the person to cease and desist from violating~~  
 99.7 ~~sections 326.241 to 326.248 or any rule or order adopted or issued under these sections:~~  
 99.8 ~~The complaint committee shall not issue a cease and desist order until an investigation of~~  
 99.9 ~~the facts has been conducted pursuant to section 214.10 by the attorney general. The order~~  
 99.10 ~~shall be calculated to give reasonable notice of the right of the person to request a hearing~~  
 99.11 ~~and shall state the reasons for the entry of the order. If no hearing is requested of the board~~  
 99.12 ~~within 15 days of service of the order, the order shall become final and shall remain in~~  
 99.13 ~~effect until it is modified or vacated by the board and shall not be reviewable by a court.~~

99.14 ~~(b) A hearing shall be held not later than 30 days from the date of the board's receipt~~  
 99.15 ~~of a written hearing request, unless otherwise agreed by the person requesting the hearing~~  
 99.16 ~~and the complaint committee. Within 30 days of receipt of the administrative law judge's~~  
 99.17 ~~report and any exceptions, the board shall issue a final order modifying, vacating, or~~  
 99.18 ~~making permanent the cease and desist order as the facts require. The final order remains~~  
 99.19 ~~in effect until modified or vacated by the board:~~

99.20 ~~Subd. 9e. **Costs of proceeding.** The board may impose a fee to reimburse the~~  
 99.21 ~~board for all or part of the cost of the proceedings resulting in disciplinary action or~~  
 99.22 ~~the imposition of civil penalties or the issuance of a cease and desist order. Such fees~~  
 99.23 ~~include, but are not limited to, the amount paid by the board for services from the office of~~  
 99.24 ~~administrative hearings, attorney fees, court reporters, witnesses, reproduction of records,~~  
 99.25 ~~board members' per diem compensation, board staff time, and expense incurred by board~~  
 99.26 ~~members and staff.~~

99.27 ~~Subd. 9f. **District court action; injunctive relief and civil penalties.** (a) Whenever~~  
 99.28 ~~it appears to the board, or the complaint committee if authorized by the board, that any~~  
 99.29 ~~person has engaged or is about to engage in any act or practice constituting a violation of~~  
 99.30 ~~sections 326.241 to 326.248 or any rule or order adopted or issued under these sections;~~  
 99.31 ~~the board, or the complaint committee if authorized by the board, may bring an action~~  
 99.32 ~~in the name of the board in the Ramsey County District Court or the district court of~~  
 99.33 ~~any other county in which venue is proper:~~

99.34 ~~(b) The action may be brought to enjoin the acts or practices and to enforce~~  
 99.35 ~~compliance with sections 326.241 to 326.248, any other law authorizing a civil or~~  
 99.36 ~~injunctive action, or any rule or order adopted or issued under these sections and for a civil~~

100.1 ~~penalty not to exceed \$10,000 for each separate violation of sections 326.241 to 326.248;~~  
 100.2 ~~any other law authorizing a civil or injunctive action, or any rule or order adopted or~~  
 100.3 ~~issued under these sections.~~

100.4 ~~(c) A temporary restraining order and other temporary injunctive relief shall be~~  
 100.5 ~~granted in the proceeding whenever it appears that any person has engaged in or is about~~  
 100.6 ~~to engage in any act, conduct, or practice constituting violation of sections 326.241 to~~  
 100.7 ~~326.248, any other law authorizing a civil or injunctive action, or any rule or order adopted~~  
 100.8 ~~or issued under these sections. The board shall not be required to show irreparable harm.~~

100.9 ~~Subd. 9g. **Other remedies.** The issuance of a cease and desist order or injunctive~~  
 100.10 ~~relief under this section does not relieve a person from criminal prosecution by any~~  
 100.11 ~~competent authority or from disciplinary action by the board and does not prevent the~~  
 100.12 ~~board from exercising any other authority granted to it.~~

100.13 ~~Subd. 9h. **Powers additional.** The powers contained in subdivisions 9 to 9g are in~~  
 100.14 ~~addition to all other powers of the board.~~

100.15 ~~Subd. 9i. **Cooperation required.** A person who is the subject of an investigation;~~  
 100.16 ~~or who is questioned in connection with an investigation, by or on behalf of the board~~  
 100.17 ~~or its complaint committee shall cooperate fully with the investigation. Cooperation~~  
 100.18 ~~includes, but is not limited to:~~

100.19 ~~(1) responding fully and promptly to questions raised by or on behalf of the board or~~  
 100.20 ~~its complaint committee relating to the subject of the investigation;~~

100.21 ~~(2) providing copies of records in the person's possession related to the matter under~~  
 100.22 ~~investigation as requested by the board, its complaint committee, or the attorney general~~  
 100.23 ~~within the time limit set by the board, its complaint committee, or the attorney general;~~

100.24 ~~(3) assisting the board, its complaint committee, or the attorney general in its~~  
 100.25 ~~investigation; and~~

100.26 ~~(4) appearing at conferences or hearings scheduled by the board or its complaint~~  
 100.27 ~~committee.~~

100.28 ~~Subd. 9j. **Disciplinary proceedings closed.** Proceedings held before the board or~~  
 100.29 ~~its complaint committee under chapter 214 or subdivisions 9 to 9d are exempt from the~~  
 100.30 ~~requirements of section 13D.01.~~

100.31 ~~Subd. 9k. **Conflicts of law.** If there is a conflict between sections 326.241 to~~  
 100.32 ~~326.248 and chapter 214, sections 326.241 to 326.248 shall control.~~

100.33 ~~Subd. 10. **Continuation of business by estates.** Upon the death of a master who is~~  
 100.34 ~~a contractor, the board may permit the decedent's representative to carry on the business~~  
 100.35 ~~of the decedent for a period not in excess of six months, for the purpose of completing~~  
 100.36 ~~work under contract or otherwise to comply with sections 326.241 to 326.248. The~~

101.1 ~~representative shall give such bond as the board may require conditioned upon the faithful~~  
 101.2 ~~and lawful performance of such work and such bond shall be for the benefit of persons~~  
 101.3 ~~injured or suffering financial loss by reason of failure of such performance. Such bond~~  
 101.4 ~~shall be written by a corporate surety licensed to do business in the state of Minnesota.~~  
 101.5 ~~Such representative shall also comply with all public liability and property damage~~  
 101.6 ~~insurance requirements imposed by this chapter upon a licensed contractor.~~

101.7 Subd. 11. **Reciprocity Comity.** ~~To the extent that any other state which provides~~  
 101.8 ~~for the licensing of electricians provides for similar action the board may grant licenses;~~  
 101.9 ~~without examination, of the same grade and class to an electrician who has been licensed~~  
 101.10 ~~by such other state for at least one year, upon payment by the applicant of the required~~  
 101.11 ~~fee and upon the board being furnished with proof that the required fee and upon the~~  
 101.12 ~~board being furnished with proof that the qualifications of the applicant are equal to the~~  
 101.13 ~~qualifications of holders of similar licenses in Minnesota. If the commissioner has entered~~  
 101.14 ~~into an agreement with another state or group of states, the commissioner may issue~~  
 101.15 ~~a personal license without requiring the applicant to pass an examination. To receive a~~  
 101.16 ~~personal license under this subdivision, the applicant must submit an application under~~  
 101.17 ~~section 326B.33, pay the fee required under section 326B.33, and hold a comparable~~  
 101.18 ~~license in a state participating in the agreement. Agreements are subject to the following:~~

101.19 (1) The parties to the agreement must administer a statewide licensing program that  
 101.20 includes examination and qualifying experience or training.

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

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

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

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

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

102.3 Subd. 12. **Exemptions from licensing.** (a) An individual who is a maintenance  
 102.4 electrician who is supervised by the responsible master electrician for a contractor who  
 102.5 has contracted with the maintenance electrician's employer to provide services for which  
 102.6 a contractor's license is required or by a master electrician or an electrical engineer  
 102.7 registered with the board and who is an employee of an employer and is engaged in the  
 102.8 maintenance, and repair of electrical equipment, apparatus, and facilities owned or leased  
 102.9 by the employer, and performed within the limits of property which is owned or leased  
 102.10 and operated and maintained by said employer, shall is not be required to hold or obtain a  
 102.11 license under sections ~~326.241 to 326.248.~~ 326B.31 to 326B.399 if:

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

102.16 (2) the individual is supervised by:

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

102.19 (ii) a licensed master electrician, a licensed maintenance electrician, an electrical  
 102.20 engineer, or, if the maintenance and repair work is limited to technology circuit and system  
 102.21 work, a licensed power limited technician; and

102.22 (3) the individual's employer has filed with the commissioner a certificate of  
 102.23 responsible person, signed by the responsible master electrician of the contractor, the  
 102.24 licensed master electrician, the licensed maintenance electrician, the electrical engineer, or  
 102.25 the licensed power limited technician, and stating that the person signing the certificate is  
 102.26 responsible for ensuring that the maintenance and repair work performed by the employer's  
 102.27 employees complies with the Minnesota Electrical Act and the rules adopted under that act.

102.28 (b) Employees of a licensed electrical or technology systems contractor or other  
 102.29 employer where provided with supervision by a master electrician in accordance with  
 102.30 subdivision 1, or power limited technician in accordance with subdivision 3d, paragraph  
 102.31 (a), clause (1), are not required to hold a license under sections ~~326.241 to 326.248~~  
 102.32 326B.31 to 326B.399 for the planning, laying out, installing, altering, and repairing of  
 102.33 technology circuits or systems except planning, laying out, or installing:

102.34 (1) in other than residential dwellings, class 2 or class 3 remote control circuits that  
 102.35 control circuits or systems other than class 2 or class 3, except circuits that interconnect

103.1 these systems through communication, alarm, and security systems are exempted from  
 103.2 this paragraph;

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

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

103.7 (c) Companies and their employees that plan, lay out, install, alter, or repair class  
 103.8 2 and class 3 remote control wiring associated with plug or cord and plug connected  
 103.9 appliances other than security or fire alarm systems installed in a residential dwelling are  
 103.10 not required to hold a license under sections ~~326.241 to 326.248~~ 326B.31 to 326B.399.

103.11 (d) Heating, ventilating, air conditioning, and refrigeration contractors and their  
 103.12 employees are not required to hold or obtain a license under sections ~~326.241 to~~  
 103.13 ~~326.248~~ 326B.31 to 326B.399 when performing heating, ventilating, air conditioning, or  
 103.14 refrigeration work as described in section 326.245.

103.15 (e) Employees of any ~~electric~~ electrical, communications, or railway utility, cable  
 103.16 communications company as defined in section 238.02, or a telephone company as defined  
 103.17 under section 237.01 or its employees, or of any independent contractor performing work  
 103.18 on behalf of any such utility, cable communications company, or telephone company, shall  
 103.19 not be required to hold a license under sections ~~326.241 to 326.248~~ 326B.31 to 326B.399:

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

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

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

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

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

103.34 (3) while installing or performing work on outdoor area lights which are directly  
 103.35 connected to a utility's distribution system and located upon the utility's distribution poles,

104.1 and which are generally accessible only to employees of such utility or persons acting  
 104.2 under its control or direction.

104.3 (f) An owner shall not be required to hold or obtain a license under sections ~~326.241~~  
 104.4 ~~to 326.248~~ 326B.31 to 326B.399.

104.5 **EFFECTIVE DATE.** This section is effective December 1, 2007, except that the  
 104.6 amendments to subdivision 8 are effective July 1, 2007.

104.7 Sec. 17. Minnesota Statutes 2006, section 326.243, is amended to read:

104.8 **326.243 SAFETY STANDARDS.**

104.9 All electrical wiring, apparatus and equipment for ~~electric~~ electrical light, heat and  
 104.10 power, technology circuits or systems shall comply with the rules of the department ~~of~~  
 104.11 ~~Commerce or the Department of Labor and Industry, as applicable~~, and be installed in  
 104.12 conformity with accepted standards of construction for safety to life and property. For the  
 104.13 purposes of this chapter, the rules and safety standards stated at the time the work is done  
 104.14 in the then most recently published edition of the National Electrical Code as adopted by  
 104.15 the National Fire Protection Association, Inc. and approved by the American National  
 104.16 Standards Institute, and the National Electrical Safety Code as published by the Institute  
 104.17 of Electrical and Electronics Engineers, Inc. and approved by the American National  
 104.18 Standards Institute, shall be prima facie evidence of accepted standards of construction  
 104.19 for safety to life and property; provided further, that in the event a Minnesota Building  
 104.20 Code is formulated pursuant to section 16B.61, containing approved methods of electrical  
 104.21 construction for safety to life and property, compliance with said methods of electrical  
 104.22 construction of said Minnesota Building Code shall also constitute compliance with this  
 104.23 section, and provided further, that nothing herein contained shall prohibit any political  
 104.24 subdivision from making and enforcing more stringent requirements than set forth herein  
 104.25 and such requirements shall be complied with by all licensed electricians working within  
 104.26 the jurisdiction of such political subdivisions.

104.27 Sec. 18. Minnesota Statutes 2006, section 326.244, subdivision 1, is amended to read:

104.28 Subdivision 1. **Required inspection.** Except where any political subdivision has by  
 104.29 ordinance provided for electrical inspection similar to that herein provided, every new  
 104.30 electrical installation in any construction, remodeling, replacement, or repair, except minor  
 104.31 repair work as the same is defined by the ~~board~~ commissioner by rule, shall be inspected  
 104.32 by the ~~board~~ commissioner for compliance with accepted standards of construction for  
 104.33 safety to life and property.

105.1 Sec. 19. Minnesota Statutes 2006, section 326.244, subdivision 1a, is amended to read:

105.2 Subd. 1a. **Technology systems.** (a) The installation of the technology circuits or  
105.3 systems described in paragraph (b), except:

105.4 (1) minor work performed by a contractor;

105.5 (2) work performed by a heating, ventilating, or air conditioning contractor as  
105.6 described in section 326.245; and

105.7 (3) work performed by cable company employees when installing cable  
105.8 communications systems or telephone company employees when installing telephone  
105.9 systems,

105.10 must be inspected as provided in this section for compliance with the applicable provisions  
105.11 of the National Electrical Code and the applicable provisions of the National Electrical  
105.12 Safety Code, as those codes were approved by the American National Standards Institute.

105.13 (b) The inspection requirements in paragraph (a) apply to:

105.14 (1) ~~remote control circuits controlling~~ class 2 or class 3 remote control circuits that  
105.15 control circuits or systems other than class 2 or class 3 ~~and indoor lighting~~, except circuits  
105.16 that interconnect these systems exempted by section 326.242, subdivision 12, paragraph  
105.17 (b), other than fire alarm; class 2 or class 3 circuits in electrical cabinets, enclosures,  
105.18 or devices containing physically unprotected circuits other than class 2 or class 3; or  
105.19 technology circuits and systems in hazardous classified locations as covered by chapter 5  
105.20 of the National Electrical Code;

105.21 (2) fire alarm systems, other than in one- or two-family dwellings, as defined in  
105.22 articles 100 and 760 of the National Electrical Code;

105.23 (3) technology circuits and systems contained within critical care areas of health  
105.24 care facilities as defined by the safety standards identified in section 326.243, including,  
105.25 but not limited to, anesthesia and resuscitative alarm and alerting systems, medical  
105.26 monitoring, and nurse call systems; ~~and~~

105.27 (4) physical security systems within detention facilities; and

105.28 (5) circuitry and equipment for indoor lighting systems as defined in article 411  
105.29 of the National Electrical Code.

105.30 (c) For the purposes of this subdivision "minor work" means the adjustment or repair  
105.31 and replacement of worn or defective parts of a technology circuit or system. Minor work  
105.32 may be inspected under this section at the request of the owner of the property or the  
105.33 person doing the work.

105.34 (d) Notwithstanding this subdivision, if an electrical inspector observes that a  
105.35 contractor, employer, or owner has not complied with accepted standards when the  
105.36 work was performed, as provided in the most recent editions of the National Electrical

106.1 Code and the National Electrical Safety Code as approved by the American National  
106.2 Standards Institute, the inspector may order the contractor, employer, or owner who has  
106.3 performed the work to file a request for electrical inspection, pay an inspection fee, and  
106.4 make any necessary repairs to comply with applicable standards and require that the  
106.5 work be inspected.

106.6 Sec. 20. Minnesota Statutes 2006, section 326.244, is amended by adding a subdivision  
106.7 to read:

106.8 Subd. 1b. Licenses; bond. All inspectors shall hold licenses as master or  
106.9 journeyman electricians under this chapter. All inspectors under contract with the  
106.10 department to provide electrical inspection services shall give bond in the amount of  
106.11 \$1,000, conditioned upon the faithful performance of their duties.

106.12 Sec. 21. Minnesota Statutes 2006, section 326.244, subdivision 2, is amended to read:

106.13 Subd. 2. Procedure. (a) At or before commencement of any installation required  
106.14 to be inspected by the ~~board~~ commissioner, the contractor, installer, special electrician,  
106.15 or owner making the installation shall submit to the ~~board~~ commissioner a request  
106.16 for inspection, in a form prescribed by the ~~board~~ commissioner, together with the fees  
106.17 required for the installation.

106.18 (b) The fees required are a handling fee and an inspection fee. The handling fee shall  
106.19 be set by the ~~board~~ commissioner in an amount sufficient to pay the cost of printing and  
106.20 handling the form requesting an inspection. The inspection fee shall be set by the ~~board~~  
106.21 commissioner in an amount sufficient to pay the actual costs of the inspection and the  
106.22 ~~board's~~ commissioner's costs in administering the inspection. All fees shall be set pursuant  
106.23 to the procedure of sections 14.001 to 14.69.

106.24 (c) If the inspector finds that the installation is not in compliance with accepted  
106.25 standards of construction for safety to life and property as required by section 326.243, the  
106.26 inspector shall by written order condemn the installation or noncomplying portion thereof,  
106.27 or order service to the installation disconnected, and shall send a copy of the order to  
106.28 the ~~board~~ commissioner. If the installation or the noncomplying part will seriously and  
106.29 proximately endanger human life and property, the order of the inspector, when approved  
106.30 by the inspector's superior, shall require immediate condemnation or disconnection. In  
106.31 all other cases, the order of the inspector shall permit a reasonable opportunity for the  
106.32 installation to be brought into compliance with accepted standards of construction for  
106.33 safety to life and property prior to the effective time established for condemnation or  
106.34 disconnection.

107.1 (d) Copies of each condemnation or disconnection order shall be served personally  
107.2 or by mail upon the property owner, and the contractor, installer, or special electrician  
107.3 making the installation, and other persons as the ~~board~~ commissioner by rule may direct.  
107.4 An aggrieved party may appeal any condemnation or disconnection order by filing with the  
107.5 ~~board~~ commissioner a notice of appeal within ten days after (1) service upon the aggrieved  
107.6 party of the condemnation or disconnection order, if this service is required, or (2) filing  
107.7 of the order with the ~~board~~ commissioner, whichever is later. The appeal shall proceed  
107.8 and the order of the inspector shall have the effect the order, by its terms, and the rules of  
107.9 the ~~board~~ commissioner provides. The ~~board~~ commissioner shall adopt rules providing  
107.10 procedures for the conduct of appeals, including provisions for the stay of enforcement of  
107.11 the order of the inspector pending such appeal when justified by the circumstances.

107.12 Sec. 22. Minnesota Statutes 2006, section 326.244, subdivision 3, is amended to read:

107.13 Subd. 3. **Duty of electrical utility.** No electrical installation subject to inspection  
107.14 by the ~~board~~ commissioner shall be newly connected or reconnected for use until there  
107.15 is filed with the electrical utility supplying power a certificate of the property owner or  
107.16 licensed electrician, directing the work that inspection has been requested and that the  
107.17 conditions of the installation are safe for energization, provided further, that in all cases  
107.18 where an order of condemnation or disconnection has been issued against the installation  
107.19 or any part thereof, prior to connection or reconnection there shall also first be filed with  
107.20 the electrical utility supplying the power a copy of an order of the inspector or the ~~board~~  
107.21 commissioner dismissing such prior order of condemnation or disconnection or approving  
107.22 the installation as being in compliance with accepted standards of construction for safety  
107.23 to life and property. With respect to transient projects, the aforesaid certificate shall also  
107.24 contain a certification that the request for inspection has been or will be filed with the  
107.25 ~~board~~ commissioner so as to be received by it at least five days prior to the date and time  
107.26 energization of the installation by the utility is to occur, and that the request for inspection  
107.27 states such date and time, and it shall be the responsibility of the ~~board~~ commissioner  
107.28 to have inspection of such transient project occur prior to the date and time at which  
107.29 the request states energization is to occur.

107.30 Sec. 23. Minnesota Statutes 2006, section 326.244, subdivision 4, is amended to read:

107.31 Subd. 4. **Powers of political subdivisions.** Any political subdivision or the  
107.32 University of Minnesota may make provision for inspection of electrical installations  
107.33 within its jurisdiction, in which case it shall keep on file with the ~~board~~ commissioner  
107.34 copies of its current inspection ordinances and codes. No political subdivision or the

108.1 University of Minnesota shall require any individual, partnership, corporation or other  
 108.2 business association holding a license from the ~~board~~ commissioner under sections  
 108.3 ~~326.241 to 326.248~~ 326B.31 to 326B.399 to pay any license or registration fee, provided  
 108.4 however, that any such political subdivision or the University of Minnesota may provide  
 108.5 by ordinance a requirement that each individual, partnership, corporation or other business  
 108.6 association doing electrical work within the jurisdiction of such political subdivision or  
 108.7 the University of Minnesota have on file with said political subdivision a copy of the  
 108.8 current license issued by the ~~board~~ commissioner or such other evidence of such license as  
 108.9 may be provided by the ~~board~~ commissioner.

108.10 Each electrical inspector of any political subdivision or the University of Minnesota  
 108.11 shall be a licensed master or journeyman electrician under section 326.242, subdivision  
 108.12 1, paragraph (1), or 2, paragraph (b), and shall not otherwise engage or be employed in  
 108.13 the sale, installing, altering, or repairing of electrical wiring, apparatus, or equipment for  
 108.14 light, heat, power, and other purposes and shall have no financial interest in any concern  
 108.15 engaged in any such business.

108.16 Sec. 24. Minnesota Statutes 2006, section 326.244, subdivision 5, is amended to read:

108.17 Subd. 5. **Exemptions from inspections.** Installations, materials, or equipment shall  
 108.18 not be subject to inspection under sections ~~326.241 to 326.248~~ 326B.31 to 326B.399:

108.19 (1) when owned or leased, operated and maintained by any employer whose  
 108.20 maintenance electricians are exempt from licensing under sections ~~326.241 to 326.248~~  
 108.21 326B.31 to 326B.399, while performing electrical maintenance work only as defined by  
 108.22 ~~board~~ Department of Labor and Industry rule;

108.23 (2) when owned or leased, and operated and maintained by any ~~electric~~ electrical,  
 108.24 communications, or railway utility, cable communications company as defined in section  
 108.25 238.02, or telephone company as defined under section 237.01, in the exercise of its  
 108.26 utility, antenna, or telephone function; and

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

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

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

- 109.1 (3) when used in the street lighting operations of an ~~electric~~ electrical utility;
- 109.2 (4) when used as outdoor area lights which are owned and operated by an ~~electric~~
- 109.3 electrical utility and which are connected directly to its distribution system and located
- 109.4 upon the utility's distribution poles, and which are generally accessible only to employees
- 109.5 of such utility or persons acting under its control or direction;
- 109.6 (5) when the installation, material, and equipment are in facilities subject to the
- 109.7 jurisdiction of the federal Mine Safety and Health Act; or
- 109.8 (6) when the installation, material, and equipment is part of an elevator installation
- 109.9 for which the elevator contractor, licensed under section 326.242, is required to obtain
- 109.10 a permit from the authority having jurisdiction as provided by section 16B.747, and
- 109.11 the inspection has been or will be performed by an elevator inspector certified ~~by the~~
- 109.12 ~~Department of Administration~~ and licensed by the ~~Board of Electricity~~ department.
- 109.13 This exemption shall apply only to installations, material, and equipment permitted
- 109.14 or required to be connected on the load side of the disconnecting means required for
- 109.15 elevator equipment under National ~~Electric~~ Electrical Code Article 620, and elevator
- 109.16 communications and alarm systems within the machine room, car, hoistway, or elevator
- 109.17 lobby.

109.18 Sec. 25. Minnesota Statutes 2006, section 326.2441, is amended to read:

109.19 **326.2441 INSPECTION FEE SCHEDULE.**

109.20 Subdivision 1. **Schedule.** State electrical inspection fees shall be ~~paid according~~

109.21 ~~to~~ calculated in accordance with subdivisions 2 to ~~13~~ 15.

109.22 Subd. 2. **Fee for each separate inspection.** The minimum fee for each separate

109.23 inspection of an installation, replacement, alteration, or repair is ~~\$20~~ \$35. Except as

109.24 otherwise provided in this section, the maximum number of separate inspections allowed

109.25 without payment of an additional fee is the whole number resulting from dividing by

109.26 35 the total fee calculated in accordance with this section. Where additional separate

109.27 inspections are necessary, additional fees are required to result in a value equal to the total

109.28 number of separate inspections multiplied by 35. The fee for any inspections needed after

109.29 a "final inspection" is performed shall be calculated without consideration of any fee

109.30 paid before the final inspection.

109.31 Subd. 3. **Fee for services, generators, other power supply sources, or feeders to**

109.32 **separate structures.** The inspection fee for the installation, addition, alteration, or repair

109.33 of each service, change of service, temporary service, generator, other power supply

109.34 source, or feeder to a separate structure is:

- 109.35 (1) 0 ampere to and including 400 ampere capacity, ~~\$25~~ \$35;

110.1 (2) 401 ampere to and including 800 ampere capacity, ~~\$50~~ \$60; and

110.2 (3) ampere capacity above 800, ~~\$75~~ \$100.

110.3 Where multiple disconnects are grouped at a single location and are supplied by a  
110.4 single set of supply conductors the cumulative rating of the overcurrent devices shall be  
110.5 used to determine the supply ampere capacity.

110.6 Subd. 4. **Fee for circuits, feeders, feeder taps, or sets of transformer secondary**  
110.7 **conductors.** The inspection fee for the installation, addition, alteration, or repair of  
110.8 each circuit, feeder, feeder tap, or set of transformer secondary conductors, including  
110.9 the equipment served, is:

110.10 (1) 0 ampere to and including 200 ampere capacity, ~~\$5~~ \$6; and

110.11 (2) ampere capacity above 200, ~~\$10~~ \$15.

110.12 Where existing feeders and circuits are reconnected to overcurrent devices installed  
110.13 as part of the replacement of an existing disconnect, switchboard, motor control center, or  
110.14 panelboard, the inspection fee for each circuit or feeder is \$2.

110.15 Subd. 5. ~~Limitations to fees of subdivisions 3 and 4~~ **Inspection fee for dwellings.**

110.16 (a) The inspection fee for a one-family dwelling and each dwelling unit of a two-family  
110.17 dwelling ~~with a supply of up to 500 amperes where a combination of ten or more sources~~  
110.18 ~~of supply, feeders, or circuits are installed, added, altered, repaired, or extended is \$80.~~ is  
110.19 the following:

110.20 (1) the fee for each service or other source of power as provided in subdivision 3;

110.21 (2) \$100 for up to 30 feeders and circuits; and

110.22 (3) for each additional feeder or circuit, the fee as provided in subdivision 4.

110.23 This fee applies to each separate installation for new dwellings and ~~additions, alterations,~~  
110.24 ~~or repairs to existing dwellings and includes not more than two inspections.~~ where 15

110.25 or more feeders or circuits are installed or extended in connection with any addition,

110.26 alteration, or repair to existing dwellings. Where existing feeders and circuits are

110.27 reconnected to overcurrent devices installed as part of the replacement of an existing

110.28 panelboard, the fee for each reconnected feeder or circuit is \$2. The maximum number

110.29 of separate inspections shall be determined in accordance with subdivision 2. The

110.30 fee for additional inspections or other installations is that specified in subdivisions 2

110.31 ~~to, 4, 6, and 8.~~ The installer may submit fees for additional inspections when filing the

110.32 request for electrical inspection. The fee for each detached accessory structure directly

110.33 associated with a dwelling unit shall be calculated in accordance with subdivisions 3 and

110.34 4. When included on the same request for electrical inspection form, inspection fees for

110.35 detached accessory structures directly associated with the dwelling unit may be combined

111.1 with the dwelling unit fees to determine the maximum number of separate inspections in  
 111.2 accordance with subdivision 2.

111.3 (b) The inspection fee for each dwelling unit of a multifamily dwelling with three  
 111.4 to 12 or more dwelling units is \$50 and the fee for each additional dwelling unit is \$25.  
 111.5 \$70 for a combination of up to 20 feeders and circuits and \$6 for each additional feeder  
 111.6 or circuit. This fee applies to each separate installation for each new dwelling unit and  
 111.7 where ten or more feeders or circuits are installed or extended in connection with any  
 111.8 addition, alteration, or repair to existing dwelling units. Where existing feeders or circuits  
 111.9 are reconnected to overcurrent devices installed as part of the replacement of an existing  
 111.10 panelboard, the fee for each reconnected feeder or circuit is \$2. The maximum number  
 111.11 of separate inspections for each dwelling unit shall be determined in accordance with  
 111.12 subdivision 2. The fee for additional inspections or for inspection of other installations  
 111.13 is that specified in subdivisions 2, 4, 6, and 8. These fees include only inspection of the  
 111.14 wiring within individual dwelling units and the final feeder to that unit. This limitation is  
 111.15 subject to the following conditions:

111.16 ~~(1) where~~ the multifamily dwelling is provided with common service equipment  
 111.17 and each dwelling unit is supplied by a separate feeder or feeders extended from common  
 111.18 service or distribution equipment. The fee for multifamily dwelling services or other  
 111.19 power source supplies and all other circuits is that specified in subdivisions 2 to 4; ~~and,~~

111.20 ~~(2) this limitation applies only to new installations for multifamily dwellings where~~  
 111.21 ~~the majority of the individual dwelling units are available for inspection during each~~  
 111.22 ~~inspection trip.~~

111.23 (c) A separate request for electrical inspection form must be filed for each dwelling  
 111.24 unit that is supplied with an individual set of service entrance conductors. These fees are  
 111.25 the one-family dwelling rate specified in paragraph (a).

111.26 Subd. 6. **Additions to fees of subdivisions 3 to 5.** (a) The fee for the electrical  
 111.27 supply for each manufactured home park lot is ~~\$25~~ \$35. This fee includes the service or  
 111.28 feeder conductors up to and including the service equipment or disconnecting means.  
 111.29 The fee for feeders and circuits that extend from the service or disconnecting means is  
 111.30 that specified in subdivision 4.

111.31 (b) The fee for each recreational vehicle site electrical supply equipment is ~~\$5~~ \$6  
 111.32 for each circuit originating within the equipment. The fee for recreational vehicle park  
 111.33 services, feeders, and circuits is that specified in subdivisions 3 and 4.

111.34 (c) The fee for each street, parking lot, or outdoor area lighting standard is ~~\$1~~; and ~~the~~  
 111.35 ~~fee for~~ each traffic signal standard is \$5. Circuits originating within the standard or traffic  
 111.36 signal controller shall not be used when ~~computing~~ calculating the fee for each standard.

112.1 (d) The fee for transformers for light, heat, and power is ~~\$10~~ \$15 for transformers  
 112.2 rated up to ten kilovolt-amperes and ~~\$20~~ \$30 for transformers rated in excess of ten  
 112.3 kilovolt-amperes. The previous sentence does not apply to Class 1 transformers or power  
 112.4 supplies for Class 1 power-limited circuits or to Class 2 or Class 3 transformers or power  
 112.5 supplies.

112.6 (e) The fee for transformers and electronic power supplies for electric signs and  
 112.7 outline lighting is \$5 per unit.

112.8 (f) The fee for ~~alarm, communication, remote control, and signaling technology~~  
 112.9 circuits or systems, and circuits of less than 50 volts, is ~~50~~ 75 cents for each system device  
 112.10 or apparatus.

112.11 (g) The fee for each separate inspection of the bonding for a swimming pool, spa,  
 112.12 fountain, an equipotential plane for an agricultural confinement area, or similar installation  
 112.13 ~~shall be \$20~~ is \$35. Bonding conductors and connections require an inspection before  
 112.14 being concealed.

112.15 (h) The fee for all wiring installed on center pivot irrigation booms is ~~\$40~~ \$35 plus  
 112.16 \$5 for each electrical drive unit.

112.17 (i) The fee for retrofit modifications to existing lighting fixtures is 25 cents per  
 112.18 ~~lighting fixture~~ luminaire.

112.19 (j) When a separate inspection of a concrete-encased grounding electrode is  
 112.20 performed, the fee is \$35.

112.21 (k) The fees required by subdivisions 3 and 4 are doubled for installations over  
 112.22 600 volts.

112.23 **Subd. 7. Investigation fees: work without a request for electrical inspection.**

112.24 (a) Whenever any work for which a request for electrical inspection is required ~~by the~~  
 112.25 ~~board~~ has begun without the request for electrical inspection form being filed with the  
 112.26 ~~board~~ commissioner, a special investigation shall be made before a request for electrical  
 112.27 inspection form is accepted ~~by the board.~~

112.28 (b) An investigation fee, in addition to the full fee required by subdivisions 1  
 112.29 to 6, shall be paid before an inspection is made. The investigation fee is two times the  
 112.30 ~~hourly rate~~ minimum fee specified in subdivision ~~10~~ 2 or the inspection fee required  
 112.31 by subdivisions 1 to 6, whichever is greater, not to exceed \$1,000. The payment of the  
 112.32 investigation fee does not exempt any person from compliance with all other provisions of  
 112.33 the ~~board~~ department rules or statutes nor from any penalty prescribed by law.

112.34 **Subd. 8. Reinspection fee.** Notwithstanding the provisions of subdivisions 2 and 5,  
 112.35 when reinspection is necessary to determine whether unsafe conditions identified during a  
 112.36 final inspection have been corrected and the conditions are not the subject of an appeal

113.1 pending before the ~~board~~ commissioner or any court, a reinspection fee of ~~\$20 may \$35~~  
 113.2 shall be assessed in writing by the inspector.

113.3 Subd. 9. **Supplemental fee.** When inspections scheduled by the installer are  
 113.4 preempted, obstructed, prevented, or otherwise not able to be completed as scheduled due  
 113.5 to circumstances beyond the control of the inspector, a supplemental inspection fee of  
 113.6 ~~\$20 may \$35 shall~~ be assessed in writing by the inspector.

113.7 Subd. 10. **Special inspection.** For inspections not covered in this section, or for  
 113.8 requested special inspections or services, the fee ~~shall be \$30~~ is \$80 per hour, including  
 113.9 travel time, plus ~~31 cents~~ the standard mileage rate per mile traveled, plus the reasonable  
 113.10 cost of equipment or material consumed. This provision is applicable to inspection  
 113.11 of empty conduits and other jobs as may be determined by the ~~board~~ commissioner.  
 113.12 This fee may also be assessed when installations are not accessible by roadway and  
 113.13 require alternate forms of transportation: or are located in the Northwest Angle, or when  
 113.14 inspections are performed outside of Minnesota. For purposes of this subdivision,  
 113.15 the standard mileage rate is the standard mileage rate effective at the time of travel,  
 113.16 as established by the Internal Revenue Service for computing the deductible costs of  
 113.17 operating an automobile for business expense purposes.

113.18 Subd. 11. **Inspection of transitory projects.** (a) For inspection of transitory  
 113.19 projects including, but not limited to, festivals, fairs, carnivals, circuses, shows, production  
 113.20 sites, and portable road construction plants, the inspection procedures and fees are as  
 113.21 specified in paragraphs (b) to (i).

113.22 (b) The fee for inspection of each generator or other source of supply is that specified  
 113.23 in subdivision 3. A like fee is required at each engagement or setup.

113.24 (c) In addition to the fee for generators or other sources of supply, there must be an  
 113.25 inspection of all installed feeders, circuits, and equipment at each engagement or setup at  
 113.26 the hourly rate specified in subdivision 10, with a ~~two-hour~~ one-hour minimum.

113.27 (d) An owner, operator, or appointed representative of a transitory enterprise  
 113.28 including, but not limited to, festivals, fairs, carnivals, circuses, production companies,  
 113.29 shows, portable road construction plants, and similar enterprises shall notify the ~~board~~  
 113.30 commissioner of its itinerary or schedule and make application for initial inspection a  
 113.31 minimum of 14 days before its first engagement or setup. An owner, operator, or appointed  
 113.32 representative of a transitory enterprise who fails to notify the ~~board~~ commissioner 14  
 113.33 days before its first engagement or setup may be subject to the investigation fees specified  
 113.34 in subdivision 7. The owner, operator, or appointed representative shall request inspection  
 113.35 and pay the inspection fee for each subsequent engagement or setup at the time of the initial  
 113.36 inspection. For subsequent engagements or setups not listed on the itinerary or schedule

114.1 submitted to the ~~board~~ commissioner and where the ~~board~~ commissioner is not notified at  
 114.2 least 48 hours in advance, a charge of \$100 may be made in addition to all required fees.

114.3 (e) Amusement rides, devices, concessions, attractions, or other units must be  
 114.4 inspected at their first appearance of the year. The inspection fee is ~~\$20~~ \$35 per unit with a  
 114.5 supply of up to 60 amperes and ~~\$30~~ \$40 per unit with a supply above 60 amperes.

114.6 (f) An additional fee at the hourly rate specified in subdivision 10 must be charged  
 114.7 for additional time spent by each inspector if equipment is not ready or available for  
 114.8 inspection at the time and date specified on the application for initial inspection or the  
 114.9 request for electrical inspection form.

114.10 (g) In addition to the fees specified in paragraphs (a) and (b), a fee of ~~two hours~~ one  
 114.11 hour at the hourly rate specified in subdivision 10 must be charged for inspections required  
 114.12 to be performed on Saturdays, Sundays, holidays, or after regular business hours.

114.13 (h) The fee for reinspection of corrections or supplemental inspections where an  
 114.14 additional trip is necessary may be assessed as specified in subdivision 8.

114.15 (i) The ~~board may~~ commissioner shall retain the inspection fee when an owner,  
 114.16 operator, or appointed representative of a transitory enterprise fails to notify the ~~board~~  
 114.17 commissioner at least 48 hours in advance of a scheduled inspection that is canceled.

114.18 Subd. 11a. **Negotiated fee.** When the fee calculated in accordance with subdivisions  
 114.19 2 to 11 results in a total fee that unreasonably exceeds the cost of inspection, the  
 114.20 commissioner may negotiate a fee that more reasonably offsets the cost of inspection.

114.21 Subd. 12. **Handling fee.** The handling fee to pay the cost of printing and handling  
 114.22 of the paper form requesting an electrical inspection is up to \$1.

114.23 Subd. 13. **National Electrical Code used for interpretation of provisions.** For  
 114.24 purposes of interpretation of this section and Minnesota Rules, chapter 3800, the most  
 114.25 recently adopted edition of the National Electrical Code shall be prima facie evidence of  
 114.26 the definitions, interpretations, and scope of words and terms used.

114.27 **EFFECTIVE DATE.** This section is effective July 1, 2007.

114.28 Sec. 26. Minnesota Statutes 2006, section 326.245, is amended to read:

114.29 **326.245 MANUFACTURED ELECTRICAL PARTS; EXEMPTION.**

114.30 Subdivision 1. **Manufacturers.** Electrical components, apparatus, or appliances  
 114.31 being manufactured within the limits of property which is owned or leased by a  
 114.32 manufacturer and such manufacturer's production employees are not covered by sections  
 114.33 ~~326.241 to 326.248~~ 326B.31 to 326B.399.

115.1 Subd. 2. **Electrical appliance units.** Installation, alteration, or repair of electrical  
 115.2 appliance units are not covered by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399. For  
 115.3 the purposes of this section, "electrical appliance units" means all electrical and fossil  
 115.4 fuel appliances that use electricity including, but not limited to, furnaces, water heaters,  
 115.5 stoves, clothes washers, dryers, and dishwashers. The installation of electrical wiring to an  
 115.6 electrical appliance unit is covered by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399.

115.7 Subd. 3. **Other units.** Planning, laying out, and installation of heating, ventilating,  
 115.8 air conditioning, or refrigeration units are not covered by sections ~~326.241 to 326.248~~  
 115.9 326B.31 to 326B.399. For purposes of this section, heating, ventilating, air conditioning,  
 115.10 or refrigeration units include, but are not limited to, air conditioning units, air conditioning  
 115.11 evaporators, air conditioning condensers, air conditioning and refrigeration chillers,  
 115.12 boilers, furnaces, air handling units, rooftop units, humidifiers, ice makers, and  
 115.13 supermarket, ice arena, and bar/restaurant equipment. The installation of electrical wiring  
 115.14 to the unit is covered by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399.

115.15 Subd. 4. **Other equipment.** Planning, laying out, alteration, replacement, or  
 115.16 repair of heating, ventilating, air conditioning, or refrigeration equipment, and associated  
 115.17 devices, controls, and wiring including wiring in or on the equipment, are not covered  
 115.18 by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399 when the work is performed by an  
 115.19 employee of a heating, ventilating, air conditioning, or refrigeration contractor provided  
 115.20 that the employee performing the work has received a certificate of completion from a  
 115.21 heating, ventilating, air conditioning, or refrigeration apprenticeship program approved  
 115.22 by the state of Minnesota or any class of personal ~~electrical~~ license issued by the ~~board~~  
 115.23 commissioner. Employees registered in an approved heating, ventilating, air conditioning,  
 115.24 or refrigeration program may design, plan, alter, replace, or repair heating, ventilating, air  
 115.25 conditioning, or refrigeration equipment, devices, and controls including wiring in or on  
 115.26 the equipment, under the direction of an employee who has a certificate of completion  
 115.27 from an approved program or any class of personal ~~electrical~~ license issued by the ~~board~~  
 115.28 commissioner. The installation of electrical wiring to the unit is covered by sections  
 115.29 ~~326.241 to 326.248~~ 326B.31 to 326B.399.

115.30 Sec. 27. Minnesota Statutes 2006, section 326.247, is amended to read:

115.31 **326.247 CONTINUITY.**

115.32 ~~Persons~~ Individuals now members of the ~~board~~ advisory council shall remain  
 115.33 ~~in office on the advisory council~~ until the expiration of the terms to which they were  
 115.34 appointed. ~~Board rules, forms, policies and classifications of special electricians now in~~  
 115.35 ~~effect, and not in conflict herewith, shall continue until lawfully modified or repealed.~~

116.1 Sec. 28. Minnesota Statutes 2006, section 326.248, is amended to read:

116.2 **326.248 CITATION.**

116.3 Sections ~~326.241 to 326.248~~ 326B.31 to 326B.399 shall be known as the Minnesota  
116.4 Electrical Act.

116.5 Sec. 29. **[326B.31] DEFINITIONS.**

116.6 Subdivision 1. **Scope.** For purposes of sections 326B.31 to 326B.399, the terms  
116.7 defined in this section have the meanings given them.

116.8 Subd. 2. **Advisory council.** "Advisory council" means the Electrical Licensing and  
116.9 Inspection Advisory Council authorized by section 326B.32.

116.10 Subd. 3. **Class A electrical contractor.** "Class A electrical contractor" means a  
116.11 licensed contractor whose responsible licensed individual is a licensed Class A master  
116.12 electrician.

116.13 Subd. 7. **Class B electrical contractor.** "Class B electrical contractor" means a  
116.14 licensed contractor whose responsible licensed individual is a licensed Class B master  
116.15 electrician.

116.16 Subd. 11. **Complaint committee.** "Complaint committee" means the committee  
116.17 of the advisory council that is described as the complaint committee in section 326B.32,  
116.18 subdivision 1a.

116.19 Subd. 16. **Elevator constructor.** "Elevator constructor" means an individual who  
116.20 has the necessary qualifications, training, experience, and technical knowledge to wire for,  
116.21 install, and repair electrical wiring, apparatus, and equipment for elevators and escalators  
116.22 and who is licensed as an elevator constructor by the commissioner.

116.23 Subd. 17. **Elevator contractor.** "Elevator contractor" means a licensed contractor  
116.24 whose responsible licensed individual is a licensed master elevator constructor.

116.25 Subd. 18. **Licensed electrician.** "Licensed electrician" means an individual licensed  
116.26 by the commissioner as a master electrician, journeyman electrician, installer, or power  
116.27 limited technician.

116.28 Subd. 19. **Lineman.** "Lineman" means an individual who has the necessary  
116.29 qualifications, training, experience, and technical knowledge to construct and maintain  
116.30 transmission and distribution systems that are or will be owned or leased by an electrical  
116.31 utility, and who is licensed as a lineman by the commissioner.

116.32 Subd. 20. **Maintenance electrician.** "Maintenance electrician" means an individual  
116.33 having the necessary qualifications, training, experience, and technical knowledge to  
116.34 properly maintain and repair electrical wiring, apparatus, and equipment, who is licensed

117.1 as a maintenance electrician by the commissioner, or who is exempt from licensing by  
117.2 sections 326B.32 to 326B.399.

117.3 Subd. 21. **Master elevator constructor.** "Master elevator constructor" means  
117.4 an individual who has the necessary qualifications, training, experience, and technical  
117.5 knowledge to properly plan, lay out, and supervise the installation of wiring, apparatus,  
117.6 and equipment for elevators and escalators, and who is licensed as a master elevator  
117.7 constructor by the commissioner.

117.8 Subd. 23. **Personal license.** "Personal license" means any license issued by the  
117.9 commissioner under section 326B.33 or the rules adopted under section 326B.33, except a  
117.10 contractor's license.

117.11 Subd. 27. **Responsible licensed individual.** A contractor's "responsible licensed  
117.12 individual" means the licensed Class A master electrician, Class B master electrician,  
117.13 master elevator constructor, or power limited technician designated in writing by the  
117.14 contractor in the contractor's license application, or in another manner acceptable to the  
117.15 commissioner, as the individual responsible for the contractor's compliance with sections  
117.16 326B.31 to 326B.399 and all rules and orders adopted or issued under these sections. The  
117.17 terms "licensed responsible individual" and "licensed responsible master electrician or  
117.18 power limited technician" are synonymous.

117.19 Subd. 29. **Technical committee.** "Technical committee" means the committee of  
117.20 the advisory council that is described as the technical committee in section 326B.32,  
117.21 subdivision 1a.

117.22 Subd. 30. **Technical program committee.** "Technical program committee" means  
117.23 the committee of the advisory council that is described as the technical program committee  
117.24 in section 326B.32, subdivision 1a.

117.25 Subd. 32. **Technology system contractor.** "Technology system contractor" means  
117.26 a licensed contractor whose responsible licensed individual is a licensed power limited  
117.27 technician.

117.28 **Sec. 30. REVISOR'S INSTRUCTION.**

117.29 The revisor of statutes shall renumber each section of Minnesota Statutes listed in  
117.30 column A with the number listed in column B. The revisor shall also make necessary  
117.31 cross-reference changes consistent with the renumbering.

	<u>Column A</u>	<u>Column B</u>
117.32	<u>326.01, subd. 2</u>	<u>326B.31, subd. 6</u>
117.33	<u>326.01, subd. 3</u>	<u>326B.31, subd. 5</u>
117.34	<u>326.01, subd. 4</u>	<u>326B.31, subd. 28</u>
117.35	<u>326.01, subd. 5</u>	<u>326B.31, subd. 12</u>

118.1	<u>326.01, subd. 6</u>	<u>326B.31, subd. 10</u>
118.2	<u>326.01, subd. 6a</u>	<u>326B.31, subd. 9</u>
118.3	<u>326.01, subd. 6b</u>	<u>326B.31, subd. 4</u>
118.4	<u>326.01, subd. 6c</u>	<u>326B.31, subd. 8</u>
118.5	<u>326.01, subd. 6e</u>	<u>326B.31, subd. 22</u>
118.6	<u>326.01, subd. 6f</u>	<u>326B.31, subd. 15</u>
118.7	<u>326.01, subd. 6g</u>	<u>326B.31, subd. 14</u>
118.8	<u>326.01, subd. 6i</u>	<u>326B.31, subd. 13</u>
118.9	<u>326.01, subd. 6j</u>	<u>326B.31, subd. 26</u>
118.10	<u>326.01, subd. 6k</u>	<u>326B.31, subd. 24</u>
118.11	<u>326.01, subd. 6l</u>	<u>326B.31, subd. 31</u>
118.12	<u>326.01, subd. 6m</u>	<u>326B.31, subd. 25</u>
118.13	<u>326.241</u>	<u>326B.32</u>
118.14	<u>326.242</u>	<u>326B.33</u>
118.15	<u>326.2421</u>	<u>326B.34</u>
118.16	<u>326.243</u>	<u>326B.35</u>
118.17	<u>326.244</u>	<u>326B.36</u>
118.18	<u>326.2441</u>	<u>326B.37</u>
118.19	<u>326.245</u>	<u>326B.38</u>
118.20	<u>326.247</u>	<u>326B.39</u>
118.21	<u>326.248</u>	<u>326B.399</u>

**ARTICLE 7**

**PLUMBING**

118.24 Section 1. Minnesota Statutes 2006, section 326.01, subdivision 7, is amended to read:

118.25 Subd. 7. **Journeyman plumber.** A "journeyman plumber" is ~~any person~~ an  
118.26 individual, other than a master plumber, who, as a principal occupation, is engaged as an  
118.27 employee of, or is otherwise working under the direction of, a master plumber in the  
118.28 practical installation of plumbing.

118.29 Sec. 2. Minnesota Statutes 2006, section 326.01, subdivision 8, is amended to read:

118.30 Subd. 8. **Master plumber.** A "master plumber" is ~~any person~~ an individual who is  
118.31 skilled in the planning, superintending, and the practical installation of plumbing and, who  
118.32 is otherwise lawfully qualified to contract for plumbing and installations and to conduct  
118.33 the business of plumbing and who is familiar with the laws and rules governing the same.

118.34 Sec. 3. Minnesota Statutes 2006, section 326.01, subdivision 9, is amended to read:

118.35 Subd. 9. **Plumber's apprentice trainee.** A "plumber's ~~apprentice~~ trainee"  
118.36 is ~~any person~~ an individual, other than a journeyman or master plumber, who, as a

119.1 principal occupation, is engaged in ~~working as an employee of a plumbing contractor~~  
 119.2 plumbing work under the ~~immediate and personal~~ direct supervision of either a master  
 119.3 or journeyman plumber ~~or plumbing contractor in learning to learn~~ and ~~assisting assist~~  
 119.4 in the installation of plumbing.

119.5 **EFFECTIVE DATE.** This section is effective July 1, 2007.

119.6 Sec. 4. Minnesota Statutes 2006, section 326.37, is amended to read:

119.7 **326.37 RULES; AGREEMENTS WITH MUNICIPALITIES; CAPACITY**  
 119.8 **STANDARDS; LICENSE EXEMPTION.**

119.9 Subdivision 1. **Rules.** The ~~state~~ commissioner ~~of health~~ may, by rule, prescribe  
 119.10 minimum standards which shall be uniform; and which ~~standards~~ shall ~~thereafter~~ be  
 119.11 effective for all new plumbing installations, including additions, extensions, alterations,  
 119.12 and replacements connected with any water or sewage disposal system owned or operated  
 119.13 by or for any municipality, institution, factory, office building, hotel, apartment building,  
 119.14 or any other place of business regardless of location or the population of the city or town in  
 119.15 which the installation is to be located. Notwithstanding the provisions of Minnesota Rules,  
 119.16 part 4715.3130, as they apply to review of plans and specifications, the commissioner may  
 119.17 allow plumbing construction, alteration, or extension to proceed without approval of the  
 119.18 plans or specifications by the commissioner.

119.19 The commissioner shall administer the provisions of sections ~~326.37~~ 326.361 to  
 119.20 ~~326.45~~ 326.44 and for such purposes may employ plumbing inspectors and other assistants.

119.21 Subd. 1a. **Agreements with municipalities.** The commissioner may enter into an  
 119.22 agreement with a municipality, in which the municipality agrees to perform plan and  
 119.23 specification reviews required to be performed by the commissioner under Minnesota  
 119.24 Rules, part 4715.3130, if:

119.25 (a) the municipality has adopted:

119.26 (1) the plumbing code;

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

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

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

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

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

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

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

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

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

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

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

120.21 (1) licensed master plumbers;

120.22 (2) licensed professional engineers; or

120.23 (3) individuals who are working under the supervision of a licensed professional  
120.24 engineer and who: are licensed plumbers; hold a postsecondary degree in engineering; or  
120.25 are certified by a national model code organization on plumbing systems;

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

120.29 (h) individuals who will conduct the plumbing inspections for the municipality  
120.30 are licensed master or journeyman plumbers, or inspectors meeting the competency  
120.31 requirements established in rules adopted under section 16B.655;

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

120.34 (j) the municipality agrees to keep official records of all documents received,  
120.35 including plans, specifications, surveys, and plot plans, and of all plan reviews, permits

121.1 and certificates issued, reports of inspections, and notices issued in connection with  
 121.2 plumbing inspections and the review of plumbing plans and specifications;

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

121.7 (l) the municipality and the commissioner agree that if at any time during the  
 121.8 agreement the municipality does not have in effect the plumbing code or any of ordinances  
 121.9 described in item (a), or if the commissioner determines that the municipality is not  
 121.10 properly administering and enforcing the plumbing code or is otherwise not complying  
 121.11 with the agreement:

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

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

121.16 (3) while any challenge is pending under item (2), the commissioner shall perform  
 121.17 plan and specification reviews within the municipality under Minnesota Rules, part  
 121.18 4715.3130;

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

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

121.24 (1) hospitals, nursing homes, supervised living facilities, and similar  
 121.25 health-care-related facilities regulated by the Minnesota Department of Health;

121.26 (2) buildings owned by the federal or state government; and

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

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

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

121.34 Subd. 1b. **Existing agreements with municipalities.** Any agreement between the  
 121.35 commissioner and a municipality in which the municipality has agreed to perform plan  
 121.36 and specification reviews required to be performed by the commissioner under Minnesota

122.1 Rules, part 4715.3130, that is in effect on the effective date of subdivision 1a, shall  
 122.2 remain in effect and shall not be required to be in compliance with subdivision 1a. If any  
 122.3 agreement to perform plan and specification reviews required to be performed by the  
 122.4 commissioner under Minnesota Rules, part 4715.3130, in effect on the effective date of  
 122.5 subdivision 1a is later terminated by operation of the terms of the agreement or by either  
 122.6 the commissioner or the municipality, or expires, then any new agreement between the  
 122.7 commissioner and the municipality to perform plan and specification reviews required to  
 122.8 be performed by the commissioner under Minnesota Rules, part 4715.3130, shall comply  
 122.9 with subdivision 1a.

122.10 Subd. 2. **Standards for capacity.** ~~By January 1, 1993,~~ All new floor-mounted water  
 122.11 closets in areas under jurisdiction of the ~~State~~ plumbing code may not have a flush volume  
 122.12 of more than 1.6 gallons. The water closets must meet the standards ~~of the commissioner~~  
 122.13 ~~and in the plumbing code and the standards of the American National Standards Institute.~~

122.14 Subd. 3. **Exemption.** No license or registration authorized by ~~this section~~ sections  
 122.15 326.361 to 326.44 shall be required of any ~~contractor or employee~~ individual engaged  
 122.16 in or employed by a person engaged in the work or business of pipe laying outside of  
 122.17 buildings if such person individual or employer is engaged in a business or trade which  
 122.18 has traditionally performed such work within the state prior to January 1, 1994.

122.19 Sec. 5. Minnesota Statutes 2006, section 326.38, is amended to read:

122.20 **326.38 LOCAL REGULATIONS.**

122.21 ~~Any city having a system of waterworks or sewerage, or any town in which reside~~  
 122.22 ~~over 5,000 people exclusive of any statutory cities located therein, or the metropolitan~~  
 122.23 ~~airports commission, Any of the following entities may, by ordinance, adopt local~~  
 122.24 ~~regulations providing for plumbing permits, bonds, approval of plans and specifications,~~  
 122.25 ~~and inspections of plumbing, which regulations are not in conflict with the plumbing~~  
 122.26 ~~standards on the same subject prescribed by the state commissioner of health. code: any~~  
 122.27 city having a system of waterworks or sewerage, regardless of population; any town  
 122.28 having a population of 5,000 or more according to the last federal census, exclusive of any  
 122.29 statutory cities located therein; and the Metropolitan Airports Commission. No city or  
 122.30 such town such entity shall prohibit plumbers licensed by the state commissioner of health  
 122.31 from engaging in or working at the business of plumbing, except cities and statutory cities  
 122.32 which, prior to April 21, 1933, by ordinance required the licensing of plumbers. No such  
 122.33 entity shall require any person who engages in the business of plumbing to post a bond  
 122.34 as a prerequisite for engaging in the business of plumbing, except the bond to the state  
 122.35 required under section 326.40 and except any performance bond required under a contract

123.1 with the person for the performance of plumbing work for the entity. No such entity shall  
 123.2 require any person who engages in the business of plumbing to maintain public liability  
 123.3 insurance as a prerequisite for engaging in the business of plumbing, except the insurance  
 123.4 required under section 326.40 and except any public liability insurance required under  
 123.5 a contract with the person for the performance of plumbing work for the entity. Any  
 123.6 city by ordinance may prescribe regulations, reasonable standards, and inspections and  
 123.7 grant permits to any person, ~~firm, or corporation~~ engaged in the business of installing  
 123.8 water softeners, who is not licensed as a master plumber or journeyman plumber by the  
 123.9 ~~state~~ commissioner ~~of health~~, to connect water softening and water filtering equipment  
 123.10 to private residence water distribution systems, where provision has been previously  
 123.11 made therefor and openings left for that purpose or by use of cold water connections to  
 123.12 a domestic water heater; where it is not necessary to rearrange, make any extension or  
 123.13 alteration of, or addition to any pipe, fixture or plumbing connected with the water system  
 123.14 except to connect the water softener, and provided the connections so made comply with  
 123.15 minimum standards prescribed by the ~~state~~ commissioner ~~of health~~.

123.16 Sec. 6. Minnesota Statutes 2006, section 326.39, is amended to read:

123.17 **326.39 VIOLATIONS TO BE REPORTED TO STATE COMMISSIONER**  
 123.18 **~~OF HEALTH.~~**

123.19 Such local authority as may be designated by any such ordinance for the issuance of  
 123.20 such plumbing permits and approval of such plans shall report to the ~~state~~ commissioner  
 123.21 ~~of health~~ persistent or willful violation of the same and any incompetence of a licensed  
 123.22 plumber observed by the local authority.

123.23 Sec. 7. Minnesota Statutes 2006, section 326.40, is amended to read:

123.24 **326.40 LICENSING, BOND AND INSURANCE.**

123.25 Subdivision 1. ~~License required~~ **Plumbers must be licensed in certain cities;**  
 123.26 **master and journeyman plumbers; plumbing on one's own premises; rules for**  
 123.27 **examination.** In any city ~~now or hereafter having 5,000 or more population~~ having a  
 123.28 population of 5,000 or more, according to the last federal census, and having a system  
 123.29 of waterworks or sewerage, no ~~person, firm, or corporation~~ individual shall engage in or  
 123.30 work at the business of a master plumber or journeyman plumber unless licensed to do so  
 123.31 by the ~~state~~ commissioner ~~of health~~. A master plumber may also work as a journeyman  
 123.32 plumber. ~~Anyone~~ Any individual not so licensed may do plumbing work which complies  
 123.33 with the provisions of the minimum standard prescribed by the ~~state~~ commissioner ~~of~~

124.1 ~~health~~ on premises or that part of premises owned and actually occupied by the worker as  
 124.2 a residence, unless otherwise forbidden to do so by a local ordinance.

124.3 In any such city no person, ~~firm, or corporation~~ shall engage in the business of  
 124.4 planning, superintending, or installing plumbing ~~nor or shall~~ install plumbing in connection  
 124.5 with the dealing in and selling of plumbing material and supplies unless at all times a  
 124.6 licensed master plumber, who shall be responsible for proper planning, superintending,  
 124.7 and installation, is in charge of the plumbing work of the person, ~~firm, or corporation.~~

124.8 The department ~~of Health~~ shall prescribe rules, not inconsistent herewith, for the  
 124.9 examination and licensing of plumbers.

124.10 Subd. 2. **Bond; insurance.** Any person contracting to do plumbing work must give  
 124.11 bond to the state in the amount of \$25,000 for all work entered into within the state. The  
 124.12 bond shall be for the benefit of persons injured or suffering financial loss by reason of  
 124.13 failure to comply with the requirements of the State Plumbing Code. ~~A~~ The bond given to  
 124.14 ~~the state~~ shall be filed with the commissioner ~~of health~~ and ~~shall be in lieu of all other~~  
 124.15 ~~bonds to any political subdivision required for plumbing work.~~ The bond shall be written  
 124.16 by a corporate surety licensed to do business in the state.

124.17 In addition, each applicant for a master plumber license or renewal thereof, ~~may~~  
 124.18 shall provide evidence of public liability insurance, including products liability insurance  
 124.19 with limits of at least \$50,000 per person and \$100,000 per occurrence and property  
 124.20 damage insurance with limits of at least \$10,000. The insurance shall be written by an  
 124.21 insurer licensed to do business in the state of Minnesota and each licensed master plumber  
 124.22 shall maintain on file with the ~~state~~ commissioner ~~of health~~ a certificate evidencing the  
 124.23 insurance providing that the insurance shall not be canceled without the insurer first giving  
 124.24 15 days written notice to the commissioner. The term of the insurance shall be concurrent  
 124.25 with the term of the license. ~~The certificate shall be in lieu of all other certificates required~~  
 124.26 ~~by any political subdivision for licensing purposes.~~

124.27 Subd. 3. **Bond and insurance exemption.** If a master plumber who is an employee  
 124.28 ~~of a master plumber or who is an employee engaged within the limits of property owned,~~  
 124.29 ~~leased and operated, or maintained by the employer, in the maintenance and repair of~~  
 124.30 ~~plumbing equipment, apparatus, or facilities owned or leased by the employer, who is in~~  
 124.31 compliance with the bond and insurance requirements of subdivision 2 employs another  
 124.32 master plumber, the employee master plumber shall not be required to meet the bond and  
 124.33 insurance requirements of subdivision 2. A master plumber who is an employee working  
 124.34 on the maintenance and repair of plumbing equipment, apparatus, or facilities owned or  
 124.35 leased by their employer and which is within the limits of property owned or leased, and

125.1 operated or maintained by their employer, shall not be required to meet the bond and  
 125.2 insurance requirements of subdivision 2.

125.3 ~~Subd. 4. **Alternative compliance.** Compliance with the local bond requirements of~~  
 125.4 ~~a locale within which work is to be performed shall be deemed to satisfy the bond and~~  
 125.5 ~~insurance requirements of subdivision 2, provided the local ordinance requires at least a~~  
 125.6 ~~\$25,000 bond.~~

125.7 Subd. 5. **Fee.** ~~The state commissioner of health may charge~~ Each person giving  
 125.8 bond to the state under subdivision 2 shall pay the department an annual bond filing  
 125.9 registration fee commensurate with the cost of administering the bond and insurance  
 125.10 requirements of subdivision 2 of \$40.

125.11 **EFFECTIVE DATE.** This section is effective December 1, 2007, except that the  
 125.12 amendments to subdivision 5 are effective July 1, 2007.

125.13 Sec. 8. Minnesota Statutes 2006, section 326.401, is amended to read:

125.14 **326.401 PLUMBER'S APPRENTICES TRAINEES.**

125.15 Subdivision 1. **Registration.** ~~A~~ All plumber's apprentice trainees must be registered.  
 125.16 To be a registered plumber's trainee, an individual must either:

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

125.19 (2) be registered with the commissioner of health on a registration application form  
 125.20 supplied by the commissioner showing the date of beginning training, age, schooling,  
 125.21 previous experience, employer, and other information required by the commissioner.

125.22 under subdivision 3. A registered plumber's trainee is authorized to assist in the installation  
 125.23 of plumbing only while under the direct supervision of a master or journeyman plumber.

125.24 The master or journeyman plumber is responsible for ensuring that all plumbing work  
 125.25 performed by the registered plumber's trainee complies with the plumbing code.

125.26 Subd. 2. **Journeyman exam.** A registered plumber's apprentice trainee who has  
 125.27 completed four years of practical plumbing experience is eligible to take the journeyman  
 125.28 plumbing examination. Up to 24 months of practical plumbing experience prior to  
 125.29 ~~registration as an apprentice~~ becoming a registered plumber's trainee may be applied to the  
 125.30 four-year experience requirement. However, none of this practical plumbing experience  
 125.31 may be applied if the person individual did not have any practical plumbing experience in  
 125.32 the 12-month period immediately prior to ~~registration~~ becoming a registered plumber's  
 125.33 trainee. The commissioner may adopt rules to evaluate whether the person's individual's  
 125.34 past practical plumbing experience is applicable in preparing for the journeyman's

126.1 examination. If two years after completing the training the ~~person~~ individual has not taken  
 126.2 the examination, the four years of experience shall be forfeited.

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

126.5 Subd. 3. **Registration, rules, applications, renewals, and fees.** ~~The Department of~~  
 126.6 ~~Health may assess fees to pay for the administration of the apprentice registration program.~~  
 126.7 A plumber's trainee may register by completing and submitting to the commissioner a  
 126.8 registration form provided by the commissioner. A completed registration form must state  
 126.9 the date the trainee began training, the trainee's age, schooling, previous experience, and  
 126.10 employer, and other information required by the commissioner. The department may  
 126.11 prescribe rules, not inconsistent with this section, for the registration of plumber's trainees.  
 126.12 Each applicant for initial registration as a plumber's trainee shall pay the department  
 126.13 an application fee of \$25. Applications for initial registration may be submitted at any  
 126.14 time. Registration must be renewed annually and shall be for the period from July 1 of  
 126.15 each year to June 30 of the following year. Applications for renewal registration must be  
 126.16 received by the commissioner by June 30 of each registration period on forms provided by  
 126.17 the commissioner, and must be accompanied by a fee of \$25. An application for renewal  
 126.18 registration received on or after July 1 in any year but no more than three months after  
 126.19 expiration of the previously issued registration must pay the past due renewal fee plus a  
 126.20 late fee of \$25. No applications for renewal registration will be accepted more than three  
 126.21 months after expiration of the previously issued registration.

126.22 **EFFECTIVE DATE.** This section is effective July 1, 2007.

126.23 Sec. 9. Minnesota Statutes 2006, section 326.405, is amended to read:

126.24 **326.405 RECIPROCITY WITH OTHER STATES.**

126.25 The commissioner ~~of health~~ may license without examination, upon payment of the  
 126.26 required fee, nonresident applicants who are licensed under the laws of a state having  
 126.27 standards for licensing plumbers which the commissioner determines are substantially  
 126.28 equivalent to the standards of this state if the other state grants similar privileges to  
 126.29 Minnesota residents duly licensed in this state.

126.30 Sec. 10. Minnesota Statutes 2006, section 326.42, is amended to read:

126.31 **326.42 APPLICATIONS, FEES.**

126.32 Subdivision 1. **Application.** Applications for plumber's license shall be made to  
 126.33 the ~~state~~ commissioner ~~of health~~, with fee. Unless the applicant is entitled to a renewal,

127.1 the applicant shall be licensed by the ~~state~~ commissioner of health only after passing a  
 127.2 satisfactory examination by the examiners showing fitness. Unless examination fees have  
 127.3 been set by a contract under section 326B.05, examination fees for both journeyman and  
 127.4 master plumbers shall be ~~in an amount prescribed by the state commissioner of health~~  
 127.5 ~~pursuant to section 144.122~~ \$50 for each examination. Upon being notified ~~that~~ of having  
 127.6 successfully passed the examination for original license the applicant shall submit an  
 127.7 application, with the license fee herein provided. ~~License fees shall be in an amount~~  
 127.8 ~~prescribed by the state commissioner of health pursuant to section 144.122. Licenses shall~~  
 127.9 ~~expire and be renewed as prescribed by the commissioner pursuant to section 144.122.~~  
 127.10 The license fee for each initial and renewal master plumber's license shall be \$120. The  
 127.11 license fee for each initial and renewal journeyman plumber's license shall be \$55. The  
 127.12 commissioner may by rule prescribe for the expiration and renewal of licenses. Any  
 127.13 licensee who does not renew a license within two years after the license expires is no  
 127.14 longer eligible for renewal. Such an individual must retake and pass the examination  
 127.15 before a new license will be issued. A journeyman or master plumber who submits a  
 127.16 license renewal application after the time specified in rule but within two years after the  
 127.17 license expired must pay all past due renewal fees plus a late fee of \$25.

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

127.24 (1) systems with both water distribution and drain, waste, and vent systems and  
 127.25 having:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

128.12 (11) revision to previously reviewed or incomplete plans:

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

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

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

128.20 Subd. 3. **Inspection fees.** The commissioner shall charge the following fees for  
128.21 inspections under sections 326.361 to 326.44:

128.22	<u>Residential inspection fee (each visit)</u>	<u>\$50</u>
128.23	<u>Public, commercial, and industrial</u>	
128.24	<u>inspections</u>	<u>Inspection fee</u>
128.25	<u>25 or fewer drainage fixture units</u>	<u>\$300</u>
128.26	<u>26 to 50 drainage fixture units</u>	<u>\$900</u>
128.27	<u>51 to 150 drainage fixture units</u>	<u>\$1,200</u>
128.28	<u>151 to 249 drainage fixture units</u>	<u>\$1,500</u>
128.29	<u>250 or more drainage fixture units</u>	<u>\$1,800</u>
128.30	<u>Callback fee (each visit)</u>	<u>\$100</u>

128.31 **EFFECTIVE DATE.** This section is effective July 1, 2007.

128.32 Sec. 11. **[326B.41] PURPOSE.**

128.33 The purpose of sections 326B.41 to 326B.49 is to promote the public health and  
128.34 safety through properly designed, acceptably installed, and adequately maintained  
128.35 plumbing systems.

129.1 Sec. 12. **[326B.42] DEFINITIONS.**

129.2 Subdivision 1. Words, terms, and phrases. For purposes of sections 326B.41 to  
129.3 326B.49, the terms defined in this section have the meanings given to them.

129.4 Subd. 2. Direct supervision. The term "direct supervision," with respect to direct  
129.5 supervision of a plumber's trainee by a master or journeyman plumber, means that:

129.6 (1) at all times while the plumber's trainee is performing plumbing work, the master  
129.7 or journeyman plumber is present at the location where the plumber's trainee is working;

129.8 (2) the master or journeyman plumber is immediately available to the plumber's  
129.9 trainee at all times for assistance and direction;

129.10 (3) the master or journeyman plumber actually reviews the plumbing work  
129.11 performed by the plumber's trainee before the plumbing is operated; and

129.12 (4) the master or journeyman plumber is able to and does determine that all  
129.13 plumbing work performed by the plumber's trainee is performed in compliance with  
129.14 the plumbing code.

129.15 Subd. 5. Municipality. The term "municipality" shall have the meaning given to it  
129.16 in section 16B.60, subdivision 3.

129.17 Subd. 6. Plumbing code. "Plumbing code" means Minnesota Rules, chapter 4715.

129.18 Sec. 13. **REVISOR'S INSTRUCTION.**

129.19 The revisor of statutes shall renumber each section of Minnesota Statutes listed in  
129.20 column A with the number listed in column B. The revisor shall also make necessary  
129.21 cross-referenced changes consistent with the renumbering.

129.22	<u>Column A</u>	<u>Column B</u>
129.23	<u>326.01, subd. 7</u>	<u>326B.42, subd. 3</u>
129.24	<u>326.01, subd. 8</u>	<u>326B.42, subd. 4</u>
129.25	<u>326.01, subd. 9</u>	<u>326B.42, subd. 7</u>
129.26	<u>326.37</u>	<u>326B.43</u>
129.27	<u>326.38</u>	<u>326B.44</u>
129.28	<u>326.39</u>	<u>326B.45</u>
129.29	<u>326.40</u>	<u>326B.46</u>
129.30	<u>326.401</u>	<u>326B.47</u>
129.31	<u>326.405</u>	<u>326B.48</u>
129.32	<u>326.42</u>	<u>326B.49</u>

129.33 **ARTICLE 8**

129.34 **WATER CONDITIONING CONTRACTORS AND INSTALLERS**

129.35 Section 1. Minnesota Statutes 2006, section 326.57, subdivision 1, is amended to read:

130.1 Subdivision 1. ~~Rulemaking by commissioner of health.~~ The state commissioner  
 130.2 ~~of health~~ shall, by rule, prescribe minimum standards which shall be uniform, and  
 130.3 which standards shall thereafter be effective for all new water conditioning servicing  
 130.4 and water conditioning installations, including additions, extensions, alterations, and  
 130.5 replacements connected with any water or sewage disposal system owned or operated by  
 130.6 or for any municipality, institution, factory, office building, hotel, apartment building or  
 130.7 any other place of business, regardless of location or the population of the city, county  
 130.8 or town in which located. ~~Such rules, upon approval of the attorney general and their~~  
 130.9 ~~legal publication, shall have the force of law, and the violation of any part thereof shall~~  
 130.10 ~~constitute a misdemeanor and may be enjoined by the attorney general.~~

130.11 Sec. 2. Minnesota Statutes 2006, section 326.58, is amended to read:

130.12 **326.58 LOCAL REGULATIONS.**

130.13 Any city or town with a population of 5,000 or more persons according to the last  
 130.14 federal census may, by ordinance, adopt local regulations providing for water conditioning  
 130.15 permits, bonds, approval of plans, and inspections of water conditioning installations and  
 130.16 servicing, which regulations shall not be in conflict with the water conditioning standards  
 130.17 on the same subject prescribed by the state commissioner of health. No such city or  
 130.18 town shall prohibit water conditioning contractors or installers licensed by the state  
 130.19 commissioner of health from engaging in or working at the business.

130.20 Sec. 3. Minnesota Statutes 2006, section 326.59, is amended to read:

130.21 **326.59 VIOLATIONS TO BE REPORTED TO STATE COMMISSIONER**  
 130.22 **~~OF HEALTH.~~**

130.23 Such local authority as may be designated by any such ordinance for the issuance  
 130.24 of such water conditioning installation and servicing permits and approval of such plans  
 130.25 shall report to the state commissioner of health persistent or willful violations of the  
 130.26 same and any incompetence of a licensed water conditioning contractor or licensed water  
 130.27 conditioning installer observed by the local authority.

130.28 Sec. 4. Minnesota Statutes 2006, section 326.60, is amended to read:

130.29 **326.60 LICENSING IN CERTAIN CITIES; QUALIFICATIONS; RULES.**

130.30 Subdivision 1. **Licensing in certain cities.** In any city or town ~~now or hereafter~~  
 130.31 having a population of 5,000 or more according to the last federal census, no person, ~~firm,~~  
 130.32 ~~or corporation~~ shall engage in or work at the business of water conditioning installation or

131.1 servicing after January 1, 1970, unless ~~(a)~~ (1) at all times ~~a person~~ an individual licensed  
 131.2 as a water conditioning contractor by the ~~state~~ commissioner of ~~health~~ shall be responsible  
 131.3 for the proper water conditioning installation and servicing work of such person, ~~firm, or~~  
 131.4 ~~corporation~~, and ~~(b)~~ (2) all installations, other than exchanges of portable equipment, are  
 131.5 ~~actually made~~ performed by a licensed water conditioning contractor or licensed water  
 131.6 conditioning installer. ~~Anyone~~ Any individual not so licensed may ~~do~~ perform water  
 131.7 conditioning work ~~which~~ that complies with ~~the provisions of~~ the minimum standard  
 131.8 prescribed by the ~~state~~ commissioner of ~~health~~ on premises or that part of premises owned  
 131.9 and ~~actually~~ occupied by the worker as a residence, unless otherwise ~~forbidden to do so~~  
 131.10 prohibited by a local ordinance.

131.11 Subd. 2. **Qualifications for licensing.** A water conditioning contractor license  
 131.12 shall be issued only to ~~a person~~ an individual who has demonstrated skill in planning,  
 131.13 superintending, and servicing water conditioning installations. A water conditioning  
 131.14 installer license shall only be issued to ~~a person~~ an individual other than a water  
 131.15 conditioning contractor who has demonstrated practical knowledge of water conditioning  
 131.16 installation.

131.17 Subd. 3. **Rules.** The ~~state~~ commissioner of ~~health~~ shall:

131.18 ~~(a)~~ (1) prescribe rules, not inconsistent herewith, for the licensing of water  
 131.19 conditioning contractors and installers;

131.20 ~~(b)~~ (2) license water conditioning contractors and installers;

131.21 ~~(c)~~ (3) prescribe rules not inconsistent herewith for the examining of water  
 131.22 conditioning contractors and installers prior to first granting a license as a water  
 131.23 conditioning contractor or water conditioning installer; and

131.24 ~~(d)~~ (4) collect an examination fee from each examinee for a license as a water  
 131.25 conditioning contractor and ~~a~~ an examination fee from each examinee for a license  
 131.26 as a water conditioning installer in an amount ~~prescribed by the state commissioner of~~  
 131.27 ~~health pursuant to~~ set forth in section ~~144.122~~ 326.62. A water conditioning installer  
 131.28 must successfully pass the examination for water conditioning contractors before being  
 131.29 licensed as a water conditioning contractor.

131.30 Sec. 5. Minnesota Statutes 2006, section 326.601, is amended to read:

131.31 **326.601 ALTERNATIVE STATE BONDING AND INSURANCE**  
 131.32 **REGULATION.**

131.33 Subdivision 1. **Bonds.** (a) An applicant for a water conditioning contractor or  
 131.34 installer license or renewal thereof who is required by any political subdivision to give a  
 131.35 bond to obtain or maintain the license, may comply with any political subdivision bonding

132.1 requirement by giving a bond to the state as described in paragraph (b). No applicant for a  
 132.2 water conditioning contractor or installer license who maintains the bond under paragraph  
 132.3 (b) shall be otherwise required to meet the bond requirements of any political subdivision.

132.4 (b) Each bond given to the state under this subdivision shall be in the total ~~penal~~ sum  
 132.5 of \$3,000 conditioned upon the faithful and lawful performance of all water conditioning  
 132.6 contracting or installing work done within the state. The bond shall be for the benefit of  
 132.7 persons suffering injuries or damages due to the work. The bond shall be filed with the  
 132.8 commissioner of health and shall be written by a corporate surety licensed to do business  
 132.9 in this state. ~~No applicant for a water conditioning contractor or installer license who~~  
 132.10 ~~maintains the bond under this subdivision shall be otherwise required to meet the bond~~  
 132.11 ~~requirements of any political subdivision.~~ The bond must remain in effect at all times  
 132.12 while the application is pending and while the license is in effect.

132.13 Subd. 2. **Insurance.** (a) Each applicant for a water conditioning contractor or  
 132.14 installer license or renewal thereof ~~may, in lieu of all other insurance requirements of any~~  
 132.15 political subdivision for said licensing purposes, maintain the insurance specified by  
 132.16 this subdivision. who is required by any political subdivision to maintain insurance to  
 132.17 obtain or maintain the license may comply with any political subdivision's insurance  
 132.18 requirement by maintaining the insurance described in paragraph (b). No applicant for a  
 132.19 water conditioning contractor or installer license who maintains the insurance described  
 132.20 in paragraph (b) shall be otherwise required to meet the insurance requirements of any  
 132.21 political subdivision.

132.22 (b) The insurance shall provide coverage, including products liability coverage,  
 132.23 for all damages in connection with licensed work for which the licensee is liable, with  
 132.24 personal damage limits of at least \$50,000 per person and \$100,000 per occurrence and  
 132.25 property damage insurance with limits of at least \$10,000. The insurance shall be written  
 132.26 by an insurer licensed to do business in this state and ~~each licensed water conditioning~~  
 132.27 ~~contractor or installer shall maintain on file with the commissioner of health a certificate~~  
 132.28 evidencing the insurance shall be filed with the commissioner. The insurance must remain  
 132.29 in effect at all times while the application is pending and while the license is in effect. The  
 132.30 insurance shall not be canceled without the insurer first giving 15 days' written notice to  
 132.31 the commissioner.

132.32 Subd. 3. **Bond and insurance exemption.** A water conditioning contractor or  
 132.33 installer who is an employee of a water conditioning contractor or installer, including  
 132.34 an employee engaged in the maintenance and repair of water conditioning equipment,  
 132.35 apparatus, or facilities owned, leased and operated, or maintained by the employer, is

133.1 not required to meet the bond and insurance requirements of subdivisions 1 and 2 or of  
133.2 any political subdivision.

133.3 Subd. 4. **Fee.** ~~The commissioner of health may establish by rule an additional~~  
133.4 ~~fee commensurate with the cost of administering the bond and insurance requirements~~  
133.5 ~~of subdivisions 1 and 2, which may be charged~~ shall collect a \$40 bond registration fee  
133.6 from each applicant for issuance or renewal of a water conditioning contractor or installer  
133.7 license who elects to proceed under subdivisions 1 and 2.

133.8 **EFFECTIVE DATE.** This section is effective December 1, 2007, except that the  
133.9 amendments to subdivision 4 are effective July 1, 2007.

133.10 Sec. 6. Minnesota Statutes 2006, section 326.61, subdivision 1, is amended to read:

133.11 Subdivision 1. **Water conditioning installation.** "Water conditioning installation"  
133.12 ~~as used in sections 326.57 to 326.65~~ means the installation of appliances, appurtenances,  
133.13 and fixtures designed to treat water so as to alter, modify, add or remove mineral, chemical  
133.14 or bacterial content, said installation to be made in a water distribution system serving a  
133.15 single family residential unit, which has been initially established by a licensed plumber,  
133.16 and does not involve a direct connection without an air gap to a soil or waste pipe.

133.17 Sec. 7. Minnesota Statutes 2006, section 326.61, subdivision 2, is amended to read:

133.18 Subd. 2. **Water conditioning servicing.** "Water conditioning servicing" ~~as used in~~  
133.19 ~~sections 326.57 to 326.65~~ means the servicing (including servicing prior to installation) of  
133.20 a water conditioning installation.

133.21 Sec. 8. Minnesota Statutes 2006, section 326.61, subdivision 3, is amended to read:

133.22 Subd. 3. **Rules.** In order to provide effective protection of the public health, the  
133.23 ~~state commissioner of health~~ may by rule prescribe limitations on the nature of alteration  
133.24 to, extension of, or connection with, the said water distribution system initially established  
133.25 by a licensed plumber which may be performed by a person licensed hereunder, and may  
133.26 by rule in appropriate instances require filing of plans, blueprints and specifications prior  
133.27 to commencement of installation. ~~Such rules, upon approval of the attorney general and~~  
133.28 ~~their legal publication, shall have the force of law, and the violation of any part thereof~~  
133.29 ~~shall constitute a misdemeanor.~~ The installation of water heaters shall not constitute water  
133.30 conditioning installation and consequently such work shall be accomplished in accordance  
133.31 with the provisions of sections ~~326.37~~ 326.361 to ~~326.45~~ 326.44.

133.32 Sec. 9. Minnesota Statutes 2006, section 326.61, subdivision 4, is amended to read:

134.1 Subd. 4. **Single family residential unit.** "Single family residential unit" ~~as used in~~  
 134.2 ~~sections 326.57 to 326.65~~ means a building or portion thereof which is arranged, designed,  
 134.3 used or intended to be used for residential occupancy by one family, but not including a  
 134.4 motel, hotel or rooming house.

134.5 Sec. 10. Minnesota Statutes 2006, section 326.62, is amended to read:

134.6 **326.62 APPLICATIONS; FEES.**

134.7 ~~Applications for water conditioning contractor's or installer's licenses shall be~~  
 134.8 ~~made to the state commissioner of health with the fee prescribed by the commissioner~~  
 134.9 ~~pursuant to section 144.122. Licenses shall expire and be renewed as prescribed by~~  
 134.10 ~~the commissioner pursuant to section 144.122. Unless examination fees have been set~~  
 134.11 ~~by a contract under section 326B.05, examination fees for both water conditioning~~  
 134.12 ~~contractors and water conditioning installers shall be \$50 for each examination. Each~~  
 134.13 ~~water conditioning contractor and installer license shall expire on December 31 of the year~~  
 134.14 ~~for which it was issued. The license fee for each initial water conditioning contractor's~~  
 134.15 ~~license shall be \$70, except that the license fee shall be \$35 if the application is submitted~~  
 134.16 ~~during the last three months of the calendar year. The license fee for each renewal water~~  
 134.17 ~~conditioning contractor's license shall be \$70. The license fee for each initial water~~  
 134.18 ~~conditioning installer license shall be \$35, except that the license fee shall be \$17.50 if the~~  
 134.19 ~~application is submitted during the last three months of the calendar year. The license fee~~  
 134.20 ~~for each renewal water conditioning installer license shall be \$35. The commissioner may~~  
 134.21 ~~by rule prescribe for the expiration and renewal of licenses. Any licensee who does not~~  
 134.22 ~~renew a license within two years after the license expires is no longer eligible for renewal.~~  
 134.23 ~~Such an individual must retake and pass the examination before a new license will be~~  
 134.24 ~~issued. A water conditioning contractor or water conditioning installer who submits a~~  
 134.25 ~~license renewal application after the time specified in rule but within two years after the~~  
 134.26 ~~license expired must pay all past due renewal fees plus a late fee of \$25.~~

134.27 **EFFECTIVE DATE.** This section is effective July 1, 2007.

134.28 Sec. 11. Minnesota Statutes 2006, section 326.65, is amended to read:

134.29 **326.65 STATE LICENSE; EXAMINATION; APPLICATION; EXEMPTION.**

134.30 The provisions of sections 326.57 to 326.65 ~~which that~~ require ~~the obtaining of~~  
 134.31 licenses to engage in the work or business of water conditioning installation, and the  
 134.32 provisions ~~which that~~ provide for the examination of applicants for such licenses, shall  
 134.33 only apply to work accomplished in cities or towns having populations of 5,000 or more

135.1 according to the last federal census, and shall not apply to master plumbers and journeymen  
135.2 plumbers licensed under the provisions of sections ~~326.37~~ 326.361 to ~~326.45~~ 326.44.

135.3 Sec. 12. **[326B.50] DEFINITIONS.**

135.4 Subdivision 1. Words, terms, and phrases. For the purposes of sections 326B.50  
135.5 to 326B.59, the terms defined in this section have the meanings given them.

135.6 Sec. 13. **REVISOR'S INSTRUCTION.**

135.7 The revisor of statutes shall renumber each section of Minnesota Statutes listed in  
135.8 column A with the number listed in column B. The revisor shall also make necessary  
135.9 cross-reference changes consistent with the renumbering.

<u>Column A</u>	<u>Column B</u>
135.10 <u>326.57</u>	<u>326B.52</u>
135.11 <u>326.58</u>	<u>326B.53</u>
135.12 <u>326.59</u>	<u>326B.54</u>
135.13 <u>326.60</u>	<u>326B.55</u>
135.14 <u>326.601</u>	<u>326B.56</u>
135.15 <u>326.61, subd. 1</u>	<u>326B.50, subd. 3</u>
135.16 <u>326.61, subd. 2</u>	<u>326B.50, subd. 4</u>
135.17 <u>326.61, subd. 3</u>	<u>326B.57</u>
135.18 <u>326.61, subd. 4</u>	<u>326B.50, subd. 2</u>
135.19 <u>326.62</u>	<u>326B.58</u>
135.20 <u>326.65</u>	<u>326B.59</u>

135.22 **ARTICLE 9**

135.23 **RESIDENTIAL BUILDING CONTRACTOR AND REMODELER STATUTES**

135.24 Section 1. Minnesota Statutes 2006, section 325E.58, is amended to read:

135.25 **325E.58 SIGN CONTRACTOR; BOND.**

135.26 (a) A sign contractor may post a compliance bond with the commissioner,  
135.27 conditioned that the sign contractor shall faithfully perform duties and comply with laws,  
135.28 ordinances, rules, and contracts entered into for the installation of signs. The bond must  
135.29 be renewed annually and maintained for so long as determined by the commissioner. The  
135.30 aggregate liability of the surety on the bond to any and all persons, regardless of the  
135.31 number of claims made against the bond, may not exceed the annual amount of the bond.  
135.32 The bond may be canceled as to future liability by the surety upon 30 days' written notice  
135.33 mailed to the commissioner by United States mail.

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

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

136.8 Sec. 2. Minnesota Statutes 2006, section 326.83, subdivision 6, is amended to read:

136.9 Subd. 6. **Lessee.** "Lessee" means one who rents or leases residential real estate  
 136.10 pursuant to a written lease agreement of at least one year's duration.

136.11 Sec. 3. Minnesota Statutes 2006, section 326.83, subdivision 7, is amended to read:

136.12 Subd. 7. **Licensee.** "Licensee" means a residential building contractor, residential  
 136.13 remodeler, manufactured home installer, or residential roofer licensed under sections  
 136.14 326.83 to ~~326.991~~ 326.98.

136.15 Sec. 4. Minnesota Statutes 2006, section 326.83, subdivision 11, is amended to read:

136.16 Subd. 11. **Owner.** ~~Except in section 326.91, subdivision 1, "owner" means a person~~  
 136.17 ~~who has any legal or equitable interest in real property. For purposes of sections 326.83~~  
 136.18 ~~to 326.991, "owner" does not include a residential building contractor or residential~~  
 136.19 ~~remodeler who constructs or improves its own property for purposes of speculation. A~~  
 136.20 ~~residential building contractor or residential remodeler will be presumed to be building or~~  
 136.21 ~~improving for purposes of speculation if it constructs or improves more than one property~~  
 136.22 ~~within any 24-month period. "Owner," when used in connection with real property, means~~  
 136.23 a person who has any legal or equitable interest in the real property.

136.24 Sec. 5. Minnesota Statutes 2006, section 326.83, subdivision 18, is amended to read:

136.25 Subd. 18. **Residential roofer.** "Residential roofer" means a person in the business  
 136.26 of contracting, or offering to contract with an owner, to complete work on residential real  
 136.27 estate in roof coverings, roof sheathing, roof weatherproofing and insulation, and repair of  
 136.28 roof systems, but not construction of new roof systems.

136.29 Sec. 6. Minnesota Statutes 2006, section 326.83, subdivision 19, is amended to read:

136.30 Subd. 19. **Special skill.** "Special skill" means one of the following eight categories:  
 136.31 (a) **Excavation.** Excavation includes work in any of the following areas:

- 137.1 (1) excavation;
- 137.2 (2) trenching;
- 137.3 (3) grading; and
- 137.4 (4) site grading.
- 137.5 (b) **Masonry and concrete.** Masonry and concrete includes work in any of the
- 137.6 following areas:
- 137.7 (1) drain systems;
- 137.8 (2) poured walls;
- 137.9 (3) slabs and poured-in-place footings;
- 137.10 (4) masonry walls;
- 137.11 (5) masonry fireplaces;
- 137.12 (6) masonry veneer; and
- 137.13 (7) water resistance and waterproofing.
- 137.14 (c) **Carpentry.** Carpentry includes work in any of the following areas:
- 137.15 (1) rough framing;
- 137.16 (2) finish carpentry;
- 137.17 (3) doors, windows, and skylights;
- 137.18 (4) porches and decks, excluding footings;
- 137.19 (5) wood foundations; and
- 137.20 (6) drywall installation, excluding taping and finishing.
- 137.21 (d) **Interior finishing.** Interior finishing includes work in any of the following areas:
- 137.22 (1) floor covering;
- 137.23 (2) wood floors;
- 137.24 (3) cabinet and counter top installation;
- 137.25 (4) insulation and vapor barriers;
- 137.26 (5) interior or exterior painting;
- 137.27 (6) ceramic, marble, and quarry tile;
- 137.28 (7) ornamental guardrail and installation of prefabricated stairs; and
- 137.29 (8) wallpapering.
- 137.30 (e) **Exterior finishing.** Exterior finishing includes work in any of the following
- 137.31 areas:
- 137.32 (1) siding;
- 137.33 (2) soffit, fascia, and trim;
- 137.34 (3) exterior plaster and stucco;
- 137.35 (4) painting; and
- 137.36 (5) rain carrying systems, including gutters and down spouts.

138.1 (f) **Drywall and plaster.** Drywall and plaster includes work in any of the following  
138.2 areas:

- 138.3 (1) installation;
- 138.4 (2) taping;
- 138.5 (3) finishing;
- 138.6 (4) interior plaster;
- 138.7 (5) painting; and
- 138.8 (6) wallpapering.

138.9 (g) **Residential roofing.** Residential roofing includes work in any of the following  
138.10 areas:

- 138.11 (1) roof coverings;
- 138.12 (2) roof sheathing;
- 138.13 (3) roof weatherproofing and insulation; and
- 138.14 (4) repair of roof support system, but not construction of new roof support system.

138.15 (h) **General installation specialties.** Installation includes work in any of the  
138.16 following areas:

- 138.17 (1) garage doors and openers;
- 138.18 (2) pools, spas, and hot tubs;
- 138.19 (3) fireplaces and wood stoves;
- 138.20 (4) asphalt paving and seal coating; and
- 138.21 (5) ~~exterior plaster and stucco; and~~
- 138.22 ~~(6)~~ ornamental guardrail and prefabricated stairs.

138.23 Sec. 7. Minnesota Statutes 2006, section 326.83, subdivision 20, is amended to read:

138.24 Subd. 20. **Specialty contractor.** "Specialty contractor" means a person in the  
138.25 business of contracting or offering to contract to build or improve residential real estate by  
138.26 providing only one special skill as defined in this section.

138.27 Sec. 8. Minnesota Statutes 2006, section 326.84, is amended to read:

138.28 **326.84 LICENSING REQUIREMENTS.**

138.29 Subdivision 1. **Persons required to be licensed.** A person who meets the definition  
138.30 of a residential building contractor as defined in section 326.83, subdivision 15, must be  
138.31 licensed as a residential building contractor by the commissioner. A person who meets  
138.32 the definition of a residential remodeler as defined in section 326.83, subdivision 16,  
138.33 ~~or a residential building contractor as defined in section 326.83, subdivision 15, must~~  
138.34 ~~be licensed as a residential building contractor or residential remodeler. 16, must be~~

139.1 licensed by the commissioner as a residential remodeler or residential building contractor.  
 139.2 A person who meets the definition of a residential roofer as defined in section 18 must  
 139.3 be licensed by the commissioner as a residential roofer, residential building contractor,  
 139.4 or residential remodeler. A person who meets the definition of a manufactured home  
 139.5 installer as defined in section 327.31, subdivision 6, must be licensed as a manufactured  
 139.6 home installer by the commissioner.

139.7 Subd. 1a. **Persons who may be licensed.** A person who meets the definition of  
 139.8 a specialty contractor as defined in section 326.83, subdivision ~~20~~ 19, may be licensed  
 139.9 by the commissioner as a residential building contractor or residential remodeler unless  
 139.10 required to be licensed by the state as a specialty contractor.

139.11 Subd. 1b. **Prohibition.** Except as provided in subdivision 3, no persons required  
 139.12 to be licensed by subdivision 1 may act or hold themselves out as a residential building  
 139.13 ~~contractors or~~ contractor, residential remodelers remodeler, residential roofer, or  
 139.14 manufactured home installer for compensation without a ~~valid~~ license issued by the  
 139.15 commissioner.

139.16 Subd. 1c. **Licensing criteria.** The examination and education requirements for  
 139.17 licensure under sections 326.84 to ~~326.991~~ 326.98 must be fulfilled by a qualifying person  
 139.18 designated by the potential licensee. If the qualifying person is a managing employee, the  
 139.19 qualifying person must be an employee who is regularly employed by the licensee and  
 139.20 is actively engaged in the business of residential contracting or residential remodeling  
 139.21 on behalf of the licensee. For a sole proprietorship, the qualifying person must be the  
 139.22 proprietor or managing employee. For a partnership, the qualifying person must be a  
 139.23 general partner or managing employee. For a limited liability company, the qualifying  
 139.24 person must be a chief manager or managing employee. For a corporation, the qualifying  
 139.25 person must be ~~a chief executive officer~~ an owner, officer, or managing employee. A  
 139.26 qualifying person for a corporation or limited liability company may act as ~~a~~ the qualifying  
 139.27 person for ~~one additional corporation if one of the following conditions exists:~~

139.28 ~~(1) there is a common ownership of at least 25 percent of each licensed corporation~~  
 139.29 ~~for which the person acts in a qualifying capacity; or~~

139.30 ~~(2) one corporation is a subsidiary of another corporation for which the same person~~  
 139.31 ~~acts in a qualifying capacity. "Subsidiary," as used in this section, means a corporation of~~  
 139.32 ~~which at least 25 percent is owned by the parent corporation. more than one corporation~~  
 139.33 or limited liability company if there is common ownership of at least 25 percent among  
 139.34 each of the licensed corporations or limited liability companies for which the person  
 139.35 acts in the capacity of qualifying person.

140.1 Subd. 1d. **Required information.** (a) Each licensee or applicant for licensure shall  
 140.2 provide to the commissioner a current street address and telephone number where the  
 140.3 licensee resides, and a street address and telephone number where the licensee's business  
 140.4 is physically located. A post office box address is not sufficient to satisfy this requirement.  
 140.5 Each licensee or applicant for licensure must notify the commissioner in writing of any  
 140.6 change in the required information within 15 days of the change.

140.7 (b) Each licensee or applicant for licensure must notify the commissioner in writing  
 140.8 upon any change in control, ownership, officers or directors, personal name, business  
 140.9 name, license name, or qualifying person, within 15 days of the change.

140.10 (c) Each licensee or applicant for licensure must notify the commissioner in writing if  
 140.11 the licensee or applicant for licensure is found to be a judgment debtor based upon conduct  
 140.12 requiring licensure pursuant to sections 326.83 to 326.98 within 15 days of the finding.

140.13 (d) Each licensee or applicant for licensure must notify the commissioner in writing  
 140.14 within 15 days of filing a petition for bankruptcy.

140.15 (e) Each licensee or applicant for licensure must notify the commissioner in writing  
 140.16 within ten days if the licensee or applicant for licensure has been found guilty of a felony,  
 140.17 gross misdemeanor, misdemeanor, or any comparable offense related to residential  
 140.18 contracting, including convictions of fraud, misrepresentation, misuse of funds, theft,  
 140.19 criminal sexual conduct, assault, burglary, conversion of funds, or theft of proceeds in this  
 140.20 or any other state or any other United States jurisdiction.

140.21 **Subd. 3. Exemptions.** The license requirement does not apply to:

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

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

140.25 (3) an owner ~~or owners~~ of residential real estate who ~~build or improve~~ builds or  
 140.26 improves any structure on residential real estate and who do the work themselves or  
 140.27 jointly with the owner's own, if the building or improving is performed by the owner's  
 140.28 bona fide employees or by individual owners personally. This exemption does not apply  
 140.29 ~~to a person who engages in a pattern of building or improving real estate for purposes of~~  
 140.30 ~~resale. Such a pattern is presumed to exist if the person constructs or improves more~~  
 140.31 ~~than one property within any 24-month period;~~ an owner who constructs or improves  
 140.32 property for purposes of speculation if the building or improving is performed by the  
 140.33 owner's bona fide employees or by individual owners personally. A residential building  
 140.34 contractor or residential remodeler will be presumed to be building or improving for  
 140.35 purposes of speculation if the contractor or remodeler constructs or improves more than  
 140.36 one property within any 24-month period.

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

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

141.6 (6) a mechanical contractor;

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

141.9 (8) specialty contractors who provide only one special skill as defined in section  
 141.10 326.83;

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

141.12 ~~(10) manufactured housing installers; and~~

141.13 ~~(11)~~ (10) Habitat for Humanity and Builders Outreach Foundation, and their  
 141.14 individual volunteers when engaged in activities on their behalf.

141.15 To qualify for the exemption in clause (5), a person must obtain a certificate of  
 141.16 exemption from ~~licensing~~ licensure from the commissioner.

141.17 A certificate of exemption will be issued upon the applicant's filing with the  
 141.18 commissioner, an affidavit stating that the applicant does not expect to exceed \$15,000 in  
 141.19 gross annual receipts derived from ~~contracting activities during the calendar year for which~~  
 141.20 ~~the exemption is requested~~ performing services which require licensure under this section.

141.21 To renew the exemption in clause (5), the applicant must file an affidavit stating that  
 141.22 the applicant did not exceed \$15,000 in gross annual receipts during the past calendar  
 141.23 year, ~~and the applicant does not expect to exceed \$15,000 in gross annual receipts during~~  
 141.24 ~~the calendar year for which the exemption is requested.~~

141.25 If a person, operating under the exemption in clause (5), exceeds \$15,000 in gross  
 141.26 receipts during any calendar year, the person must immediately surrender the exemption  
 141.27 certificate and apply for the appropriate license. The person must remain licensed until  
 141.28 such time as the person's gross annual receipts during a calendar year fall below \$15,000.  
 141.29 The person may then apply for ~~this~~ an exemption for the next calendar year.

141.30 Sec. 9. Minnesota Statutes 2006, section 326.841, is amended to read:

141.31 **326.841 MANUFACTURED HOME INSTALLERS.**

141.32 (a) Manufactured home installers are subject to all of the requirements of sections  
 141.33 326.83 to 326.98, except for the following:

141.34 ~~(1) manufactured home installers are not members of the advisory council under~~  
 141.35 ~~section 326.85;~~

142.1 ~~(2)~~ (1) manufactured home installers are not subject to the continuing education  
 142.2 requirements of section 326.87, but are subject to the continuing education requirements  
 142.3 established in rules adopted under section 327B.10;

142.4 ~~(3)~~ (2) the examination requirement of section 326.89, subdivision 3, for  
 142.5 manufactured home installers shall be satisfied by successful completion of a written  
 142.6 examination ~~designed~~ administered and developed specifically for the examination of  
 142.7 manufactured home installers. The examination must be ~~designed~~ administered and  
 142.8 ~~developed~~ by the commissioner in conjunction with the state building code division. The  
 142.9 commissioner and ~~State Building Code Division~~ the state building official shall seek  
 142.10 advice on the grading, monitoring, and updating of examinations from the Minnesota  
 142.11 Manufactured Housing Association;

142.12 ~~(4)~~ the amount of the bond required by section 326.94 shall be \$2,500 for  
 142.13 manufactured home installers;

142.14 ~~(5)~~ (3) a local government unit may not place a surcharge on a license fee, and  
 142.15 may not charge a separate fee to installers;

142.16 ~~(6)~~ (4) a dealer or distributor who does not install or repair manufactured homes is  
 142.17 exempt from licensure under sections 326.83 to 326.98; ~~and~~

142.18 ~~(7)~~ (5) the exemption under section 326.84, subdivision 3, clause (5), does not  
 142.19 apply; ~~and~~

142.20 (6) manufactured home installers are not subject to the contractor recovery fund  
 142.21 in section 326.975.

142.22 (b) The commissioner may waive all or part of the requirements for licensure  
 142.23 as a manufactured home installer for any individual who holds an unexpired license or  
 142.24 certificate issued by any other state or other United States jurisdiction if the licensing  
 142.25 requirements of that jurisdiction meet or exceed the corresponding licensing requirements  
 142.26 of the department.

142.27 Sec. 10. Minnesota Statutes 2006, section 326.842, is amended to read:

142.28 **326.842 RESIDENTIAL ROOFERS.**

142.29 Residential roofers are subject to all of the requirements of sections 326.83 to 326.98  
 142.30 ~~and 326.991~~, except the recovery fund in section 326.975.

142.31 Sec. 11. Minnesota Statutes 2006, section 326.86, is amended to read:

142.32 **326.86 FEES.**

142.33 Subdivision 1. **Licensing fee.** The licensing fee for persons licensed pursuant to  
 142.34 sections 326.83 to ~~326.991~~ 326.98 is ~~\$100~~ \$70 per year.

143.1 Subd. 2. **Local surcharge.** A local government unit may place a surcharge in an  
 143.2 amount no greater than \$5 on each land use, zoning, or building permit that requires a  
 143.3 licensed residential building contractor, residential remodeler, ~~or specialty contractor~~  
 143.4 residential roofer, or manufactured home installer for the purpose of license verification.  
 143.5 The local government may verify a license by telephone ~~or~~, facsimile ~~machine~~ or  
 143.6 electronic communication. A local government unit shall not issue a land use, zoning, or  
 143.7 building permit unless the required license has been verified and is current.

143.8 **EFFECTIVE DATE.** The amendments to subdivision 1 are effective July 1, 2007.  
 143.9 The amendments to subdivision 2 are effective December 1, 2007.

143.10 Sec. 12. Minnesota Statutes 2006, section 326.87, is amended to read:

143.11 **326.87 CONTINUING EDUCATION.**

143.12 Subdivision 1. **Standards.** The commissioner, ~~in consultation with the council,~~ may  
 143.13 by rule adopt standards for continuing education requirements and course and instructor  
 143.14 approval. The standards must include requirements for continuing education in the  
 143.15 implementation of energy codes applicable to buildings and other building codes designed  
 143.16 to conserve energy. ~~Except for the course content, the standards must be consistent~~  
 143.17 ~~with the standards established for real estate agents and other professions licensed by~~  
 143.18 ~~the Department of Commerce. At a minimum, the content of one hour of any required~~  
 143.19 ~~continuing education must contain information on lead abatement rules and safe lead~~  
 143.20 ~~abatement procedures.~~

143.21 Subd. 2. **Hours.** A qualifying person of a licensee must provide proof of completion  
 143.22 of seven hours of continuing education per year in the regulated industry in which the  
 143.23 licensee is licensed. ~~To the extent the commissioner considers it appropriate, courses or~~  
 143.24 ~~parts of courses may be considered to satisfy both continuing education requirements~~  
 143.25 ~~under this section and continuing real estate education requirements.~~

143.26 Credit may not be earned if the licensee has previously obtained credit for the same  
 143.27 course as either a student or instructor during the same licensing period.

143.28 Subd. 3. **Accessibility.** To the extent possible, the commissioner shall ensure that  
 143.29 continuing education courses are offered throughout the state and are easily accessible  
 143.30 to all licensees.

143.31 Subd. 4. **Renewal of accreditation approval.** The commissioner is authorized to  
 143.32 establish a procedure for renewal of course accreditation approval.

143.33 Subd. 5. **Content.** (a) Continuing education consists of approved courses that  
 143.34 impart appropriate and related knowledge in the regulated industries pursuant to sections

144.1 326.83 to 326.98. The burden of demonstrating that courses impart appropriate and related  
144.2 knowledge is upon the person seeking approval or credit.

144.3 (b) Course examinations will not be required for continuing education courses  
144.4 unless they are required by the sponsor.

144.5 (c) Textbooks are not required to be used for continuing education courses. If  
144.6 textbooks are not used, the coordinator must provide students with a syllabus containing,  
144.7 at a minimum, the course title, the times and dates of the course offering, the names and  
144.8 addresses or telephone numbers of the course coordinator and instructor, and a detailed  
144.9 outline of the subject materials to be covered. Any written or printed material given to  
144.10 students must be of readable quality and contain accurate and current information.

144.11 (d) Upon completion of an approved course, licensees shall earn one hour of  
144.12 continuing education credit for each hour approved by the commissioner. Each continuing  
144.13 education course must be attended in its entirety in order to receive credit for the number  
144.14 of approved hours. Courses may be approved for full or partial credit, and for more than  
144.15 one regulated industry.

144.16 Continuing education credit in an approved course shall be awarded to presenting  
144.17 instructors on the basis of one credit for each hour of preparation for the initial presentation,  
144.18 which may not exceed three hours total credit for each approved course. Continuing  
144.19 education credit may not be earned if the licensee has previously obtained credit for the  
144.20 same course as a licensee or as an instructor within the three years immediately prior.

144.21 (e) The following courses will not be approved for credit:

144.22 (1) courses designed solely to prepare students for a license examination;

144.23 (2) courses in mechanical office or business skills, including typing, speed reading,  
144.24 or other machines or equipment. Computer courses are allowed, if appropriate and related  
144.25 to the regulated industry of the licensee;

144.26 (3) courses in sales promotion, including meetings held in conjunction with the  
144.27 general business of the licensee;

144.28 (4) courses in motivation, salesmanship, psychology, time management, or  
144.29 communication; or

144.30 (5) courses that are primarily intended to impart knowledge of specific products of  
144.31 specific companies, if the use of the product or products relates to the sales promotion or  
144.32 marketing of one or more of the products discussed.

144.33 Subd. 6. **Course approval.** (a) Courses must be approved by the commissioner  
144.34 in advance and will be approved on the basis of the applicant's compliance with the  
144.35 provisions of this section relating to continuing education in the regulated industries. The

145.1 commissioner shall make the final determination as to the approval and assignment of  
145.2 credit hours for courses. Courses must be at least one hour in length.

145.3 Individuals requesting credit for continuing education courses that have not  
145.4 been previously approved shall, on a form prescribed by the commissioner, submit an  
145.5 application for approval of continuing education credit accompanied by a nonrefundable  
145.6 fee of \$10 for each course to be reviewed. To be approved, courses must be in compliance  
145.7 with the provisions of this section governing the types of courses that will and will not  
145.8 be approved.

145.9 Approval will not be granted for time spent on meals or other unrelated activities.  
145.10 Breaks may not be accumulated in order to dismiss the class early. Classes shall not be  
145.11 offered by a provider to any one student for longer than eight hours in one day, excluding  
145.12 meal breaks.

145.13 (b) Application for course approval must be submitted 30 days before the course  
145.14 offering.

145.15 (c) Approval must be granted for a subsequent offering of identical continuing  
145.16 education courses without requiring a new application if a notice of the subsequent  
145.17 offering is filed with the commissioner at least 30 days in advance of the date the course is  
145.18 to be held. The commissioner shall deny future offerings of courses if they are found not  
145.19 to be in compliance with the laws relating to course approval.

145.20 Subd. 7. **Courses open to all.** All course offerings must be open to any interested  
145.21 individuals. Access may be restricted by the sponsor based on class size only. Courses  
145.22 must not be approved if attendance is restricted to any particular group of people, except  
145.23 for company-sponsored courses allowed by applicable law.

145.24 Subd. 8. **Course coordinator.** (a) Each course of study shall have at least one  
145.25 coordinator, approved by the commissioner, who is responsible for supervising the  
145.26 program and ensuring compliance with all relevant law. Sponsors may engage an  
145.27 additional approved coordinator in order to assist the coordinator or to act as a substitute  
145.28 for the coordinator in the event of an emergency or illness.

145.29 (b) The commissioner shall approve as a coordinator a person meeting one or more  
145.30 of the following criteria:

145.31 (1) at least three years of full-time experience in the administration of an education  
145.32 program during the five-year period immediately before the date of application;

145.33 (2) a degree in education plus two years' experience during the immediately  
145.34 preceding five-year period in one of the regulated industries for which courses are being  
145.35 approved; or

146.1 (3) a minimum of five years' experience within the previous six years in the regulated  
146.2 industry for which courses are held.

146.3 Subd. 9. Responsibilities. A coordinator is responsible for:

146.4 (1) ensuring compliance with all laws and rules relating to continuing educational  
146.5 offerings governed by the commissioner;

146.6 (2) ensuring that students are provided with current and accurate information relating  
146.7 to the laws and rules governing their licensed activity;

146.8 (3) supervising and evaluating courses and instructors. Supervision includes  
146.9 ensuring that all areas of the curriculum are addressed without redundancy and that  
146.10 continuity is present throughout the entire course;

146.11 (4) ensuring that instructors are qualified to teach the course offering;

146.12 (5) furnishing the commissioner, upon request, with copies of course and instructor  
146.13 evaluations and qualifications of instructors. Evaluations must be completed by students at  
146.14 the time the course is offered and by coordinators within five days after the course offering;

146.15 (6) investigating complaints related to course offerings or instructors. A copy of  
146.16 the written complaint must be sent to the commissioner within ten days of receipt of  
146.17 the complaint and a copy of the complaint resolution must be sent not more than ten  
146.18 days after resolution is reached;

146.19 (7) maintaining accurate records relating to course offerings, instructors, tests  
146.20 taken by students if required, and student attendance for a period of three years from the  
146.21 date on which the course was completed. These records must be made available to the  
146.22 commissioner upon request. In the event that a sponsor ceases operation for any reason,  
146.23 the coordinator is responsible for maintaining the records or providing a custodian for the  
146.24 records acceptable to the commissioner. The coordinator must notify the commissioner  
146.25 of the name and address of that person. In order to be acceptable to the commissioner,  
146.26 custodians must agree to make copies of acknowledgments available to students at a  
146.27 reasonable fee. Under no circumstances will the commissioner act as custodian of the  
146.28 records;

146.29 (8) ensuring that the coordinator is available to instructors and students throughout  
146.30 course offerings and providing to the students and instructor the name of the coordinator  
146.31 and a telephone number at which the coordinator can be reached;

146.32 (9) attending workshops or instructional programs as reasonably required by the  
146.33 commissioner;

146.34 (10) providing course completion certificates within ten days of, but not before,  
146.35 completion of the entire course. Course completion certificates must be completed in  
146.36 their entirety. Course completion certificates must contain the following statement: "If

147.1 you have any comments about this course offering, please mail them to the Minnesota  
147.2 Department of Labor and Industry." The current address of the department must be  
147.3 included. A coordinator may require payment of the course tuition as a condition for  
147.4 receiving the course completion certificate; and

147.5 (11) notifying the commissioner in writing within ten days of any change in the  
147.6 information in an application for approval on file with the commissioner.

147.7 Subd. 10. **Instructors.** (a) Each continuing education course shall have an instructor  
147.8 who is qualified by education, training, or experience to ensure competent instruction.  
147.9 Failure to have only qualified instructors teach at an approved course offering will result  
147.10 in loss of course approval. Coordinators are responsible to ensure that an instructor is  
147.11 qualified to teach the course offering.

147.12 (b) Qualified continuing education instructors must have one of the following  
147.13 qualifications:

147.14 (1) a four-year degree in any area plus two years' practical experience in the subject  
147.15 area being taught;

147.16 (2) five years' practical experience in the subject area being taught; or

147.17 (3) a college or graduate degree in the subject area being taught.

147.18 (c) Approved instructors are responsible for:

147.19 (1) compliance with all laws and rules relating to continuing education;

147.20 (2) providing students with current and accurate information;

147.21 (3) maintaining an atmosphere conducive to learning in the classroom;

147.22 (4) verifying attendance of students, and certifying course completion;

147.23 (5) providing assistance to students and responding to questions relating to course  
147.24 materials; and

147.25 (6) attending the workshops or instructional programs that are required by the  
147.26 commissioner.

147.27 Subd. 11. **Prohibited practices for coordinators and instructors.** (a) In  
147.28 connection with an approved continuing education course, coordinators and instructors  
147.29 shall not:

147.30 (1) recommend or promote the services or practices of a particular business;

147.31 (2) encourage or recruit individuals to engage the services of, or become associated  
147.32 with, a particular business;

147.33 (3) use materials, clothing, or other evidences of affiliation with a particular entity;

147.34 (4) require students to participate in other programs or services offered by the  
147.35 instructor, coordinator, or sponsor;

148.1 (5) attempt, either directly or indirectly, to discover questions or answers on an  
148.2 examination for a license;

148.3 (6) disseminate to any other person specific questions, problems, or information  
148.4 known or believed to be included in licensing examinations;

148.5 (7) misrepresent any information submitted to the commissioner;

148.6 (8) fail to cover, or ensure coverage of, all points, issues, and concepts contained in  
148.7 the course outline approved by the commissioner during the approved instruction; or

148.8 (9) issue inaccurate course completion certificates.

148.9 (b) Coordinators shall notify the commissioner within ten days of a felony or  
148.10 gross misdemeanor conviction or of disciplinary action taken against an occupational or  
148.11 professional license held by the coordinator or an instructor teaching an approved course.  
148.12 The notification shall be grounds for the commissioner to withdraw the approval of the  
148.13 coordinator and to disallow the use of the instructor.

148.14 Subd. 12. **Fees.** Fees for an approved course of study and related materials must  
148.15 be clearly identified to students. In the event that a course is canceled for any reason, all  
148.16 fees must be returned within 15 days from the date of cancellation. In the event that a  
148.17 course is postponed for any reason, students shall be given the choice of attending the  
148.18 course at a later date or having their fees refunded in full within 15 days from the date  
148.19 of postponement. If a student is unable to attend a course or cancels the registration in a  
148.20 course, sponsor policies regarding refunds shall govern.

148.21 Subd. 13. **Facilities.** Each course of study must be conducted in a classroom  
148.22 or other facility that is adequate to comfortably accommodate the instructors and the  
148.23 number of students enrolled. The sponsor may limit the number of students enrolled in a  
148.24 course. Approved courses may be held on the premises of a company doing business in  
148.25 the regulated area only when the company is sponsoring the course offering, or where  
148.26 product application is appropriate and related.

148.27 Subd. 14. **Supplementary materials.** An adequate supply of supplementary  
148.28 materials to be used or distributed in connection with an approved course must be available  
148.29 at the time and place of the course offering in order to ensure that each student receives all  
148.30 of the necessary materials. Outlines and any other materials that are reproduced must be  
148.31 of readable quality.

148.32 Subd. 15. **Advertising courses.** (a) Paragraphs (b) to (g) govern the advertising  
148.33 of continuing education courses.

148.34 (b) Advertising must be truthful and not deceptive or misleading. Courses may not  
148.35 be advertised in any manner as approved unless approval has been granted in writing by  
148.36 the commissioner.

149.1 (c) No advertisement, pamphlet, circular, or other similar materials pertaining to  
149.2 an approved offering may be circulated or distributed in this state, unless the following  
149.3 statement is prominently displayed:

149.4 "This course has been approved by the Minnesota Department of Labor and Industry  
149.5 for ..... (approved number of hours) hours for continuing ..... (relevant industry)  
149.6 education."

149.7 (d) Advertising of approved courses must be clearly distinguishable from the  
149.8 advertisement of other nonapproved courses and services.

149.9 (e) Continuing education courses may not be advertised before approval unless the  
149.10 course is described in the advertising as "approval pending" and an application for approval  
149.11 has been timely submitted to the commissioner and a denial has not been received.

149.12 (f) The number of hours for which a course has been approved must be prominently  
149.13 displayed on an advertisement for the course. If the course offering is longer than the  
149.14 number of hours of credit to be given, it must be clear that credit is not earned for the  
149.15 entire course.

149.16 (g) The course approval number must not be included in any advertisement.

149.17 Subd. 16. **Notice to students.** At the beginning of each approved offering, the  
149.18 following notice must be handed out in printed form or must be read to students:

149.19 "This educational offering is recognized by the Minnesota Department of Labor and  
149.20 Industry as satisfying ..... (insert number of hours approved) hours of credit toward  
149.21 continuing ..... (insert appropriate industry) education requirements."

149.22 Subd. 17. **Audits.** The commissioner reserves the right to audit subject offerings  
149.23 with or without notice to the sponsor.

149.24 Subd. 18. **Falsification of reports.** A licensee, its qualified person, or an applicant  
149.25 found to have falsified an education report to the commissioner shall be considered to  
149.26 have violated the laws relating to the industry for which the person has a license and  
149.27 shall be subject to censure, limitation, condition, suspension, or revocation of the license  
149.28 or denial of the application for licensure.

149.29 The commissioner reserves the right to audit a licensee's continuing education  
149.30 records.

149.31 Subd. 19. **Waivers and extensions.** If a licensee provides documentation to the  
149.32 commissioner that the licensee or its qualifying person is unable, and will continue to be  
149.33 unable, to attend actual classroom course work because of a physical disability, medical  
149.34 condition, or similar reason, attendance at continuing education courses shall be waived  
149.35 for a period not to exceed one year. The commissioner shall require that the licensee or  
149.36 its qualifying person satisfactorily complete a self-study program to include reading a

150.1 sufficient number of textbooks, or listening to a sufficient number of tapes, related to the  
 150.2 regulated industry, as would be necessary for the licensee to satisfy continuing educational  
 150.3 credit hour needs. The commissioner shall award the licensee credit hours for a self-study  
 150.4 program by determining how many credit hours would be granted to a classroom course  
 150.5 involving the same material and giving the licensee the same number of credit hours under  
 150.6 this part. The licensee may apply each year for a new waiver upon the same terms and  
 150.7 conditions as were necessary to secure the original waiver, and must demonstrate that in  
 150.8 subsequent years, the licensee was unable to complete actual classroom course work.  
 150.9 The commissioner may request documentation of the condition upon which the request  
 150.10 for waiver is based as is necessary to satisfy the commissioner of the existence of the  
 150.11 condition and that the condition does preclude attendance at continuing education courses.

150.12 Upon written proof demonstrating a medical hardship, the commissioner shall  
 150.13 extend, for up to 90 days, the time period during which the continuing education must be  
 150.14 successfully completed. Loss of income from either attendance at courses or cancellation  
 150.15 of a license is not a bona fide financial hardship. Requests for extensions must be  
 150.16 submitted to the commissioner in writing no later than 60 days before the education is  
 150.17 due and must include an explanation with verification of the hardship, plus verification of  
 150.18 enrollment at an approved course of study on or before the extension period expires.

150.19 Subd. 20. **Reporting requirements.** Required continuing education must be  
 150.20 reported in a manner prescribed by the commissioner. Licensees are responsible for  
 150.21 maintaining copies of course completion certificates.

150.22 Subd. 21. **Residential building contractor, residential remodeler, and residential**  
 150.23 **roofer education.** (a) Each licensee must, during the licensee's first complete continuing  
 150.24 education reporting period, complete and report one hour of continuing education relating  
 150.25 to lead abatement rules in safe lead abatement procedures.

150.26 (b) Each licensee must, during each continuing education reporting period, complete  
 150.27 and report one hour of continuing education relating to energy codes for buildings and  
 150.28 other building codes designed to conserve energy.

150.29 Subd. 22. **Continuing education approval.** (a) Continuing education courses must  
 150.30 be approved in advance by the commissioner of labor and industry. "Sponsor" means any  
 150.31 person or entity offering approved education.

150.32 (b) For coordinators with an initial approval date before August 1, 2005, approval  
 150.33 will expire on December 31, 2005. For courses with an initial approval date on or before  
 150.34 December 31, 2000, approval will expire on April 30, 2006. For courses with an initial  
 150.35 approval date after January 1, 2001, but before August 1, 2005, approval will expire  
 150.36 on April 30, 2007.

151.1 Subd. 23. Continuing education fees. The following fees shall be paid to the  
 151.2 commissioner:

151.3 (1) initial course approval, \$10 for each hour or fraction of one hour of continuing  
 151.4 education course approval sought. Initial course approval expires on the last day of the  
 151.5 24th month after the course is approved;

151.6 (2) renewal of course approval, \$10 per course. Renewal of course approval expires  
 151.7 on the last day of the 24th month after the course is renewed;

151.8 (3) initial coordinator approval, \$100. Initial coordinator approval expires on the last  
 151.9 day of the 24th month after the coordinator is approved; and

151.10 (4) renewal of coordinator approval, \$10. Renewal of coordinator approval expires  
 151.11 on the last day of the 24th month after the coordinator is renewed.

151.12 Subd. 24. Refunds. All fees paid to the commissioner under this section are  
 151.13 nonrefundable, except that an overpayment of a fee shall be returned upon proper  
 151.14 application.

151.15 Sec. 13. Minnesota Statutes 2006, section 326.88, is amended to read:

151.16 **326.88 LOSS OF QUALIFYING PERSON.**

151.17 Upon the departure or disqualification of a licensee's qualifying person because of  
 151.18 death, disability, retirement, position change, or other reason, the licensee must notify  
 151.19 the commissioner within 15 business days. The licensee shall have 120 days from the  
 151.20 departure of the qualifying person to obtain a new qualifying person. Failure to secure a  
 151.21 new qualifying person within 120 days will, with or without notice, result in the automatic  
 151.22 termination of the license.

151.23 Sec. 14. Minnesota Statutes 2006, section 326.89, is amended to read:

151.24 **326.89 APPLICATION AND EXAMINATION.**

151.25 Subdivision 1. **Form.** An applicant for a license under sections 326.83 to 326.98  
 151.26 must submit an application ~~to the commissioner~~, under oath and accompanied by the  
 151.27 license fee required by section 326.86, on a form prescribed by the commissioner.

151.28 Within 30 business days of receiving all required information, the commissioner must  
 151.29 act on the license request. If one of the categories in the application does not apply, the  
 151.30 applicant must identify the category and state the reason the category does not apply. The  
 151.31 commissioner may refuse to issue a license if the application is not complete or contains  
 151.32 unsatisfactory information.

151.33 Subd. 2. **Contents.** ~~The~~ Each application must include the following information  
 151.34 regarding the applicant:

- 152.1 (1) Minnesota workers' compensation insurance certificate;
- 152.2 (2) employment insurance account number;
- 152.3 (3) certificate of liability insurance;
- 152.4 (4) type of license requested;
- 152.5 (5) name ~~and~~, current address ~~of the applicant~~, and telephone number where the
- 152.6 applicant resides;
- 152.7 ~~(i)~~ (6) name and address of the applicant's qualifying person, if other than applicant;
- 152.8 and
- 152.9 ~~(ii)~~ (7) if the applicant is a sole proprietorship, the name and address of the sole
- 152.10 proprietor; if the applicant is a partnership, the name and address of each partner; if the
- 152.11 applicant is a limited liability company, the name and address of each governor and
- 152.12 manager; if the applicant is a corporation, the name and address of each of the corporate
- 152.13 officers, directors, and all shareholders holding more than ten percent of the outstanding
- 152.14 stock in the corporation;
- 152.15 (8) name and address of the applicant's agent in this state authorized to receive
- 152.16 service of process, and a consent to service of process as required by section 326.93;
- 152.17 (9) current street address and telephone number where the business is physically
- 152.18 located;
- 152.19 ~~(6)~~ (10) whether the applicant, any employee, or qualifying person has ever been
- 152.20 licensed in this or any other state and has had a professional or vocational license
- 152.21 reprimanded, censured, limited, conditioned, refused, suspended, or revoked, or has been
- 152.22 the subject of any administrative action;
- 152.23 ~~(7)~~ (11) whether the applicant, qualifying person, or any of the applicant's corporate
- 152.24 or partnership directors, limited liability company governors, officers, limited or general
- 152.25 partners, managers, all shareholders holding more than ten percent of the share of the
- 152.26 corporation that have been issued, or all members holding more than ten percent of the
- 152.27 voting power of the membership interests that have been issued, has been convicted
- 152.28 of a crime that either related directly to the business for which the license is sought or
- 152.29 involved fraud, misrepresentation, or misuse of funds; has suffered a judgment in a civil
- 152.30 action involving fraud, misrepresentation, construction defect, negligence, or breach
- 152.31 of contract, or conversion of funds within the ten years prior to the submission of the
- 152.32 application; or has had any government license or permit reprimanded, censured, limited,
- 152.33 conditioned, suspended, or revoked as a result of an action brought by a federal, state, or
- 152.34 local governmental unit or agency in this or any other state;
- 152.35 ~~(8)~~ (12) the applicant's and qualifying person's business history for the past five
- 152.36 years and whether the applicant, ~~any~~ a managing employee, or qualifying person has ever

153.1 filed for bankruptcy or protection from creditors or has any unsatisfied judgments against  
 153.2 the applicant, employee, or qualifying person;

153.3 ~~(9)~~ (13) where the applicant is a firm, partnership, sole proprietorship, limited  
 153.4 liability company, corporation, or association, whether there has been a sale or transfer of  
 153.5 the business or other change in ownership, control, or name in the last five years and the  
 153.6 details thereof, and the names and addresses of all prior, predecessor, subsidiary, affiliated,  
 153.7 parent, or related entities, and whether each such entity, or its owners, officers, directors,  
 153.8 members or shareholders holding more than ten percent of the stock, or an employee has  
 153.9 ever taken or been subject to an action that is subject to clause ~~(6), (7), or (8)~~ (10), (11),  
 153.10 or (12) in the last ten years; and

153.11 ~~(10)~~ (14) whether the qualifying person is the qualifying person for more than one  
 153.12 licensee.

153.13 For purposes of this subdivision, "applicant" includes employees who exercise  
 153.14 management or policy control over the residential contracting ~~and remodeling, residential~~  
 153.15 remodeling, residential roofing, or manufactured home installation activities in the state  
 153.16 of Minnesota, including affiliates, partners, directors, governors, officers, limited or  
 153.17 general partners, managers, all shareholders holding more than ten percent of the shares  
 153.18 that have been issued, a shareholder holding more than ten percent of the voting power  
 153.19 of the shares that have been issued, or all members holding more than ten percent of the  
 153.20 membership interests that have been issued or more than ten percent of the voting power  
 153.21 of the membership interests that have been issued.

153.22 The commissioner may require further information as the commissioner deems  
 153.23 appropriate to administer the provisions and further the purposes of this chapter.

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

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

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

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

153.34 ~~The council shall advise the commissioner on the grading, monitoring, and updating of~~  
 153.35 ~~examinations.~~

154.1 (c) ~~A person's~~ An individual's passing examination results expire two years from  
 154.2 the examination date. ~~A person~~ An individual who passes the examination but does not  
 154.3 choose to apply to act as a qualifying person for a licensee within two years from the  
 154.4 examination date, must, upon application provide:

154.5 (1) passing examination results within two years from the date of application; or

154.6 (2) proof that the person has fulfilled the continuing education requirements in  
 154.7 section 326.87 in the manner required for a qualifying person of a licensee for each license  
 154.8 period after the expiration of the examination results.

154.9 ~~Subd. 4. **Competency skills.** The commissioner shall, in consultation with the~~  
 154.10 ~~council, determine the competency skills and installation knowledge required for the~~  
 154.11 ~~licensing of specialty contractors.~~

154.12 Subd. 5. **Exemption.** A general retailer whose primary business is not being a  
 154.13 residential building contractor, residential remodeler, ~~or specialty contractor~~ residential  
 154.14 roofer, or manufactured home installer, and who has completed a ~~comparable~~ license  
 154.15 examination meeting or exceeding Minnesota's examination requirements in another state  
 154.16 is exempt from ~~subdivisions~~ subdivision 3 and 4 and sections 326.87 and 326.88.

154.17 Subd. 6. **Additional licensing requirements.** As an alternative to denying an  
 154.18 application for licensure pursuant to section 326.91, subdivision 1, the commissioner  
 154.19 may, as a condition of licensure and based upon information received pursuant to  
 154.20 section 326.89, subdivision 2, clauses (6) to (8), or a finding pursuant to section 326.91,  
 154.21 subdivision 1, clauses (1) to (9), impose additional insurance, bonding, reporting, record  
 154.22 keeping, and other requirements on the applicant as are reasonable to protect the public.

154.23 Subd. 7. **License.** A nonresident of Minnesota may be licensed as a residential  
 154.24 building contractor, residential remodeler, residential roofer, or manufactured home  
 154.25 installer upon compliance with all the provisions of sections 326.83 to 326.98.

154.26 Sec. 15. Minnesota Statutes 2006, section 326.90, subdivision 1, is amended to read:

154.27 Subdivision 1. **Local license prohibited.** Except as provided in sections 326.90,  
 154.28 subdivision 2, ~~and 326.991~~, a political subdivision may not require a person licensed  
 154.29 under sections 326.83 to ~~326.991~~ 326.98 to also be licensed or pay a registration or other  
 154.30 fee related to licensure under any ordinance, law, rule, or regulation of the political  
 154.31 subdivision. This section does not prohibit charges for building permits or other charges  
 154.32 not directly related to licensure.

154.33 Sec. 16. Minnesota Statutes 2006, section 326.91, subdivision 1, is amended to read:

155.1 Subdivision 1. **Cause Grounds.** ~~The commissioner may by order deny, suspend, or~~  
 155.2 ~~revoke any license or may censure a licensee, and may impose a civil penalty as provided~~  
 155.3 ~~for in section 45.027, subdivision 6, if the commissioner finds that the order is in the~~  
 155.4 ~~public interest, and that the applicant, licensee, or affiliate of an applicant or licensee, or~~  
 155.5 ~~other agent, owner, partner, director, governor, shareholder, member, officer, qualifying~~  
 155.6 ~~person, or managing employee of the applicant or licensee or any person occupying a~~  
 155.7 ~~similar status or performing similar functions.~~ In addition to the grounds set forth in  
 155.8 section 326B.082, subdivision 11, the commissioner may deny, suspend, limit, place  
 155.9 conditions on, or revoke a license or certificate of exemption, or may censure the person  
 155.10 holding the license or certificate of exemption, if the applicant, licensee, certificate of  
 155.11 exemption holder, qualifying person, or affiliate of an applicant, licensee, or certificate of  
 155.12 exemption holder, or other agent owner has:

155.13 (1) has filed an application for ~~a license~~ licensure or a certificate of exemption  
 155.14 which is incomplete in any material respect or contains any statement which, in light  
 155.15 of the circumstances under which it is made, is false or misleading with respect to any  
 155.16 material fact;

155.17 (2) has engaged in a fraudulent, deceptive, or dishonest practice;

155.18 (3) is permanently or temporarily enjoined by any court of competent jurisdiction  
 155.19 from engaging in or continuing any conduct or practice involving any aspect of the  
 155.20 business;

155.21 (4) has failed to reasonably supervise employees, agents, subcontractors, or  
 155.22 salespersons, or has performed negligently or in breach of contract, so as to cause injury  
 155.23 or harm to the public;

155.24 (5) has violated or failed to comply with any provision of sections 326.83 to 326.98  
 155.25 ~~or~~, any rule or order under sections 326.83 to 326.98 or any other law, rule, or order related  
 155.26 to the duties and responsibilities entrusted to the commissioner;

155.27 ~~(6) has been shown to be incompetent, untrustworthy, or financially irresponsible;~~

155.28 ~~(7) (6)~~ (6) has been convicted of a violation of the State Building Code or, ~~in~~  
 155.29 ~~jurisdictions that do not enforce the State Building Code,~~ has refused to comply with  
 155.30 a notice of violation or stop order issued by a certified building official, or in local  
 155.31 jurisdictions that have not adopted the State Building Code has refused to correct a  
 155.32 violation of the State Building Code when the violation has been certified documented  
 155.33 or a notice of violation or stop order issued by a Minnesota licensed structural engineer  
 155.34 certified building official has been received;

155.35 ~~(8) (7)~~ (7) has failed to use the proceeds of any payment made to the licensee for the  
 155.36 construction of, or any improvement to, residential real estate, as defined in section 326.83,

156.1 subdivision 17, for the payment of labor, skill, material, and machinery contributed to the  
 156.2 construction or improvement, knowing that the cost of any labor performed, or skill,  
 156.3 material, or machinery furnished for the improvement remains unpaid;

156.4 ~~(9)~~ (8) has not furnished to the person making payment either a valid lien waiver as to  
 156.5 any unpaid labor performed, or skill, material, or machinery furnished for an improvement,  
 156.6 or a payment bond in the basic amount of the contract price for the improvement  
 156.7 conditioned for the prompt payment to any person or persons entitled to payment;

156.8 ~~(10) has engaged in conduct which was the basis for a contractor's recovery fund~~  
 156.9 ~~payment pursuant to section 326.975, which payment has not been reimbursed;~~ (9) has  
 156.10 engaged in an act or practice that results in compensation to an aggrieved owner or lessee  
 156.11 from the contractor recovery fund pursuant to section 36B.825, unless:

156.12 (i) the applicant or licensee has repaid the fund twice the amount paid from the fund,  
 156.13 plus interest at the rate of 12 percent per year; and

156.14 (ii) the applicant or licensee has obtained a surety bond in the amount of at least  
 156.15 \$40,000, issued by an insurer authorized to transact business in this state.

156.16 ~~(11)~~ (10) has engaged in bad faith, unreasonable delays, or frivolous claims in  
 156.17 defense of a civil lawsuit or arbitration arising out of their activities as a licensee or  
 156.18 certificate of exemption holder under this chapter;

156.19 ~~(12)~~ (11) has had a judgment entered against them for failure to make payments to  
 156.20 employees ~~or~~ subcontractors, or suppliers, that the licensee has failed to satisfy and all  
 156.21 appeals of the judgment have been exhausted or the period for appeal has expired;

156.22 ~~(13)~~ (12) if unlicensed, has obtained a building permit by the fraudulent use of a  
 156.23 fictitious license number or the license number of another, or, if licensed, has knowingly  
 156.24 allowed an unlicensed person to use the licensee's license number for the purpose of  
 156.25 fraudulently obtaining a building permit; or has applied for or obtained a building permit  
 156.26 for an unlicensed person.

156.27 ~~(14)~~ (13) has made use of a forged mechanics' mechanic's lien waivers waiver under  
 156.28 chapter 514-;

156.29 (14) has provided false, misleading or incomplete information to the commissioner  
 156.30 or has refused to allow a reasonable inspection of records or premises;

156.31 (15) has engaged in an act or practice whether or not the act or practice directly  
 156.32 involves the business for which the person is licensed, that demonstrates that the applicant  
 156.33 or licensee is untrustworthy, financially irresponsible, or otherwise incompetent or  
 156.34 unqualified to act under the license granted by the commissioner; or

157.1 (16) has failed to comply with requests for information, documents, or other requests  
 157.2 from the department within the time specified in the request or, if no time is specified,  
 157.3 within 30 days of the mailing of the request by the department.

157.4 Sec. 17. Minnesota Statutes 2006, section 326.92, is amended to read:

157.5 **326.92 PENALTIES.**

157.6 ~~Subdivision 1. **Misdemeanor.** A person required to be licensed under sections~~  
 157.7 ~~326.83 to 326.991 who performs unlicensed work is guilty of a misdemeanor.~~

157.8 Subd. 1a. **Gross misdemeanor.** ~~A person required to be licensed under sections~~  
 157.9 ~~326.84 to 326.991 who violates an order under subdivision 3~~ An individual who violates  
 157.10 an order of the commissioner or is the manager, officer, or director of a person who  
 157.11 violates an order issued by the commissioner is guilty of a gross misdemeanor.

157.12 Subd. 2. **Lien rights.** An unlicensed person who knowingly violates sections 326.83  
 157.13 to 326.98 has no right to claim a lien under section 514.01 and the lien is void. Nothing  
 157.14 in this section affects the lien rights of material suppliers and licensed contractors to the  
 157.15 extent provided by law.

157.16 ~~Subd. 3. **Commissioner action.** The commissioner may bring actions, including~~  
 157.17 ~~cease and desist actions, against any person licensed or required to be licensed under~~  
 157.18 ~~sections 326.83 to 326.991 to protect the public health, safety, and welfare.~~

157.19 Sec. 18. Minnesota Statutes 2006, section 326.921, is amended to read:

157.20 **326.921 BUILDING PERMIT CONDITIONED ON LICENSURE; NOTICE**  
 157.21 **OF PERMIT APPLICATION.**

157.22 Subdivision 1. **Building permit.** A political subdivision shall not issue a building  
 157.23 permit to an unlicensed person who is required to be licensed under sections 326.83 to  
 157.24 ~~326.991~~ 326.98. A political subdivision that issues zoning or land use permits in lieu of  
 157.25 a building permit shall not issue those permits to an unlicensed person who is required  
 157.26 to be licensed under sections 326.83 to ~~326.991~~ 326.98. The political subdivision shall  
 157.27 report the person applying for the permit to the commissioner who may bring an action  
 157.28 against the person.

157.29 Subd. 2. **Notice of building permit application.** A political subdivision shall notify  
 157.30 the department when an application for building permit involving the construction of new  
 157.31 residential real estate has been received from an unlicensed person by submitting a copy  
 157.32 of the application to the department within two business days of receipt of the application.  
 157.33 The political subdivision may submit a copy of the building permit application by  
 157.34 facsimile, United States mail, or electronic communication.

158.1 Sec. 19. Minnesota Statutes 2006, section 326.93, is amended to read:

158.2 **326.93 SERVICE OF PROCESS; ~~NONRESIDENT LICENSING.~~**

158.3 ~~Subdivision 1. **License.** A nonresident of Minnesota may be licensed as a residential~~  
 158.4 ~~building contractor or residential remodeler upon compliance with all the provisions of~~  
 158.5 ~~sections 326.83 to 326.991.~~

158.6 ~~Subd. 2. **Service of process.** Service of process upon a person performing work in~~  
 158.7 ~~the state of a type that would require a license under sections 326.83 to 326.98 may be~~  
 158.8 ~~made as provided in section 45.028.~~

158.9 Subd. 3. **Procedure.** Every applicant for licensure or certificate of exemption  
 158.10 under sections 326.83 to 326.98 shall irrevocably consent to the appointment of the  
 158.11 commissioner and successors in office to be the applicant's agent to receive service of any  
 158.12 lawful process in any noncriminal suit, action, or proceeding against the applicant or a  
 158.13 successor, executor, or administrator which arises under section 326.83 to 326.98 or any  
 158.14 rule or order thereunder after the consent has been filed, with the same force and validity  
 158.15 as if served personally on the person filing the consent. Service under this section shall be  
 158.16 made in compliance with subdivision 5.

158.17 Subd. 4. **Service on commissioner.** (a) When a person, including any nonresident  
 158.18 of this state, engages in conduct prohibited or made actionable by sections 326.83 to  
 158.19 326.98, or any rule or order under those sections, and the person has not consented to  
 158.20 service of process under subdivision 3, that conduct is equivalent to an appointment of the  
 158.21 commissioner and successors in office as the person's agent to receive service of process in  
 158.22 any noncriminal suit, action, or proceeding against the person that is based on that conduct  
 158.23 and is brought under sections 326.83 to 326.98, or any rule or order under those sections,  
 158.24 with the same force and validity as if served personally on the person consenting to the  
 158.25 appointment of the commissioner and successors in office. Service under this section shall  
 158.26 be made in compliance with subdivision 5.

158.27 (b) Subdivision 5 applies in all other cases in which a person, including a nonresident  
 158.28 of this state, has filed a consent to service of process. This paragraph supersedes any  
 158.29 inconsistent provision of law.

158.30 (c) Subdivision 5 applies in all cases in which service of process is allowed to be  
 158.31 made on the commissioner.

158.32 (d) Subdivision 5 applies to any document served by the commissioner or the  
 158.33 department under section 326B.08.

158.34 Subd. 5. **How made.** Service of process under this section may be made by leaving  
 158.35 a copy of the process in the office of the commissioner, or by sending a copy of the process  
 158.36 to the commissioner by certified mail, and is not effective unless:

159.1 (1) the plaintiff, who may be the commissioner in an action or proceeding instituted  
 159.2 by the commissioner, sends notice of the service and a copy of the process by certified  
 159.3 mail to the defendant or respondent at the last known address; and

159.4 (2) the plaintiff's affidavit of compliance is filed in the action or proceeding on or  
 159.5 before the return day of the process, if any, or within further time as the court allows.

159.6 Sec. 20. Minnesota Statutes 2006, section 326.94, is amended to read:

159.7 **326.94 BOND; INSURANCE.**

159.8 Subdivision 1. **Bond.** (a) Licensed manufactured home installers and licensed  
 159.9 residential roofers must post a license surety bond in the name of the licensee with the  
 159.10 commissioner, conditioned that the applicant shall faithfully perform the duties and  
 159.11 in all things comply with all laws, ordinances, and rules pertaining to the license or  
 159.12 permit applied for and all contracts entered into. The annual bond must be continuous  
 159.13 and maintained for so long as the licensee remains licensed. The aggregate liability of  
 159.14 the surety on the bond to any and all persons, regardless of the number of claims made  
 159.15 against the bond, may not exceed the amount of the bond. The bond may be canceled as  
 159.16 to future liability by the surety upon 30 days' written notice mailed to the commissioner  
 159.17 by regular mail.

159.18 (b) A licensed residential roofer must post a bond of at least ~~\$5,000~~ \$15,000.

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

159.20 Bonds issued under sections 326.83 to 326.98 are not state bonds or contracts for  
 159.21 purposes of sections 8.05 and 16C.05, subdivision 2.

159.22 Subd. 2. **Insurance.** Licensees must have public liability insurance with limits of at  
 159.23 least ~~\$100,000~~ \$300,000 per occurrence, which must include at least \$10,000 property  
 159.24 damage coverage. The insurance must be written by an insurer licensed to do business in  
 159.25 this state. The commissioner may increase the minimum amount of insurance required  
 159.26 for any licensee or class of licensees if the commissioner considers it to be in the public  
 159.27 interest and necessary to protect the interests of Minnesota consumers.

159.28 Sec. 21. Minnesota Statutes 2006, section 326.95, subdivision 2, is amended to read:

159.29 Subd. 2. **Advertising.** The license number of a licensee must appear in any  
 159.30 advertising by that licensee including but not limited to signs, vehicles, business cards,  
 159.31 published display ads, flyers, ~~and~~ brochures, Web sites, and Internet ads.

159.32 Sec. 22. Minnesota Statutes 2006, section 326.96, is amended to read:

159.33 **326.96 PUBLIC EDUCATION.**

160.1 The commissioner may develop materials and programs to educate the public  
 160.2 concerning ~~licensing licensure requirements and methods.~~ The commissioner may  
 160.3 develop materials for reporting unlicensed contracting activity.

160.4 Sec. 23. Minnesota Statutes 2006, section 326.97, is amended to read:

160.5 **326.97 LICENSE RENEWAL.**

160.6 Subdivision 1. **Renewal.** ~~Licenses~~ A licensee whose applications have fully  
 160.7 completed renewal application has been properly and timely filed and who ~~have~~ has  
 160.8 not received a notice of denial of renewal ~~are~~ is considered to have been approved for  
 160.9 renewal and may continue to transact business whether or not the renewed license has  
 160.10 been received. Applications are timely if received ~~or postmarked~~ by March 1 of the  
 160.11 renewal year. Applications must be made on a form approved by the commissioner.  
 160.12 An application for renewal that does not contain all of the information requested is an  
 160.13 incomplete application and will not be processed.

160.14 Subd. 1a. **Annual renewal.** Any license issued or renewed after August 1, 1993,  
 160.15 must be renewed annually.

160.16 Subd. 2. **Failure to apply renew.** A person who has failed to make a timely  
 160.17 application for renewal of a license ~~by March 31 of the renewal year~~ is unlicensed at  
 160.18 11:59:59 p.m. central time on March 31 of the renewal year and remains unlicensed until  
 160.19 ~~the~~ a renewed license has been issued by the commissioner and is received by the applicant.

160.20 Subd. 3. **Expiration.** All licenses expire at 11:59:59 p.m. central time on March 31  
 160.21 of the renewal year if not properly renewed.

160.22 Sec. 24. **[326B.801] SCOPE.**

160.23 Except as otherwise provided by law, the provisions of sections 326B.801 to  
 160.24 326B.825 apply to residential contractors, residential remodelers, residential roofers,  
 160.25 and manufactured home installers.

160.26 Sec. 25. **[326B.804] LICENSE RECIPROCITY.**

160.27 The commissioner may waive all or part of the requirements for prelicense education  
 160.28 or examination to any person who holds an unexpired license or certificate issued by  
 160.29 proper authority in the District of Columbia, or any state or territory of the United States if  
 160.30 the licensing requirements of that jurisdiction meet or exceed the corresponding licensing  
 160.31 requirements of the Department of Labor and Industry.

160.32 Sec. 26. **[326B.809] WRITTEN CONTRACT REQUIRED.**

161.1 (a) All agreements including proposals, estimates, bids, quotations, contracts,  
 161.2 purchase orders, and change orders between a licensee and a customer for the performance  
 161.3 of a licensee's services must be in writing and must contain the following:

161.4 (1) a detailed summary of the services to be performed;

161.5 (2) a description of the specific materials to be used or a list of standard features  
 161.6 to be included; and

161.7 (3) the total contract price or a description of the basis on which the price will  
 161.8 be calculated.

161.9 (b) All agreements shall be signed and dated by the licensee and customer.

161.10 (c) The licensee shall provide to the customer, at no charge, a signed and dated  
 161.11 document at the time that the licensee and customer sign and date the document.

161.12 Documents include agreements and mechanic's lien waivers.

161.13 **Sec. 27. [326B.814] REHABILITATION OF CRIMINAL OFFENDERS.**

161.14 Chapter 364 does not apply to an applicant for a license or to a licensee where  
 161.15 the underlying conduct on which the conviction is based would be grounds for denial,  
 161.16 censure, suspension, or revocation of the license.

161.17 **Sec. 28. [326B.82] DEFINITIONS.**

161.18 Subdivision 1. **Words, terms, and phrases.** For the purposes of section 326.87,  
 161.19 the terms defined in this section have the meanings given them, unless the context clearly  
 161.20 indicates otherwise.

161.21 Subd. 2. **Appropriate and related knowledge.** "Appropriate and related  
 161.22 knowledge" means facts, information, or principles that are clearly relevant to the licensee  
 161.23 in performing responsibilities under a license issued by the commissioner. These facts,  
 161.24 information, or principles must convey substantive and procedural knowledge as it relates  
 161.25 to postlicensing issues and must be relevant to the technical aspects of a particular area  
 161.26 of continuing education.

161.27 Subd. 3. **Classroom hour.** "Classroom hour" means a 50-minute hour.

161.28 Subd. 4. **Coordinator.** "Coordinator" means an individual who is responsible for  
 161.29 monitoring approved educational offerings.

161.30 Subd. 5. **Instructor.** "Instructor" means an individual lecturing in an approved  
 161.31 educational offering.

161.32 Subd. 6. **Licensee.** "Licensee" means a person licensed by the Minnesota  
 161.33 Department of Labor and Industry for whom an examination is required before licensure.

162.1 Subd. 7. **Medical hardship.** "Medical hardship" includes a documented physical  
162.2 disability or medical condition.

162.3 Subd. 8. **Overpayment.** "Overpayment" means any payment of money in excess  
162.4 of a statutory fee.

162.5 Subd. 9. **Regulated industries.** "Regulated industries" means residential  
162.6 contracting, residential remodeling, or residential roofing. Each of these is a regulated  
162.7 industry.

162.8 Subd. 10. **Sponsor.** "Sponsor" means any person or entity offering or providing  
162.9 approved continuing education.

162.10 **Sec. 29. [326B.89] CONTRACTOR RECOVERY FUND.**

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

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

162.17 (c) "Licensee" means a person licensed as a residential contractor or residential  
162.18 remodeler.

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

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

162.22 Subd. 2. **Generally.** The contractor recovery fund is created in the state treasury  
162.23 and shall be administered by the commissioner for the purposes described in this section.  
162.24 Any interest or profit accruing from investment of money in the fund shall be credited  
162.25 to the contractor recovery fund.

162.26 Subd. 3. **Fund fees.** In addition to any other fees, a person who applies for or  
162.27 renews a license under sections 326.83 to 326.98 shall pay a fee to the fund. The person  
162.28 shall pay, in addition to the appropriate application or renewal fee, the following additional  
162.29 fee that shall be deposited in the fund. The amount of the fee shall be based on the person's  
162.30 gross annual receipts for the person's most recent fiscal year preceding the application or  
162.31 renewal, on the following scale:

162.32	<u>Fee</u>	<u>Gross Annual Receipts</u>
162.33	<u>\$160</u>	<u>under \$1,000,000</u>
162.34	<u>\$210</u>	<u>\$1,000,000 to \$5,000,000</u>
162.35	<u>\$260</u>	<u>over \$5,000,000</u>

163.1 Subd. 4. **Purpose of fund.** The purpose of this fund is to:

163.2 (1) compensate owners or lessees of residential real estate who meet the requirements  
 163.3 of this section;

163.4 (2) reimburse the department for all legal and administrative expenses,  
 163.5 disbursements, and costs, including staffing costs, incurred in administering and defending  
 163.6 the fund;

163.7 (3) pay for educational or research projects in the field of residential contracting to  
 163.8 further the purposes of sections 326B.801 to 326B.825; and

163.9 (4) provide information to the public on residential contracting issues.

163.10 Subd. 5. **Payment limitations.** Except as otherwise provided in this section,  
 163.11 the commissioner shall not pay compensation from the fund to an owner or a lessee  
 163.12 in an amount greater than \$75,000. Except as otherwise provided in this section, the  
 163.13 commissioner shall not pay compensation from the fund to owners and lessees in an  
 163.14 amount that totals more than \$150,000 per licensee. The commissioner shall not pay  
 163.15 compensation from the fund for a final judgment based on a cause of action that arose  
 163.16 before the commissioner's receipt of the licensee's fee required by subdivision 3.

163.17 Subd. 6. **Verified application.** To be eligible for compensation from the fund, an  
 163.18 owner or lessee shall serve on the commissioner a verified application for compensation  
 163.19 on a form approved by the commissioner. The application shall verify the following  
 163.20 information:

163.21 (1) the specific grounds upon which the owner or lessee seeks to recover from  
 163.22 the fund:

163.23 (2) that the owner or the lessee has obtained a final judgment in a court of competent  
 163.24 jurisdiction against a licensee licensed under section 326B.803;

163.25 (3) that the final judgment was obtained against the licensee on the grounds of  
 163.26 fraudulent, deceptive, or dishonest practices, conversion of funds, or failure of performance  
 163.27 that arose directly out of a transaction that occurred when the licensee was licensed and  
 163.28 performing any of the special skills enumerated under section 326B.802, subdivision 19;

163.29 (4) the amount of the owner's or the lessee's actual and direct out-of-pocket loss on  
 163.30 the owner's residential real estate, on residential real estate leased by the lessee, or on new  
 163.31 residential real estate that has never been occupied or that was occupied by the licensee  
 163.32 for less than one year prior to purchase by the owner;

163.33 (5) that the residential real estate is located in Minnesota;

163.34 (6) that the owner or the lessee is not the spouse of the licensee or the personal  
 163.35 representative of the licensee;

164.1 (7) the amount of the final judgment, any amount paid in satisfaction of the final  
 164.2 judgment, and the amount owing on the final judgment as of the date of the verified  
 164.3 application; and

164.4 (8) that the verified application is being served within two years after the judgment  
 164.5 became final.

164.6 The owner's and the lessee's actual and direct out-of-pocket loss shall not include  
 164.7 attorney fees, interest on the loss, and interest on the final judgment obtained as a result of  
 164.8 the loss. An owner or lessee may serve a verified application regardless of whether the  
 164.9 final judgment has been discharged by a bankruptcy court. A judgment issued by a court is  
 164.10 final if all proceedings on the judgment have either been pursued and concluded or been  
 164.11 forgone, including all reviews and appeals. For purposes of this section, owners who are  
 164.12 joint tenants or tenants in common are deemed to be a single owner. For purposes of this  
 164.13 section, owners and lessees eligible for payment of compensation from the fund shall not  
 164.14 include government agencies, political subdivisions, financial institutions, and any other  
 164.15 entity that purchases, guarantees, or insures a loan secured by real estate.

164.16 Subd. 7. **Commissioner review.** The commissioner shall within 120 days after  
 164.17 receipt of the verified application:

164.18 (1) enter into an agreement with an owner or a lessee that resolves the verified  
 164.19 application for compensation from the fund; or

164.20 (2) issue an order to the owner or the lessee accepting, modifying, or denying the  
 164.21 verified application for compensation from the fund.

164.22 Upon receipt of an order issued under clause (2), the owner or the lessee shall have  
 164.23 30 days to serve upon the commissioner a written request for a hearing. If the owner or  
 164.24 the lessee does not serve upon the commissioner a timely written request for hearing, the  
 164.25 order issued under clause (2) shall become a final order of the commissioner that may not  
 164.26 be reviewed by any court or agency. The commissioner shall order compensation from  
 164.27 the fund only if the owner or the lessee has filed a verified application that complies with  
 164.28 subdivision 6 and if the commissioner determines based on review of the application that  
 164.29 compensation should be paid from the fund. The commissioner shall not be bound by any  
 164.30 prior settlement, compromise, or stipulation between the owner or the lessee and the  
 164.31 licensee.

164.32 Subd. 8. **Administrative hearing.** If an owner or a lessee timely serves a request  
 164.33 for hearing under subdivision 7, the commissioner shall request that an administrative law  
 164.34 judge be assigned and that a hearing be conducted under the contested case provisions  
 164.35 of chapter 14 within 30 days after the service of the request for hearing upon the  
 164.36 commissioner. Upon petition of the commissioner, the administrative law judge shall

165.1 continue the hearing up to 60 days and upon a showing of good cause may continue the  
165.2 hearing for such additional period as the administrative law judge deems appropriate.  
165.3 At the hearing the owner or the lessee shall have the burden of proving by substantial  
165.4 evidence under subdivision 6, clauses (1) to (8). The administrative law judge shall issue  
165.5 findings of fact, conclusions of law, and order. If the administrative law judge finds that  
165.6 compensation should be paid to the owner or the lessee, the administrative law judge  
165.7 shall order the commissioner to make payment from the fund of the amount it finds to be  
165.8 payable pursuant to the provisions of and in accordance with the limitations contained in  
165.9 this section. The order of the administrative law judge shall constitute the final decision of  
165.10 the agency in the contested case. Judicial review of the administrative law judge's findings  
165.11 of fact, conclusions of law, and order shall be in accordance with sections 14.63 to 14.69.

165.12 Subd. 9. **Satisfaction of applications for compensation.** The commissioner shall  
165.13 pay compensation from the fund to an owner or a lessee pursuant to the terms of an  
165.14 agreement that has been entered into under subdivision 7, clause (1), or pursuant to a final  
165.15 order that has been issued under subdivision 7, clause (2), or subdivision 8 by December 1  
165.16 of the fiscal year following the fiscal year during which the agreement was entered into or  
165.17 during which the order became final, subject to the limitations of this section. At the end  
165.18 of each fiscal year the commissioner shall calculate the amount of compensation to be  
165.19 paid from the fund pursuant to agreements that have been entered into under subdivision  
165.20 7, clause (1), and final orders that have been issued under subdivision 7, clause (2), or  
165.21 subdivision 8. If the calculated amount exceeds the amount available for payment, then  
165.22 the commissioner shall allocate the amount available among the owners and the lessees  
165.23 in the ratio that the amount agreed to or ordered to be paid to each owner or lessee  
165.24 bears to the amount calculated. The commissioner shall mail notice of the allocation to  
165.25 all owners and lessees not less than 45 days following the end of the fiscal year. Any  
165.26 compensation paid by the commissioner in accordance with this subdivision shall be  
165.27 deemed to satisfy and extinguish any right to compensation from the fund based upon the  
165.28 verified application of the owner or lessee.

165.29 Subd. 10. **Criminal penalty.** It shall be unlawful for any person or the agent of any  
165.30 person to knowingly file with the commissioner any application, notice, statement, or other  
165.31 document required under the provisions of this section that is false or untrue or contains  
165.32 any material misstatement of fact. Such conduct shall constitute a gross misdemeanor.

165.33 Subd. 11. **Right of subrogation.** If the commissioner pays compensation from the  
165.34 fund to an owner or a lessee pursuant to an agreement under subdivision 7, clause (1), or a  
165.35 final order issued under subdivision 7, clause (2), or subdivision 8, then the commissioner  
165.36 shall be subrogated to all of the rights, title, and interest in the owner's or lessee's final

166.1 judgment in the amount of compensation paid from the fund and the owner or the lessee  
166.2 shall assign to the commissioner all rights, title, and interest in the final judgment in  
166.3 the amount of compensation paid. The commissioner shall deposit in the fund money  
166.4 recovered under this subdivision.

166.5 Subd. 12. **Effect of section on commissioner's authority.** Nothing contained  
166.6 in this section shall limit the authority of the commissioner to take disciplinary action  
166.7 against a licensee under the provisions of this chapter. A licensee's repayment in full of  
166.8 obligations to the fund shall not nullify or modify the effect of any other disciplinary  
166.9 proceeding brought under the provisions of this chapter.

166.10 Subd. 13. **Limitation.** Nothing may obligate the fund to compensate:

166.11 (1) insurers or sureties under subrogation or similar theories; or

166.12 (2) owner of residential property for final judgments against a prior owner of the  
166.13 residential property unless the claim is brought and judgment is rendered for breach of the  
166.14 statutory warranty set forth in chapter 327A.

166.15 Subd. 14. **Condominiums or townhouses.** For purposes of this section, the owner  
166.16 or the lessee of a condominium or townhouse is considered an owner or a lessee of  
166.17 residential property regardless of the number of residential units per building.

166.18 Subd. 15. **Accelerated compensation.** Payments made from the fund to compensate  
166.19 owners and lessees that do not exceed the jurisdiction limits for conciliation court matters  
166.20 as specified in section 491A.01 may be paid on an accelerated basis if all of the following  
166.21 requirements have been satisfied:

166.22 (a) The owner or the lessee has served upon the commissioner a verified application  
166.23 for compensation that complies with the requirements set out in subdivision 6 and the  
166.24 commissioner determines based on review of the application that compensation should be  
166.25 paid from the fund. The commissioner shall calculate the actual and direct out-of-pocket  
166.26 loss in the transaction, minus attorney fees, interest on the loss and on the judgment  
166.27 obtained as a result of the loss, and any satisfaction of the judgment, and make payment  
166.28 to the owner or the lessee up to the conciliation court jurisdiction limits within 15 days  
166.29 after the owner or lessee serves the verified application.

166.30 (b) The commissioner may pay compensation to owners or lessees that totals not  
166.31 more than \$50,000 per licensee per fiscal year under this accelerated process. The  
166.32 commissioner may prorate the amount of compensation paid to owners or lessees under  
166.33 this subdivision if applications submitted by owners and lessees seek compensation in  
166.34 excess of \$50,000 against a licensee. Any unpaid portion of a verified application that  
166.35 has been prorated under this subdivision shall be satisfied in the manner set forth in  
166.36 subdivision 9.

167.1 Subd. 16. **Appropriation.** Money in the fund is appropriated to the commissioner  
 167.2 for the purposes of this section.

167.3 Subd. 17. **Additional assessment.** If the balance in the fund is at any time less than  
 167.4 the commissioner determines is necessary to carry out the purposes of this section, every  
 167.5 licensee, when renewing a license, shall pay, in addition to the annual renewal fee and the  
 167.6 fee set forth in subdivision 3 an assessment not to exceed \$100. The commissioner shall  
 167.7 set the amount of assessment based on a reasonable determination of the amount that is  
 167.8 necessary to restore a balance in the fund adequate to carry out the purposes of this section.

167.9 **EFFECTIVE DATE.** This section is effective December 1, 2007, except that  
 167.10 subdivisions 1 and 3 are effective July 1, 2007.

167.11 **Sec. 30. REVISOR'S INSTRUCTION.**

167.12 The revisor of statutes shall renumber each section of Minnesota Statutes listed in  
 167.13 column A with the number listed in column B. The revisor shall also make necessary  
 167.14 cross-reference changes consistent with the renumbering.

	<u>Column A</u>	<u>Column B</u>
167.15	<u>325E.58</u>	<u>326B.865</u>
167.16	<u>326.83</u>	<u>326B.802</u>
167.17	<u>326.84</u>	<u>326B.805</u>
167.18	<u>326.841</u>	<u>327B.041</u>
167.19	<u>326.842</u>	<u>326B.81</u>
167.20	<u>326.86</u>	<u>326B.815</u>
167.21	<u>326.87</u>	<u>326B.82</u>
167.22	<u>326.88</u>	<u>326B.825</u>
167.23	<u>326.89</u>	<u>326B.83</u>
167.24	<u>326.90</u>	<u>326B.835</u>
167.25	<u>326.91</u>	<u>326B.84</u>
167.26	<u>326.92</u>	<u>326B.845</u>
167.27	<u>326.921</u>	<u>326B.85</u>
167.28	<u>326.93</u>	<u>326B.855</u>
167.29	<u>326.94</u>	<u>326B.86</u>
167.30	<u>326.95</u>	<u>326B.87</u>
167.31	<u>326.951</u>	<u>326B.875</u>
167.32	<u>326.96</u>	<u>326B.88</u>
167.33	<u>326.97</u>	<u>326B.885</u>

168.1 **ARTICLE 10**

168.2 **BOILERS; PRESSURE VESSELS; BOATS**

168.3 Section 1. Minnesota Statutes 2006, section 183.38, is amended to read:

168.4 **183.38 BOILER INSPECTOR; INSPECTIONS; EXAMINATIONS;**  
 168.5 **LICENSES.**

168.6 Subdivision 1. **All boilers inspected.** The ~~Division of Boiler Inspection~~  
 168.7 commissioner shall inspect all boilers and pressure vessels in use not expressly excepted  
 168.8 from such inspection by law. ~~Immediately~~ Upon inspection the ~~Division of Boiler~~  
 168.9 ~~Inspection~~ commissioner shall issue a certificate of inspection therefor or a certificate  
 168.10 condemning the boiler or pressure vessel and shall seal it. Forms for these licenses and  
 168.11 certificates shall be prepared and furnished by the commissioner. The ~~Division of Boiler~~  
 168.12 ~~Inspection~~ commissioner shall examine all applicants for engineer's licenses. The ~~chief of~~  
 168.13 ~~the Division of Boiler Inspection~~ commissioner shall issue such license to an applicant as  
 168.14 the examination shall show the applicant is entitled to receive.

168.15 Subd. 2. **Inspector's examination.** For the purpose of examining applicants  
 168.16 for ~~license~~ a National Board of Boiler and Pressure Vessel Inspectors commission, the  
 168.17 ~~chief of the Division of Boiler Inspection or the deputy chief~~ commissioner shall fix and  
 168.18 determine a time and place for the examinations, and give notice to all applicants of the  
 168.19 time and place. The ~~chief or the deputy chief~~ commissioner shall grant and sign such  
 168.20 license certificates as applicants are entitled to receive upon examination. Applicants may  
 168.21 be examined and issued certificates of competency as inspectors of boilers and pressure  
 168.22 vessels.

168.23 Sec. 2. Minnesota Statutes 2006, section 183.39, subdivision 1, is amended to read:

168.24 Subdivision 1. **Inspector requirements.** Each boiler inspector shall be ~~a person~~  
 168.25 ~~of good moral character, shall be~~ licensed in this state as a chief grade A engineer, and  
 168.26 must hold a national board commission as a boiler inspector within 12 months of being  
 168.27 employed as a boiler inspector by the department. An inspector shall not be interested in  
 168.28 the manufacture or sale of boilers or steam machinery or in any patented article required  
 168.29 or generally used in the construction of engines or boilers or their appurtenances.

168.30 Sec. 3. Minnesota Statutes 2006, section 183.411, subdivision 2, is amended to read:

168.31 Subd. 2. **Inspection.** When used for display and demonstration purposes, steam  
 168.32 farm traction engines, portable and stationary show engines and portable and stationary  
 168.33 show boilers shall be inspected every two years according to law.

169.1 (a) Show boilers or engines not certified in Minnesota shall be inspected thoroughly  
 169.2 by a boiler inspector certified to inspect boilers in Minnesota, using inspection standards  
 169.3 in paragraph (b), before being certified for use in Minnesota.

169.4 (b) Standards for inspection of show boilers shall be those established by the  
 169.5 National Board Inspection Code ANSI/NB23 and by the rules adopted by the department  
 169.6 ~~of Labor and Industry, Division of Boiler Inspection~~, and as follows:

169.7 (1) the boiler shall be subjected to the appropriate method of nondestructive  
 169.8 examination, at the owner's expense, as deemed necessary by the boiler inspector to  
 169.9 determine soundness and safety of the boiler;

169.10 (2) the boiler shall be tested by ultrasonic examination for metal thickness (for  
 169.11 purposes of calculating the maximum allowable working pressure the thinnest reading  
 169.12 shall be used and a safety factor of six shall be used in calculating maximum allowable  
 169.13 working pressure on all non-ASME-code hobby and show boilers); and

169.14 (3) repairs and alterations made to show boilers must be made pursuant to section  
 169.15 183.466.

169.16 (c) Further each such object shall successfully complete an inspection of:

169.17 (1) the fusible plug;

169.18 (2) the safety valve, which must be of ~~American Society of Mechanical Engineers'~~  
 169.19 ASME approved design and set at the maximum allowable working pressure and sealed in  
 169.20 an appropriate manner not allowing tampering with the valve setting without destroying  
 169.21 the seal; and

169.22 (3) the boiler power piping.

169.23 Any longitudinal cracks found in riveted longitudinal seams requires that the vessel  
 169.24 be sealed and not approved for use in Minnesota. If the boiler or show engine is jacketed,  
 169.25 the jacket must be removed prior to inspection.

169.26 Sec. 4. Minnesota Statutes 2006, section 183.42, is amended to read:

169.27 **183.42 INSPECTION AND REGISTRATION.**

169.28 Subdivision 1. **Inspection.** Every owner, lessee, or other person having charge of  
 169.29 boilers or pressure vessels subject to inspection under this chapter shall cause them to be  
 169.30 inspected by the ~~Division of Boiler Inspection~~ department. Except as provided in sections  
 169.31 183.411 and 183.45, boilers subject to inspection under this chapter must be inspected at  
 169.32 least annually and pressure vessels inspected at least every two years ~~except as provided~~  
 169.33 ~~under section 183.45.~~ The commissioner shall assess a \$250 penalty per applicable boiler  
 169.34 or pressure vessel for failure to have the inspection required by this section and may seal  
 169.35 the boiler or pressure vessel for refusal to allow an inspection as required by this section.

170.1 Subd. 2. **Registration.** Every owner, lessee, or other person having charge of  
170.2 boilers or pressure vessels subject to inspection under this chapter, except hobby boilers  
170.3 under section 183.411, shall register said objects with the ~~Division of Boiler Inspection~~  
170.4 department. The registration shall be renewed annually and is applicable to each object  
170.5 separately. The fee for registration of a boiler or pressure vessel shall be pursuant to  
170.6 section 183.545, subdivision 10. The ~~Division of Boiler Inspection~~ department may issue  
170.7 a billing statement for each boiler and pressure vessel on record with the division, and  
170.8 may determine a monthly schedule of billings to be followed for owners, lessees, or other  
170.9 persons having charge of a boiler or pressure vessel subject to inspection under this chapter.

170.10 Subd. 3. **Certificate of registration.** The ~~Division of Boiler Inspection~~ department  
170.11 shall issue a certificate of registration that lists the registered boilers and pressure vessels  
170.12 at the location, expiration date of the certificate of registration, last inspection date of  
170.13 each registered boiler and pressure vessel, and maximum allowable working pressure for  
170.14 each registered boiler and pressure vessel. The commissioner may make an electronic  
170.15 certificate of registration available to be printed by the owner, lessee, or other person  
170.16 having charge of the registered boiler or pressure vessel.

170.17 Sec. 5. Minnesota Statutes 2006, section 183.45, is amended to read:

170.18 **183.45 INSPECTION.**

170.19 Subdivision 1. **Inspection requirements.** All boilers and steam generators must  
170.20 be inspected by the ~~Division of Boiler Inspection~~ department before they are used and  
170.21 all boilers must be inspected at least once each year thereafter except as provided under  
170.22 subdivision 2 or section 183.411. Inspectors may subject all boilers to hydrostatic pressure  
170.23 or hammer test, and shall ascertain by a thorough internal and external examination  
170.24 that they are well made and of good and suitable material; that the openings for the  
170.25 passage of water and steam, respectively, and all pipes and tubes exposed to heat, are of  
170.26 proper dimensions and free from obstructions; that the flues are circular in form; that the  
170.27 arrangements for delivering the feed water are such that the boilers cannot be injured  
170.28 thereby; and that such boilers and their connections may be safely used without danger to  
170.29 life or property. Inspectors shall ascertain that the safety valves are of suitable dimensions,  
170.30 sufficient in number, and properly arranged, and that the safety valves are so adjusted as  
170.31 to allow no greater pressure in the boilers than the amount prescribed by the inspector's  
170.32 certificate; that there is a sufficient number of gauge cocks, properly inserted, to indicate  
170.33 the amount of water, and suitable gauges that will correctly record the pressure; and  
170.34 that the fusible metals are properly inserted where required so as to fuse by the heat of  
170.35 the furnace whenever the water in the boiler falls below its prescribed limit; and that

171.1 provisions are made for an ample supply of water to feed the boilers at all times; and that  
 171.2 means for blowing out are provided, so as to thoroughly remove the mud and sediment  
 171.3 from all parts when under pressure.

171.4 Subd. 2. **Qualifying boiler.** (a) "Qualifying boiler" means a boiler of 200,000  
 171.5 pounds per hour or more capacity which has an internal continuous water treatment  
 171.6 program approved by the department and which the ~~chief boiler inspector~~ commissioner  
 171.7 has determined to be in compliance with paragraph (c).

171.8 (b) A qualifying boiler must be inspected at least once every 24 months internally  
 171.9 and externally while not under pressure and at least once every 18 months externally  
 171.10 while under pressure. If the inspector considers it necessary to conduct a hydrostatic test  
 171.11 to determine the safety of a boiler, the test must be conducted under the direction of the  
 171.12 owner, contractor, or user of the equipment under the supervision of an inspector.

171.13 (c) The owner of a qualifying boiler must keep accurate records showing the date  
 171.14 and actual time the boiler is out of service, the reason or reasons therefor, and the chemical  
 171.15 physical laboratory analysis of samples of the boiler water taken at regular intervals of  
 171.16 not more than 48 hours of operation which adequately show the condition of the water,  
 171.17 and any elements or characteristics of the water capable of producing corrosion or other  
 171.18 deterioration of the boiler or its parts.

171.19 (d) If an inspector determines there are substantial deficiencies in equipment or in  
 171.20 boiler water treatment operating procedures, inspections of a qualifying boiler may be  
 171.21 required once every 12 months until the ~~chief boiler inspector~~ commissioner finds that the  
 171.22 substantial deficiencies have been corrected.

171.23 Sec. 6. Minnesota Statutes 20064, section 183.46, is amended to read:

171.24 **183.46 TESTS.**

171.25 In subjecting both high and low pressure boilers and pressure vessels to the  
 171.26 hydrostatic test, and to determine the safe allowable working pressure, the inspector shall  
 171.27 use the latest approved formula of the ~~American Society of Mechanical Engineers~~ ASME  
 171.28 Code or National Board Inspection Code, as applicable.

171.29 Sec. 7. Minnesota Statutes 2006, section 183.465, is amended to read:

171.30 **183.465 STANDARDS OF INSPECTION.**

171.31 The engineering standards of boilers and pressure vessels for use in this state shall  
 171.32 be that established by the current edition of ~~the~~ and amendments to the ASME Code or the  
 171.33 National Board Inspection Code, as applicable, for construction, operation and care of,  
 171.34 in-service inspection and testing, and controls and safety devices ~~codes of the American~~

172.1 ~~Society of Mechanical Engineers and amendments thereto, and by the rules of the Division~~  
 172.2 ~~of Boiler Inspection~~ adopted by the department of Labor and Industry.

172.3 Sec. 8. Minnesota Statutes 2006, section 183.466, is amended to read:

172.4 **183.466 STANDARDS OF REPAIRS.**

172.5 The rules for repair of boilers and pressure vessels for use in this state shall be those  
 172.6 established by the National Board of Boiler and Pressure Vessel Inspectors inspection  
 172.7 code and the rules ~~of the Division of Boiler Inspection~~ adopted by the department of  
 172.8 ~~Labor and Industry~~.

172.9 Sec. 9. Minnesota Statutes 2006, section 183.48, is amended to read:

172.10 **183.48 SPECIAL EXAMINATION.**

172.11 ~~At any time the inspector deems it necessary an examination shall be made of any~~  
 172.12 If an inspector examines a boiler or pressure vessel which there is reason to believe has  
 172.13 become and determines that the boiler or pressure vessel is unsafe, and the inspector shall  
 172.14 notify the owners or operators thereof owner or operator of any defect therein, and what  
 172.15 repairs are necessary in that boiler or pressure vessel. Such boiler or pressure vessel  
 172.16 shall not thereafter be used until ~~so repaired~~ the defect is corrected. Boilers found to be  
 172.17 operated by unlicensed or improperly licensed persons shall not be used until the operators  
 172.18 are properly licensed. If circumstances warrant continued operation, approval may be  
 172.19 given for continuing operation for a specific period of time, not to exceed 30 days, at the  
 172.20 discretion of the boiler inspector.

172.21 Sec. 10. Minnesota Statutes 2006, section 183.501, is amended to read:

172.22 **183.501 LICENSE REQUIREMENT.**

172.23 (a) No person individual shall be entrusted with the operation of or operate any  
 172.24 boiler, steam engine, or turbine who has not received a license of grade covering that  
 172.25 boiler, steam engine or turbine. The license shall be renewed annually, except as provided  
 172.26 in section 183.411. ~~When a violation of this section occurs the Division of Boiler~~  
 172.27 ~~Inspection may cause a complaint to be made for the prosecution of the offender and shall~~  
 172.28 ~~be entitled to sue for and obtain injunctive relief in the district courts for such violations.~~

172.29 (b) For purposes of this chapter, "operation" shall not include monitoring of an  
 172.30 automatic boiler, either through on premises inspection of the boiler or by remote  
 172.31 electronic surveillance, provided that no operations are performed upon the boiler other  
 172.32 than emergency shut down in alarm situations.

173.1 (c) No individual under the influence of illegal drugs or alcohol shall be entrusted  
 173.2 with the operation of or shall operate any boiler, steam engine, or turbine, or shall be  
 173.3 entrusted with the monitoring of or shall monitor an automatic boiler.

173.4 Sec. 11. Minnesota Statutes 2006, section 183.505, is amended to read:

173.5 **183.505 APPLICATIONS FOR LICENSES.**

173.6 The ~~chief boiler inspector~~ commissioner shall prepare blank applications on which  
 173.7 applications for ~~engineers'~~ licenses shall be made ~~under oath of the applicant~~. These  
 173.8 blanks shall ~~be so formulated as to~~ elicit such information as is ~~desirable~~ needed to  
 173.9 ~~enable the examiners to pass on~~ determine whether an applicant meets the qualifications  
 173.10 ~~of applicants~~ required for the license.

173.11 Sec. 12. Minnesota Statutes 2006, section 183.51, is amended to read:

173.12 **183.51 EXAMINATIONS; CLASSIFICATIONS; QUALIFICATIONS.**

173.13 Subdivision 1. **Engineers, classes.** Engineers shall be divided into four classes:

173.14 (1) Chief engineers; Grade A, Grade B, and Grade C. (2) first class engineers; Grade  
 173.15 A, Grade B, and Grade C. (3) second class engineers; Grade A, Grade B, and Grade  
 173.16 C. (4) Special engineers.

173.17 Subd. 2. **Applications.** Any ~~person~~ individual who desires an engineer's license  
 173.18 shall submit ~~a written~~ an application; ~~on blanks furnished by the commissioner or designee~~  
 173.19 on a written or electronic form prescribed by the commissioner, at least 15 days before  
 173.20 the requested exam date. The application ~~is valid for~~ permits the applicant to take the  
 173.21 examination on one occasion within one year from the date the commissioner ~~or designee~~  
 173.22 ~~received~~ receives the application.

173.23 Subd. 2a. **Examinations.** Each applicant for a license must pass an examination  
 173.24 ~~approved~~ developed and administered by the commissioner. The examinations shall be  
 173.25 of sufficient scope to establish the competency of the applicant to operate a boiler of the  
 173.26 applicable license class and grade.

173.27 Subd. 3. **High and low pressure boilers.** For the purposes of this section and  
 173.28 section 183.50, high pressure boilers shall mean boilers operating at a steam or other vapor  
 173.29 pressure in excess of 15 p.s.i.g., or a water or other liquid boiler in which the pressure  
 173.30 exceeds 160 p.s.i.g. or a temperature of 250 degrees Fahrenheit.

173.31 Low pressure boilers shall mean boilers operating at a steam or other vapor pressure  
 173.32 of 15 p.s.i.g. or less, or a water or other liquid boiler in which the pressure does not exceed  
 173.33 160 p.s.i.g. or a temperature of 250 degrees Fahrenheit.

174.1 Subd. 4. **Chief engineer, Grade A.** ~~A person~~ An individual seeking licensure as  
174.2 a chief engineer, Grade A, shall be at least 18 years of age and have experience which  
174.3 verifies that the ~~person~~ individual is competent to take charge of and be responsible for the  
174.4 safe operation and maintenance of all classes of boilers, steam engines, and turbines and  
174.5 their appurtenances; and, before receiving a license, the applicant shall take and subscribe  
174.6 an oath attesting to at least five years actual experience in operating such boilers, including  
174.7 at least two years experience in operating such engines or turbines.

174.8 Subd. 5. **Chief engineer, Grade B.** ~~A person~~ An individual seeking licensure as a  
174.9 chief engineer, Grade B, shall be at least 18 years of age and have habits and experience  
174.10 which justify the belief that the ~~person~~ individual is competent to take charge of and be  
174.11 responsible for the safe operation and maintenance of all classes of boilers and their  
174.12 appurtenances; and, before receiving a license, the applicant shall take and subscribe an  
174.13 oath attesting to at least five years actual experience in operating those boilers.

174.14 Subd. 6. **Chief engineer, Grade C.** ~~A person~~ An individual seeking licensure as a  
174.15 chief engineer, Grade C, shall be at least 18 years of age and have habits and experience  
174.16 which justify the belief that the ~~person~~ individual is competent to take charge of and  
174.17 be responsible for the safe operation and maintenance of all classes of low pressure  
174.18 boilers and their appurtenances, and before receiving a license, the applicant shall take  
174.19 and subscribe an oath attesting to at least five years of actual experience in operating  
174.20 such boilers.

174.21 Subd. 7. **First-class engineer, Grade A.** ~~A person~~ An individual seeking licensure  
174.22 as a first-class engineer, Grade A, shall be at least 18 years of age and have experience  
174.23 which verifies that the ~~person~~ individual is competent to take charge of and be responsible  
174.24 for the safe operation and maintenance of all classes of boilers, engines, and turbines and  
174.25 their appurtenances of not more than 300 horsepower or to operate as a shift engineer in a  
174.26 plant of unlimited horsepower. Before receiving a license, the applicant shall take and  
174.27 subscribe an oath attesting to at least three years actual experience in operating such  
174.28 boilers, including at least two years experience in operating such engines or turbines.

174.29 Subd. 8. **First-class engineer, Grade B.** ~~A person~~ An individual seeking licensure  
174.30 as a first-class engineer, Grade B, shall be at least 18 years of age and have habits and  
174.31 experience which justify the belief that the ~~person~~ individual is competent to take charge  
174.32 of and be responsible for the safe operation and maintenance of all classes of boilers of  
174.33 not more than 300 horsepower or to operate as a shift engineer in a plant of unlimited  
174.34 horsepower. Before receiving a license the applicant shall take and subscribe an oath  
174.35 attesting to at least three years actual experience in operating such boilers.

175.1 Subd. 9. **First-class engineer, Grade C.** ~~A person~~ An individual seeking licensure  
175.2 as a first-class engineer, Grade C, shall be at least 18 years of age and have habits and  
175.3 experience which justify the belief that the ~~person~~ individual is competent to take charge  
175.4 of and be responsible for the safe operation and maintenance of all classes of low pressure  
175.5 boilers and their appurtenances of not more than 300 horsepower or to operate as a shift  
175.6 engineer in a low pressure plant of unlimited horsepower. Before receiving a license, the  
175.7 applicant shall take and subscribe an oath attesting to at least three years actual experience  
175.8 in operating such boilers.

175.9 Subd. 10. **Second-class engineer, Grade A.** ~~A person~~ An individual seeking  
175.10 licensure as a second-class engineer, Grade A, shall be at least 18 years of age and have  
175.11 experience which verifies that the ~~person~~ individual is competent to take charge of and  
175.12 be responsible for the safe operation and maintenance of all classes of boilers, engines,  
175.13 and turbines and their appurtenances of not more than 100 horsepower or to operate  
175.14 as a shift engineer in a plant of not more than 300 horsepower, or to assist the shift  
175.15 engineer, under direct supervision, in a plant of unlimited horsepower. Before receiving  
175.16 a license the applicant shall take and subscribe an oath attesting to at least one year of  
175.17 actual experience in operating such boilers, including at least one year of experience in  
175.18 operating such engines or turbines.

175.19 Subd. 11. **Second-class engineer, Grade B.** ~~A person~~ An individual seeking  
175.20 licensure as a second-class engineer, Grade B, shall be at least 18 years of age and have  
175.21 habits and experience which justify the belief that the ~~person~~ individual is competent to  
175.22 take charge of and be responsible for the safe operation and maintenance of all classes of  
175.23 boilers of not more than 100 horsepower or to operate as a shift engineer in a plant of not  
175.24 more than 300 horsepower or to assist the shift engineer, under direct supervision, in a plant  
175.25 of unlimited horsepower. Before receiving a license the applicant shall take and subscribe  
175.26 an oath attesting to at least one year of actual experience in operating such boilers.

175.27 Subd. 12. **Second-class engineer, Grade C.** ~~A person~~ An individual seeking  
175.28 licensure as a second-class engineer, Grade C, shall be at least 18 years of age and have  
175.29 habits and experience which justify the belief that the ~~person~~ individual is competent to  
175.30 take charge of and be responsible for the safe operation and maintenance of all classes  
175.31 of low pressure boilers and their appurtenances of not more than 100 horsepower or to  
175.32 operate as a shift engineer in a low pressure plant of not more than 300 horsepower, or  
175.33 to assist the shift engineer, under direct supervision, in a low pressure plant of unlimited  
175.34 horsepower. Before receiving a license, the applicant shall take and subscribe an oath  
175.35 attesting to at least one year of actual experience in operating such boilers.

176.1 Subd. 13. **Special engineer.** ~~A person~~ An individual seeking licensure as a special  
 176.2 engineer shall be at least 18 years of age and have habits and experience which justify  
 176.3 the belief that the ~~person~~ individual is competent to take charge of and be responsible for  
 176.4 the safe operation and maintenance of all classes of boilers and their appurtenances of  
 176.5 not more than 30 horsepower or to operate as a shift engineer in a plant of not more than  
 176.6 100 horsepower, or to serve as an apprentice in any plant under the direct supervision of  
 176.7 the properly licensed engineer.

176.8 Subd. 14. **Current boiler operators.** Any ~~person~~ individual operating a boiler other  
 176.9 than a steam boiler on or before April 15, 1982 shall be qualified for application for the  
 176.10 applicable class license upon presentation of an affidavit furnished by an inspector and  
 176.11 sworn to by the ~~person's~~ individual's employer or a chief engineer. The applicant must  
 176.12 have at least the number of years of actual experience specified for the class of license  
 176.13 requested and pass the appropriate examination.

176.14 Subd. 15. **Rating horsepower.** For the purpose of rating boiler horsepower for  
 176.15 engineer license classifications only: ten square feet of heating surface shall be considered  
 176.16 equivalent to one boiler horsepower for conventional boilers and five square feet of  
 176.17 heating surface equivalent to one boiler horsepower for steam coil type generators.

176.18 Sec. 13. Minnesota Statutes 2006, section 183.54, subdivision 1, is amended to read:

176.19 Subdivision 1. **Safety Inspection certificate.** After examination and tests, ~~if a boiler~~  
 176.20 ~~inspector finds any boiler or pressure vessel safe and suitable for use, the inspector shall~~  
 176.21 ~~deliver to the chief boiler inspector a verified certificate in such form as prescribed by~~  
 176.22 ~~the chief boiler inspector containing a specification of the tests applied and the working~~  
 176.23 ~~pressure allowed. A copy of the certificate is delivered to the owner of the boiler or~~  
 176.24 ~~pressure vessel, who shall place and retain the same in a conspicuous place on or near~~  
 176.25 ~~the boiler or pressure vessel:~~ of the boiler or pressure vessel being inspected, the boiler  
 176.26 inspector shall document the condition of the boiler or pressure vessel as required by the  
 176.27 commissioner. The inspector shall issue an inspection certificate, as prescribed by the  
 176.28 commissioner, to the owner or operator for the inspected boilers and pressure vessels  
 176.29 found to be safe and suitable for use. The inspector shall immediately notify the owner or  
 176.30 operator of any deficiencies found on the boilers and pressure vessels during the inspection  
 176.31 on a form prescribed by the commissioner.

176.32 Sec. 14. Minnesota Statutes 2006, section 183.54, subdivision 3, is amended to read:

176.33 Subd. 3. **Failure to pay fee.** If the owner or lessee of any boiler or pressure vessel,  
 176.34 which boiler or pressure vessel has been duly inspected, refuses to pay the required fee

177.1 within 30 days from the date of the inspection invoice, the ~~chief boiler inspector, or~~  
 177.2 ~~deputy, department~~ may seal the boiler or pressure vessel until the fee is paid.

177.3 Sec. 15. Minnesota Statutes 2006, section 183.545, subdivision 2, is amended to read:

177.4 Subd. 2. **Fee amounts; master's.** The license and application fee for a master's  
 177.5 license is ~~\$50~~ \$45, or ~~\$20~~ \$15 if the applicant possesses a valid, unlimited, current United  
 177.6 States Coast Guard master's license. The annual renewal of a master's license is ~~\$20~~ \$15.  
 177.7 The annual renewal if paid later than 30 days after expiration is ~~\$35~~ \$30. The fee for  
 177.8 replacement of a current, valid license is ~~\$20~~ \$15.

177.9 **EFFECTIVE DATE.** This section is effective July 1, 2007.

177.10 Sec. 16. Minnesota Statutes 2006, section 183.545, subdivision 4, is amended to read:

177.11 Subd. 4. **Boiler engineer license fees.** For the following licenses, the nonrefundable  
 177.12 license and application fee is:

- 177.13 (1) chief engineer's license, ~~\$50~~ \$45;  
 177.14 (2) first class engineer's license, ~~\$50~~ \$45;  
 177.15 (3) second class engineer's license, ~~\$50~~ \$45;  
 177.16 (4) special engineer's license, ~~\$20~~ \$15; and  
 177.17 (5) traction or hobby boiler engineer's license, ~~\$50~~ \$45.

177.18 An engineer's license may be renewed upon application and payment of an annual  
 177.19 renewal fee of ~~\$20~~ \$15. The annual renewal, if paid later than 30 days after expiration, is  
 177.20 ~~\$35~~ \$30. The fee for replacement of a current, valid license is ~~\$20~~ \$15.

177.21 **EFFECTIVE DATE.** This section is effective July 1, 2007.

177.22 Sec. 17. Minnesota Statutes 2006, section 183.545, subdivision 8, is amended to read:

177.23 Subd. 8. **Certificate of competency.** The fee for issuance of the original state of  
 177.24 Minnesota certificate of competency for inspectors is ~~\$50~~ \$45. This fee is waived for  
 177.25 inspectors who paid the examination fee. The fee for an annual renewal of the state of  
 177.26 Minnesota certificate of competency is ~~\$35~~ \$30, and is due January 1 of each year. The  
 177.27 fee for replacement of a current, valid license is ~~\$35~~ \$30.

177.28 **EFFECTIVE DATE.** This section is effective July 1, 2007.

177.29 Sec. 18. Minnesota Statutes 2006, section 183.545, is amended by adding a subdivision  
 177.30 to read:

178.1            Subd. 11. **Late fee.** The commissioner may assess a late fee of up to \$100 for  
178.2 each invoice issued under subdivision 1, 3, or 3a that is not paid in full by the due date  
178.3 stated on the invoice.

178.4            **EFFECTIVE DATE.** This section is effective July 1, 2007.

178.5            Sec. 19. Minnesota Statutes 2006, section 183.56, is amended to read:

178.6            **183.56 EXCEPTIONS.**

178.7            The provisions of sections 183.38 to 183.62, shall not apply to:

178.8            (1) boilers in buildings occupied solely for residence purposes with accommodations  
178.9 for not more than five families;

178.10           (2) railroad locomotives operated by railroad companies for transportation purposes;

178.11           (3) air tanks installed on the right-of-way of railroads and used directly in the  
178.12 operation of trains;

178.13           (4) boilers and pressure vessels under the direct jurisdiction of the United States;

178.14           (5) unfired pressure vessels having an internal or external working pressure not  
178.15 exceeding 15 p.s.i.g. with no limit on size;

178.16           (6) pressure vessels used for storage of compressed air not exceeding five cubic feet  
178.17 in volume and equipped with an ~~American Society of Mechanical Engineers~~ ASME code  
178.18 stamped safety valve set at a maximum of 100 p.s.i.g.;

178.19           (7) pressure vessels having an inside diameter not exceeding six inches;

178.20           (8) every vessel that contains water under pressure, including those containing air  
178.21 that serves only as a cushion, whose design pressure does not exceed 300 p.s.i.g. and  
178.22 whose design temperature does not exceed 210 degrees Fahrenheit;

178.23           (9) boiler or pressure vessels located on farms used solely for agricultural or  
178.24 horticultural purposes; for purposes of this section, boilers used for mint oil extraction  
178.25 are considered used for agricultural or horticultural purposes, provided that the owner or  
178.26 lessee complies with the inspection requirements contained in section 183.42;

178.27           (10) tanks or cylinders used for storage or transfer of liquefied petroleum gases;

178.28           (11) unfired pressure vessels in petroleum refineries;

178.29           (12) an air tank or pressure vessel which is an integral part of a passenger motor  
178.30 bus, truck, or trailer;

178.31           (13) hot water heating and other hot liquid boilers not exceeding a heat input of  
178.32 750,000 BTU per hour;

179.1 (14) hot water supply boilers (water heaters) not exceeding a heat input of 500,000  
 179.2 BTU per hour, a water temperature of 210 degrees Fahrenheit, a nominal water capacity of  
 179.3 120 gallons, or a pressure of 160 p.s.i.g.;

179.4 (15) a laundry and dry cleaning press not exceeding five cubic feet of steam volume;

179.5 (16) pressure vessels operated full of water or other liquid not materially more  
 179.6 hazardous than water, if the vessel's contents' temperature does not exceed 140 degrees  
 179.7 Fahrenheit or a pressure of 200 p.s.i.g.;

179.8 (17) steam powered turbines at paper-making facilities which are powered by steam  
 179.9 generated by municipal steam district facilities at a remote location; and

179.10 (18) manually fired boilers for model locomotive, boat, tractor, stationary engine,  
 179.11 or antique motor vehicles constructed or maintained only as a hobby for exhibition,  
 179.12 educational or historical purposes and not for commercial use, if the boilers have an  
 179.13 inside diameter of 12 inches or less, or a grate area of two square feet or less, and are  
 179.14 equipped with an ~~American Society of Mechanical Engineers~~ ASME stamped safety valve  
 179.15 of adequate size, a water level indicator, and a pressure gauge.

179.16 An engineer's license is not required for hot water supply boilers.

179.17 An engineer's license is not required for boilers, steam cookers, steam kettles, steam  
 179.18 sterilizers or other steam generators not exceeding 100,000 BTU per hour input, 25  
 179.19 kilowatt, 2-1/2 horsepower ~~or~~ and a pressure of 15 p.s.i.g.

179.20 Electric boilers not exceeding a maximum working pressure of 50 p.s.i.g., maximum  
 179.21 of 30 kilowatt input or three horsepower rating shall be inspected as pressure vessels and  
 179.22 shall not require an engineer license to operate.

179.23 Sec. 20. Minnesota Statutes 2006, section 183.57, subdivision 1, is amended to read:

179.24 Subdivision 1. **Report required.** Any insurance company insuring boilers and  
 179.25 pressure vessels in this state shall file a report showing the most recent date of inspection,  
 179.26 the name of the ~~person~~ individual making the inspection, the condition of the boiler or  
 179.27 pressure vessel as disclosed by the inspection, whether the boiler was operated by a  
 179.28 properly licensed engineer, whether a policy of insurance has been issued by the company  
 179.29 with reference to the boiler or pressure vessel, and other information as directed by the  
 179.30 ~~chief boiler inspector~~ commissioner. Within 21 days after the inspection, the insurance  
 179.31 company shall file the report with the ~~chief boiler inspector or designee~~ commissioner.  
 179.32 The insurer shall provide a copy of the report to the person, ~~firm, or corporation~~ owning or  
 179.33 operating the inspected boiler or pressure vessel. Such report shall be made annually for  
 179.34 boilers and biennially for pressure vessels.

180.1 Sec. 21. Minnesota Statutes 2006, section 183.57, subdivision 2, is amended to read:

180.2 Subd. 2. **Exemption.** Every boiler or pressure vessel as to which any insurance  
180.3 company authorized to do business in this state has issued a policy of insurance, after the  
180.4 inspection thereof, is exempt from inspection by the department made under sections  
180.5 183.375 to 183.62, while the same continues to be insured and provided it continues  
180.6 to be inspected in accordance with the inspection schedule set forth in sections 183.42  
180.7 and 183.45, and the person, ~~firm, or corporation~~ owning or operating the same has an  
180.8 unexpired certificate of registration.

180.9 Sec. 22. Minnesota Statutes 2006, section 183.57, subdivision 5, is amended to read:

180.10 Subd. 5. **Notice of insurance coverage.** The insurer shall notify the commissioner  
180.11 ~~or designee~~ in writing of its policy to insure and inspect boilers and pressure vessels at a  
180.12 location within 30 days of receipt of notification from the insured that a boiler or pressure  
180.13 vessel is present at an insured location. The insurer must also provide a duplicate of the  
180.14 notification to the insured.

180.15 Sec. 23. Minnesota Statutes 2006, section 183.57, subdivision 6, is amended to read:

180.16 Subd. 6. **Notice of discontinued coverage.** The insurer shall notify the  
180.17 commissioner ~~or designee~~ in writing, within 30 days of the effective date, of the  
180.18 discontinuation of insurance coverage of the boilers and pressure vessels at a location  
180.19 and the cause or reason for the discontinuation if the insurer has received notice from  
180.20 the insured that a boiler or pressure vessel is present at an insured location, as provided  
180.21 under subdivision 5. This notice shall show the effective date when the discontinued  
180.22 policy takes effect.

180.23 Sec. 24. Minnesota Statutes 2006, section 183.59, is amended to read:

180.24 **183.59 VIOLATIONS BY INSPECTORS.**

180.25 Every inspector who willfully certifies falsely regarding any boiler or its attachments,  
180.26 or pressure vessel, or the hull and equipments of any steam vessel, or who grants a license  
180.27 to any person individual to act as engineer, or master, ~~or pilot~~ contrary to any provision of  
180.28 sections 183.375 to 183.62, is guilty of a misdemeanor. In addition to this punishment the  
180.29 inspector shall be removed from office forthwith.

180.30 Sec. 25. Minnesota Statutes 2006, section 183.60, is amended to read:

180.31 **183.60 VIOLATIONS IN CONSTRUCTION; REPAIR; SALE.**

181.1 Subdivision 1. **Construction violation.** ~~Every~~ No person who constructs shall  
 181.2 construct a boiler, boiler piping, or pressure vessel so as not to meet the minimum  
 181.3 construction requirements of the ~~American Society of Mechanical Engineers~~ ASME boiler  
 181.4 and pressure vessel code, and the rules of the ~~Division of Boiler Inspection~~ adopted by the  
 181.5 department of Labor and Industry is guilty of a gross misdemeanor.

181.6 Subd. 2. **Repair violation.** ~~Every~~ No person who repairs a boiler or pressure vessel  
 181.7 by welding or riveting so as not to meet the minimum requirements established by the  
 181.8 current edition of the National Board of Boiler and Pressure Vessel Inspectors inspection  
 181.9 code and the rules of the ~~Division of Boiler Inspection~~ adopted by the department of Labor  
 181.10 and Industry is guilty of a gross misdemeanor.

181.11 Subd. 3. **Sale violation.** ~~Every~~ No manufacturer, jobber, dealer, or other person  
 181.12 ~~selling or offering~~ shall sell or offer for sale a boiler or pressure vessel that does not meet  
 181.13 the minimum construction requirements of the ~~American Society of Mechanical Engineers~~  
 181.14 ASME boiler and pressure vessel code and the rules of the ~~Division of Boiler Inspection~~  
 181.15 adopted by the department of Labor and Industry is guilty of a gross misdemeanor.

181.16 Sec. 26. Minnesota Statutes 2006, section 183.61, subdivision 2, is amended to read:

181.17 Subd. 2. **Inspection violation.** ~~Any~~ No person who causes shall cause to be  
 181.18 operated; or ~~operates~~ shall operate; any boiler or boat without having the same inspected  
 181.19 at least once each year, or pressure vessel, steam farm traction engine, portable or  
 181.20 stationary show engine, or portable or stationary show boiler without having it inspected  
 181.21 biennially, ~~and~~ or without having the proper engineer or pilot master license ~~is guilty~~  
 181.22 ~~of a misdemeanor.~~

181.23 Sec. 27. Minnesota Statutes 2006, section 183.61, subdivision 4, is amended to read:

181.24 Subd. 4. **Failure to repair.** ~~Every person operating or causing to be operated~~ After  
 181.25 any boiler or pressure vessel ~~after it~~ has been examined and found to be unsafe and after the  
 181.26 owner or operator ~~thereof~~ of the boiler or pressure vessel has been notified of any defect  
 181.27 ~~therein and what repairs are necessary to remedy the defect who fails to comply with the~~  
 181.28 ~~inspector's requirements is guilty of a misdemeanor~~ in it, no person shall operate the boiler  
 181.29 or pressure vessel or cause it to be operated unless and until the defect has been corrected.

181.30 Sec. 28. **[326B.93] INSPECTION PERSONNEL.**

181.31 Subdivision 1. **Inspectors.** The department may employ such inspectors and other  
 181.32 persons as are necessary to efficiently perform the duties and exercise the powers imposed  
 181.33 upon the department.

182.1 Subd. 2. **Chief boiler inspector.** The commissioner shall appoint a chief boiler  
182.2 inspector who, under the direction and supervision of the commissioner, shall administer  
182.3 this chapter and the rules adopted under this chapter. The chief boiler inspector must:  
182.4 (1) be licensed as a chief Grade A engineer; and  
182.5 (2) possess a current commission issued by the National Board of Boiler and  
182.6 Pressure Vessel Inspectors.

182.7 The chief boiler inspector shall be the state of Minnesota representative on the National  
182.8 Board of Boiler and Pressure Vessel Inspectors, shall be the final interpretative authority  
182.9 of the rules adopted under this chapter, and shall perform other duties in administering this  
182.10 chapter and the rules adopted under this chapter as assigned by the commissioner.

182.11 **Sec. 29. [326B.94] BOATS; MASTERS.**

182.12 Subdivision 1. **Boat.** "Boat" means any vessel navigating inland waters of the state  
182.13 that is propelled by machinery or sails, is carrying passengers for hire, and is 21 feet  
182.14 or more in length.

182.15 Subd. 2. **Number of passengers.** The department shall designate the number of  
182.16 passengers that each boat may safely carry, and no such boat shall carry a greater number  
182.17 than is allowed by the inspector's certificate.

182.18 Subd. 3. **Annual permit.** The commissioner shall issue an annual permit to a boat  
182.19 for the purpose of carrying passengers for hire on the inland waters of the state provided  
182.20 the boat satisfies the inspection requirements of this section. A boat subject to inspection  
182.21 under this chapter shall be registered with the department and shall be inspected before a  
182.22 permit may be issued. No person shall operate a boat or cause a boat to be operated for the  
182.23 purpose of carrying passengers for hire on the inland waters of the state without a valid  
182.24 annual permit issued under this section.

182.25 Subd. 4. **Examinations, licensing.** The commissioner shall develop and administer  
182.26 an examination for all masters of boats carrying passengers for hire on the inland waters of  
182.27 the state as to their qualifications and fitness. If found qualified and competent to perform  
182.28 their duties as a master of a boat carrying passengers for hire, they shall be issued a license  
182.29 authorizing them to act as such on the inland waters of the state. The license shall be  
182.30 renewed annually. Fees for the original issue and renewal of the license authorized under  
182.31 this section shall be pursuant to section 183.545, subdivision 2.

182.32 Subd. 5. **Rules.** (a) The department shall prescribe rules for the inspection of the  
182.33 hulls, machinery, boilers, steam connections, firefighting apparatus, lifesaving appliances,  
182.34 and lifesaving equipment of all power boats navigating the inland waters of the state,  
182.35 which shall conform to the requirements and specifications of the United States Coast

183.1 Guard in similar cases as provided in Code of Federal Regulations, title 46, as applicable  
 183.2 inland waters; these rules shall have the force of law.

183.3 (b) The commissioner shall make such rules for inspection and operation of boats  
 183.4 subject to inspection under this chapter, the licensing of masters, and the navigation of any  
 183.5 such boat as will require its operation without danger to life or property.

183.6 Subd. 6. **Drugs, alcohol.** No master shall be under the influence of illegal drugs  
 183.7 or alcohol when on duty.

183.8 **Sec. 30. REVISOR'S INSTRUCTION.**

183.9 The revisor of statutes shall renumber each section of Minnesota Statutes listed in  
 183.10 column A with the number listed in column B. The revisor shall also make necessary  
 183.11 cross-reference changes consistent with the renumbering.

<u>Column A</u>	<u>Column B</u>
183.12 <u>183.38</u>	<u>326B.952</u>
183.13 <u>183.39</u>	<u>326B.954</u>
183.14 <u>183.411</u>	<u>326B.956</u>
183.15 <u>183.42</u>	<u>326B.958</u>
183.16 <u>183.45</u>	<u>326B.96</u>
183.17 <u>183.46</u>	<u>326B.962</u>
183.18 <u>183.465</u>	<u>326B.964</u>
183.19 <u>183.466</u>	<u>326B.966</u>
183.20 <u>183.48</u>	<u>326B.968</u>
183.21 <u>183.50</u>	<u>326B.97</u>
183.22 <u>183.501</u>	<u>326B.972</u>
183.23 <u>183.502</u>	<u>326B.974</u>
183.24 <u>183.505</u>	<u>326B.976</u>
183.25 <u>183.51</u>	<u>326B.978</u>
183.26 <u>183.53</u>	<u>326B.98</u>
183.27 <u>183.54</u>	<u>326B.982</u>
183.28 <u>183.545</u>	<u>326B.986</u>
183.29 <u>183.56</u>	<u>326B.988</u>
183.30 <u>183.57</u>	<u>326B.99</u>
183.31 <u>183.59</u>	<u>326B.992</u>
183.32 <u>183.60</u>	<u>326B.994</u>
183.33 <u>183.61</u>	<u>326B.996</u>
183.34 <u>183.62</u>	<u>326B.998</u>

## ARTICLE 11

## HIGH PRESSURE PIPING

184.1  
184.2

184.3 Section 1. Minnesota Statutes 2006, section 326.46, is amended to read:

184.4 **326.46 SUPERVISION OF DEPARTMENT TO SUPERVISE HIGH**  
184.5 **PRESSURE PIPING.**184.6 The department of Labor and Industry shall supervise all high pressure piping used  
184.7 on all projects in this state, and may prescribe minimum standards which shall be uniform.184.8 The department shall employ inspectors and other assistants to carry out the  
184.9 provisions of sections 326.46 to 326.52.184.10 Sec. 2. Minnesota Statutes 2006, section 326.461, is amended by adding a subdivision  
184.11 to read:184.12 **Subd. 1a. Contracting high pressure pipefitter.** "Contracting high pressure  
184.13 pipefitter" means an individual, such as a steamfitter, engaged in the planning,  
184.14 superintending, and practical installation of high pressure piping and appurtenances, and  
184.15 otherwise lawfully qualified to construct high pressure piping installations and make  
184.16 replacements to existing plants, who is also qualified to conduct the business of high  
184.17 pressure piping installations and who is familiar with the laws, rules, and minimum  
184.18 standards governing them.184.19 Sec. 3. Minnesota Statutes 2006, section 326.461, is amended by adding a subdivision  
184.20 to read:184.21 **Subd. 2a. High pressure steam.** "High pressure steam" means a pressure in excess  
184.22 of 15 pounds per square inch.184.23 Sec. 4. Minnesota Statutes 2006, section 326.461, is amended by adding a subdivision  
184.24 to read:184.25 **Subd. 2b. Journeyman high pressure pipefitter.** "Journeyman high pressure  
184.26 pipefitter" means an individual, such as a steamfitter, who is not a contracting high  
184.27 pressure pipefitter and who is engaged in the practical installation of high pressure piping  
184.28 and appurtenances in the employ of a contracting high pressure pipefitter.184.29 Sec. 5. Minnesota Statutes 2006, section 326.461, is amended by adding a subdivision  
184.30 to read:

185.1 Subd. 4. **Pipefitter trainee.** A "pipefitter trainee" is an individual, other than a  
 185.2 contracting pipefitter, journeyman pipefitter, or pipefitter apprentice, who as a principal  
 185.3 occupation is in the employ of a high pressure piping business license holder and is  
 185.4 engaged in pipefitter work to learn and assist in the practical construction and installation  
 185.5 of high pressure piping and appurtenances. For purposes of this subdivision, a "pipefitter  
 185.6 apprentice" is an individual employed in the trade of the practical construction and  
 185.7 installation of high pressure piping and appurtenances under an apprenticeship agreement  
 185.8 approved by the department under Minnesota Rules, part 5200.0300.

185.9 **EFFECTIVE DATE.** This section is effective July 1, 2007.

185.10 Sec. 6. Minnesota Statutes 2006, section 326.47, is amended to read:

185.11 **326.47 APPLICATION, PERMIT, FILING, AND INSPECTION FEES.**

185.12 Subdivision 1. **Required permit.** No person, ~~firm, or corporation~~ shall construct or  
 185.13 install high pressure piping systems without first filing an application for a permit with the  
 185.14 department of ~~Labor and Industry~~ or a municipality that has complied with subdivision 2.  
 185.15 ~~Projects under construction prior to August 1, 1984, are not required to obtain a permit.~~

185.16 Subd. 2. **Permissive municipal regulation.** ~~A municipality may, by ordinance,~~  
 185.17 ~~provide for the inspection of high pressure piping system materials and construction, and~~  
 185.18 ~~provide that it shall not be constructed or installed except in accordance with minimum~~  
 185.19 ~~state standards. The authority designated by the ordinance for issuing high pressure piping~~  
 185.20 ~~permits and assuring compliance with state standards must report to the Department of~~  
 185.21 ~~Labor and Industry all violations of state high pressure piping standards.~~

185.22 ~~A municipality may not adopt an ordinance with high pressure piping standards~~  
 185.23 ~~that does not conform to the uniform standards prescribed by the Department of Labor~~  
 185.24 ~~and Industry. The Department of Labor and Industry shall specify by rule the minimum~~  
 185.25 ~~qualifications for municipal inspectors. The commissioner may enter into an agreement~~  
 185.26 with a municipality, in which the municipality agrees to perform inspections and issue  
 185.27 permits for the construction and installation of high pressure piping systems within the  
 185.28 municipality's geographical area of jurisdiction, if:

185.29 (a) The municipality has adopted:

185.30 (1) the code for power piping systems, Minnesota Rules, parts 5230.0250 to  
 185.31 5230.6200;

185.32 (2) an ordinance that authorizes the municipality to issue permits to persons holding  
 185.33 a high pressure piping business license issued by the department and only for construction

186.1 or installation that would, if performed properly, fully comply with all Minnesota Statutes  
186.2 and Minnesota Rules;

186.3 (3) an ordinance that authorizes the municipality to perform the inspections that are  
186.4 required under Minnesota Statutes or Minnesota Rules of the construction and installation  
186.5 of high pressure piping systems; and

186.6 (4) an ordinance that authorizes the municipality to enforce the code for power  
186.7 piping systems in its entirety.

186.8 (b) The municipality agrees to issue permits only to persons holding a high pressure  
186.9 piping business license as required by law at the time of the permit issuance, and only for  
186.10 construction or installation that would, if performed properly, comply with all Minnesota  
186.11 Statutes and Minnesota Rules governing the construction or installation of high pressure  
186.12 piping systems.

186.13 (c) The municipality agrees to issue permits only on forms approved by the  
186.14 department.

186.15 (d) The municipality agrees that, for each permit issued by the municipality, the  
186.16 municipality shall perform one or more inspections of the construction or installation to  
186.17 determine whether the construction or installation complies with all Minnesota Statutes  
186.18 and Minnesota Rules governing the construction or installation of high pressure piping  
186.19 systems, and shall prepare a written report of each inspection.

186.20 (e) The municipality agrees to notify the commissioner within 24 hours after the  
186.21 municipality discovers any violation of the licensing laws related to high pressure piping.

186.22 (f) The municipality agrees to notify the commissioner immediately if the  
186.23 municipality discovers that any entity has failed to meet a deadline set by the municipality  
186.24 for correction of a violation of the high pressure piping laws.

186.25 (g) The commissioner determines that the individuals who will conduct the  
186.26 inspections for the municipality do not have any conflict of interest in conducting the  
186.27 inspections.

186.28 (h) Individuals who will conduct the inspections for the municipality are permanent  
186.29 employees of the municipality and are licensed contracting high pressure pipefitters or  
186.30 licensed journeyman high pressure pipefitters.

186.31 (i) The municipality agrees to notify the commissioner within ten days of any  
186.32 changes in the names or qualifications of the individuals who conduct the inspections  
186.33 for the municipality.

186.34 (j) The municipality agrees to enforce in its entirety the code for power piping  
186.35 systems on all projects.

187.1 (k) The municipality shall not approve any piping installation unless the installation  
187.2 conforms to all applicable provisions of the high pressure piping laws in effect at the  
187.3 time of the installation.

187.4 (l) The municipality agrees to promptly require compliance or revoke a permit that  
187.5 it has issued if there is noncompliance with any of the applicable provisions of the high  
187.6 pressure piping laws in connection with the work covered by the permit. The municipality  
187.7 agrees to revoke the permit if any laws regulating the licensing of pipefitters have been  
187.8 violated.

187.9 (m) The municipality agrees to keep official records of all documents received,  
187.10 including permit applications, and of all permits issued, reports of inspections, and notices  
187.11 issued in connection with inspections.

187.12 (n) The municipality agrees to maintain the records described in paragraph (m) in  
187.13 the official records of the municipality for the period required for the retention of public  
187.14 records under section 138.17, and shall make these records readily available for review  
187.15 according to section 13.37.

187.16 (o) Not later than the tenth day of each month, the municipality shall submit to the  
187.17 commissioner a report of all high pressure piping permits issued by the municipality during  
187.18 the preceding month. This report shall be in a format approved by the commissioner  
187.19 and shall include:

187.20 (1) the name of the contractor;

187.21 (2) the license number of the contractor's license issued by the commissioner;

187.22 (3) the permit number;

187.23 (4) the address of the job;

187.24 (5) the date the permit was issued;

187.25 (6) a brief description of the work; and

187.26 (7) the amount of the inspection fee.

187.27 (p) Not later than the 31st day of January of each year, the municipality shall submit  
187.28 a summary report to the commissioner identifying the status of each high pressure piping  
187.29 project for which the municipality issued a permit during the preceding year, and the  
187.30 status of high pressure piping projects for which the municipality issued a permit during a  
187.31 prior year where no final inspection had occurred by the first day of the preceding year.

187.32 This summary report shall include:

187.33 (1) the permit number;

187.34 (2) the date of any final inspection; and

187.35 (3) identification of any violation of high pressure piping laws related to work  
187.36 covered by the permit.

188.1 (q) The municipality and the commissioner agree that if at any time during the  
 188.2 agreement the municipality does not have in effect the code for high pressure piping  
 188.3 systems or any of the ordinances described in paragraph (a), or if the commissioner  
 188.4 determines that the municipality is not properly administering and enforcing the code for  
 188.5 high pressure piping or is otherwise not complying with the agreement:

188.6 (1) the commissioner may, effective 14 days after the municipality's receipt of  
 188.7 written notice, terminate the agreement and have the administration and enforcement of  
 188.8 the high pressure piping code in the involved municipality undertaken by the department;

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

188.11 (3) while any challenge under clause (2) is pending, the commissioner may exercise  
 188.12 oversight of the municipality to the extent needed to ensure that high pressure piping  
 188.13 inspections are performed and permits are issued in accordance with the high pressure  
 188.14 piping laws.

188.15 (r) The municipality and the commissioner agree that the municipality may terminate  
 188.16 the agreement with or without cause on 90 days' written notice to the commissioner.

188.17 (s) The municipality and the commissioner agree that no municipality shall  
 188.18 revoke, suspend, or place restrictions on any high pressure piping license issued by the  
 188.19 commissioner. If the municipality identifies during an inspection any violation that  
 188.20 may warrant revocation, suspension, or placement of restrictions on a high pressure  
 188.21 piping license issued by the commissioner, the municipality shall promptly notify the  
 188.22 commissioner of the violation and the commissioner shall determine whether revocation,  
 188.23 suspension, or placement of restrictions on any high pressure piping license issued by  
 188.24 the commissioner is appropriate.

188.25 ~~Subd. 5. **Reporting of permits issued.** Each municipality must submit to the~~  
 188.26 ~~Department of Labor and Industry a copy of each permit issued within ten days after~~  
 188.27 ~~issuance.~~

188.28 ~~All permits must be issued on forms prescribed by or approved by the Department of~~  
 188.29 ~~Labor and Industry.~~

188.30 ~~Subd. 6. **Filing and inspection fees.** (a) The department of Labor and Industry must~~  
 188.31 ~~charge a filing fee set by the commissioner under section 16A.1285 and an inspection fee~~  
 188.32 ~~for all applications for permits to construct or install high pressure piping systems. The~~  
 188.33 ~~filing fee for inspection of high pressure piping system construction or installation shall~~  
 188.34 ~~be set by the commissioner under section 16A.1285 \$100. This subdivision does The~~  
 188.35 ~~inspection fee shall be calculated as follows.~~

189.1 (1) When an application for a permit is filed prior to the start of construction or  
 189.2 installation, the inspection fee shall be \$150 plus 0.022 of the first \$1,000,000, plus  
 189.3 0.011 of the next \$2,000,000, plus 0.00055 of the amount over \$3,000,000 of the cost of  
 189.4 construction or installation.

189.5 (2) Except as provided in paragraph (b), when an application for permit is filed after  
 189.6 the start of construction or installation, the inspection fee shall be the greater of: \$1,100;  
 189.7 or \$150 plus 0.033 of the first \$1,000,000, plus 0.0165 of the next \$2,000,000, plus 0.011  
 189.8 of the amount over \$3,000,000 of the cost of construction or installation.

189.9 (b) The commissioner shall consider any extenuating circumstances that caused an  
 189.10 application for permit to be filed after the start of construction or installation. If warranted  
 189.11 by such extenuating circumstances, the commissioner may calculate the inspection fee as  
 189.12 if the application for permit had been filed prior to the start of construction or installation.

189.13 (c) Paragraphs (a) and (b) do not apply where a permit is issued by a municipality  
 189.14 complying in accordance with an agreement under subdivision 2.

189.15 **EFFECTIVE DATE.** This section is effective December 1, 2007, except that  
 189.16 subdivision 6 is effective July 1, 2007.

189.17 Sec. 7. Minnesota Statutes 2006, section 326.48, is amended to read:

189.18 **326.48 LICENSING AND REGISTRATION.**

189.19 Subdivision 1. **License required; rules; time credit.** No ~~person~~ individual shall  
 189.20 engage in or work at the business of a contracting high pressure pipefitter unless issued  
 189.21 an individual contracting high pressure pipefitter license to do so by the department of  
 189.22 ~~Labor and Industry~~. No license shall be required for repairs on existing installations. No  
 189.23 ~~person~~ individual shall engage in or work at the business of journeyman pipefitter unless  
 189.24 issued an individual journeyman high pressure pipefitter competency license to do so by  
 189.25 the department of ~~Labor and Industry~~. A person possessing an individual contracting  
 189.26 high pressure pipefitter competency license may also work as a journeyman high pressure  
 189.27 pipefitter.

189.28 No ~~person, partnership, firm, or corporation~~ shall construct or install high pressure  
 189.29 piping, nor install high pressure piping in connection with the dealing in and selling  
 189.30 of high pressure pipe material and supplies, unless, at all times, ~~a person~~ an individual  
 189.31 possessing a contracting high pressure pipefitter individual competency license or a  
 189.32 journeyman high pressure pipefitter individual competency license is responsible for  
 189.33 ensuring that the high pressure pipefitting work ~~conducted by the person, partnership, firm,~~  
 189.34 ~~or corporation being~~ is in conformity with Minnesota Statutes and Minnesota Rules.

190.1 The department of ~~Labor and Industry~~ shall prescribe rules, not inconsistent  
 190.2 herewith, for the examination and individual competency licensing of contracting high  
 190.3 pressure pipefitters and journeyman high pressure pipefitters and for issuance of permits  
 190.4 by the department and municipalities for the installation of high pressure piping.

190.5 An employee performing the duties of inspector for the department of ~~Labor and~~  
 190.6 ~~Industry~~ in regulating pipefitting shall not receive time credit for the inspection duties  
 190.7 when making an application for a license required by this section.

190.8 Subd. 2. **High pressure pipefitting business license.** Before obtaining a permit  
 190.9 for high pressure piping work, a person, ~~partnership, firm, or corporation~~ must obtain or  
 190.10 utilize a business with a high pressure piping business license.

190.11 A person, ~~partnership, firm, or corporation~~ must have at all times as a full-time  
 190.12 employee at least one individual holding an individual contracting high pressure pipefitter  
 190.13 competency license. Only full-time employees who hold individual contracting high  
 190.14 pressure pipefitter licenses are authorized to obtain high pressure piping permits in the  
 190.15 name of the business. The individual contracting high pressure pipefitter competency  
 190.16 license holder can be the employee of only one high pressure piping business at a time.

190.17 To retain its business license without reapplication, a person, ~~partnership, firm,~~  
 190.18 ~~or corporation~~ holding a high pressure piping business license that ceases to employ a  
 190.19 ~~person~~ an individual holding an individual contracting high pressure pipefitter competency  
 190.20 license shall have 60 days from the last day of employment of its previous individual  
 190.21 contracting pipefitter competency license holder to employ another license holder. The  
 190.22 department of ~~Labor and Industry~~ must be notified no later than five days after the last day  
 190.23 of employment of the previous license holder.

190.24 No high pressure pipefitting work may be performed during any period when the  
 190.25 high pressure pipefitting business does not have an individual contracting high pressure  
 190.26 pipefitter competency license holder on staff. If a license holder is not employed within  
 190.27 60 days after the last day of employment of the previous license holder, the pipefitting  
 190.28 business license shall lapse.

190.29 The department of ~~Labor and Industry~~ shall prescribe by rule procedures for  
 190.30 application for and issuance of business licenses and fees.

190.31 Subd. 2a. **Registration requirement.** All pipefitter trainees must be registered  
 190.32 under subdivision 2b. No individual may be a registered pipefitter trainee for more than  
 190.33 four years unless the individual has a pending application to be licensed as a journeyman  
 190.34 pipefitter. No high pressure piping business shall employ a pipefitter trainee to help and  
 190.35 assist in the construction and installation of high pressure piping unless the pipefitter  
 190.36 trainee is registered.

191.1 A registered pipefitter trainee is authorized to assist in the practical construction and  
 191.2 installation of high pressure piping and appurtenances only while under direct supervision  
 191.3 of a licensed individual contracting pipefitter. The licensed individual contracting pipefitter  
 191.4 is responsible for ensuring that all high pressure piping work performed by the registered  
 191.5 pipefitter trainee complies with Minnesota Statutes and Minnesota Rules.

191.6 Subd. 2b. **Registration with commissioner.** A licensed high pressure piping  
 191.7 business may register a pipefitter trainee by completing and submitting to the  
 191.8 commissioner a registration form provided by the commissioner. The department may  
 191.9 prescribe rules, not inconsistent with this section, for the registration of pipefitter trainees.  
 191.10 A high pressure piping business applying for initial registration of a pipefitter trainee  
 191.11 shall pay the department an application fee of \$50. Applications for initial registration  
 191.12 may be submitted at any time. Registration must be renewed annually and shall be for  
 191.13 one calendar year beginning on January 1. Applications for renewal registration must be  
 191.14 submitted to the commissioner before December 31 of each registration period on forms  
 191.15 provided by the commissioner, and must be accompanied by a fee of \$50. There shall  
 191.16 be no refund of fees paid.

191.17 Subd. 3. **Bond.** ~~The~~ As a condition of licensing, each applicant for a high pressure  
 191.18 piping business license or renewal shall give bond to the state in the total ~~penal~~ sum of  
 191.19 \$15,000 conditioned upon the faithful and lawful performance of all work ~~entered upon~~  
 191.20 ~~contracted for or performed~~ within the state. The bond shall run to and be for the benefit of  
 191.21 persons injured or suffering financial loss by reason of failure of payment or performance.  
 191.22 Claims and actions on the bond may be brought according to sections 574.26 to 574.38.

191.23 The term of the bond must be concurrent with the term of the high pressure  
 191.24 pipefitting business license and run without interruption from the date of the issuance of  
 191.25 the license to the end of the calendar year. All high pressure pipefitting business licenses  
 191.26 must be annually renewed on a calendar year basis.

191.27 The bond must be filed with the department ~~of Labor and Industry~~ and shall be  
 191.28 in lieu of any other business license bonds required by any political subdivision for  
 191.29 high pressure pipefitting. The bond must be written by a corporate surety licensed to  
 191.30 do business in the state.

191.31 Subd. 4. **Insurance.** In addition to the bond described in subdivision 3, each  
 191.32 applicant for a high pressure pipefitting business license or renewal shall have in force  
 191.33 public liability insurance, including products liability insurance, with limits of at least  
 191.34 \$100,000 per person and \$300,000 per occurrence and property damage insurance with  
 191.35 limits of at least \$50,000.

192.1 The insurance must be kept in force for the entire term of the high pressure  
 192.2 pipefitting business license, and the license shall be suspended by the department if at any  
 192.3 time the insurance is not in force.

192.4 The insurance must be written by an insurer licensed to do business in the state and  
 192.5 shall be in lieu of any other insurance required by any subdivision of government for  
 192.6 high pressure pipefitting. Each person, ~~partnership, firm, or corporation~~ holding a high  
 192.7 pressure pipefitting business license shall maintain on file with the department a certificate  
 192.8 evidencing the insurance. Any purported cancellation of insurance shall not be effective  
 192.9 without the insurer first giving 30 days' written notice to the department.

192.10 Subd. 5. **License fee.** ~~The state department of Labor and Industry may~~ shall charge  
 192.11 ~~each applicant for a high pressure pipefitting business license or for a renewal of a high~~  
 192.12 ~~pressure pipefitting business license and an additional fee commensurate with the cost of~~  
 192.13 ~~administering the bond and insurance requirements of subdivisions 3 and 4; the following~~  
 192.14 license fees:

192.15 (a) application for journeyman high pressure piping pipefitter competency license,  
 192.16 \$100;

192.17 (b) renewal of journeyman high pressure piping pipefitter competency license, \$60;

192.18 (c) application for contracting high pressure piping pipefitter competency license,  
 192.19 \$250;

192.20 (d) renewal of contracting high pressure piping pipefitter competency license, \$220;

192.21 (e) application for high pressure piping business license, \$350;

192.22 (f) application to inactivate a contracting high pressure piping pipefitter competency  
 192.23 license or inactivate a journeyman high pressure piping pipefitter competency license,  
 192.24 \$30; and

192.25 (g) renewal of an inactive contracting high pressure piping pipefitter competency  
 192.26 license or inactive journeyman high pressure piping pipefitter competency license, \$30.

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

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

192.33 **EFFECTIVE DATE.** This section is effective December 1, 2007, except that  
 192.34 subdivisions 2a, 2b, and 5 are effective July 1, 2007.

193.1 Sec. 8. Minnesota Statutes 2006, section 326.50, is amended to read:

193.2 **326.50 LICENSE APPLICATION, FEES AND RENEWAL.**

193.3 Application for an individual contracting high pressure pipefitter competency or an  
193.4 individual journeyman high pressure pipefitter competency license shall be made to the  
193.5 department ~~of Labor and Industry~~, with fees. The applicant shall be licensed only after  
193.6 passing an examination developed and administered by the department ~~of Labor and~~  
193.7 ~~Industry~~. A competency license issued by the department shall expire on December 31  
193.8 of each year. A renewal application must be received by the department within one year  
193.9 after expiration of the competency license. A license that has been expired for more  
193.10 than one year cannot be renewed, and can only be reissued if the applicant submits a  
193.11 new application for the competency license, pays a new application fee, and retakes and  
193.12 passes the applicable license examination.

193.13 Sec. 9. **REVISOR'S INSTRUCTION.**

193.14 The revisor of statutes shall renumber each section of Minnesota Statutes listed in  
193.15 column A with the number listed in column B. The revisor shall also make necessary  
193.16 cross-reference changes consistent with the renumbering.

193.17	<u>Column A</u>	<u>Column B</u>
193.18	<u>326.46</u>	<u>326B.90</u>
193.19	<u>326.461</u>	<u>326B.91</u>
193.20	<u>326.47</u>	<u>326B.92</u>
193.21	<u>326.48</u>	<u>326B.93</u>
193.22	<u>326.50</u>	<u>326B.94</u>

193.23 **ARTICLE 12**  
193.24 **CONFORMING CHANGES**

193.25 Section 1. Minnesota Statutes 2006, section 31.175, is amended to read:

193.26 **31.175 WATER, PLUMBING, AND SEWAGE.**

193.27 A person who is required by statutes administered by the Department of Agriculture,  
193.28 or by rules adopted pursuant to those statutes, to provide a suitable water supply, or  
193.29 plumbing or sewage disposal system, may not engage in the business of manufacturing,  
193.30 processing, selling, handling, or storing food at wholesale or retail unless the person's  
193.31 water supply is satisfactory under plumbing codes adopted by the Department of ~~Health~~  
193.32 Labor and Industry and the person's sewage disposal system satisfies the rules of the  
193.33 Pollution Control Agency.

194.1 Sec. 2. Minnesota Statutes 2006, section 103I.621, subdivision 3, is amended to read:

194.2 Subd. 3. **Construction requirements.** (a) Withdrawal and reinjection for the  
194.3 groundwater thermal exchange device must be accomplished by a closed system in which  
194.4 the waters drawn for thermal exchange do not have contact or commingle with water  
194.5 from other sources or with polluting material or substances. The closed system must be  
194.6 constructed to allow an opening for inspection by the commissioner.

194.7 (b) Wells that are part of a groundwater thermal exchange system may not serve  
194.8 another function, except water may be supplied to the domestic water system if:

194.9 (1) the supply is taken from the thermal exchange system ahead of the heat exchange  
194.10 unit; and

194.11 (2) the domestic water system is protected by an airgap or backflow prevention  
194.12 device as described in rules relating to plumbing enforced by the commissioner of labor  
194.13 and industry.

194.14 (c) A groundwater thermal exchange system may be used for domestic water heating  
194.15 only if the water heating device is an integral part of the heat exchange unit that is used for  
194.16 space heating and cooling.

194.17 Sec. 3. Minnesota Statutes 2006, section 144.122, is amended to read:

194.18 **144.122 LICENSE, PERMIT, AND SURVEY FEES.**

194.19 (a) The state commissioner of health, by rule, may prescribe procedures and fees  
194.20 for filing with the commissioner as prescribed by statute and for the issuance of original  
194.21 and renewal permits, licenses, registrations, and certifications issued under authority of  
194.22 the commissioner. The expiration dates of the various licenses, permits, registrations,  
194.23 and certifications as prescribed by the rules shall be plainly marked thereon. Fees may  
194.24 include application and examination fees and a penalty fee for renewal applications  
194.25 submitted after the expiration date of the previously issued permit, license, registration,  
194.26 and certification. The commissioner may also prescribe, by rule, reduced fees for permits,  
194.27 licenses, registrations, and certifications when the application therefor is submitted  
194.28 during the last three months of the permit, license, registration, or certification period.  
194.29 Fees proposed to be prescribed in the rules shall be first approved by the Department of  
194.30 Finance. All fees proposed to be prescribed in rules shall be reasonable. The fees shall be  
194.31 in an amount so that the total fees collected by the commissioner will, where practical,  
194.32 approximate the cost to the commissioner in administering the program. All fees collected  
194.33 shall be deposited in the state treasury and credited to the state government special revenue  
194.34 fund unless otherwise specifically appropriated by law for specific purposes.

195.1 (b) The commissioner may charge a fee for voluntary certification of medical  
 195.2 laboratories and environmental laboratories, and for environmental and medical laboratory  
 195.3 services provided by the department, without complying with paragraph (a) or chapter 14.  
 195.4 Fees charged for environment and medical laboratory services provided by the department  
 195.5 must be approximately equal to the costs of providing the services.

195.6 (c) The commissioner may develop a schedule of fees for diagnostic evaluations  
 195.7 conducted at clinics held by the services for children with disabilities program. All  
 195.8 receipts generated by the program are annually appropriated to the commissioner for use  
 195.9 in the maternal and child health program.

195.10 (d) The commissioner shall set license fees for hospitals and nursing homes that are  
 195.11 not boarding care homes at the following levels:

195.12	Joint Commission on Accreditation of	
195.13	Healthcare Organizations (JCAHO) and	
195.14	American Osteopathic Association (AOA)	
195.15	hospitals	\$7,555 plus \$13 per bed
195.16	Non-JCAHO and non-AOA hospitals	\$5,180 plus \$247 per bed
195.17	Nursing home	\$183 plus \$91 per bed

195.18 The commissioner shall set license fees for outpatient surgical centers, boarding care  
 195.19 homes, and supervised living facilities at the following levels:

195.20	Outpatient surgical centers	\$3,349
195.21	Boarding care homes	\$183 plus \$91 per bed
195.22	Supervised living facilities	\$183 plus \$91 per bed.

195.23 (e) Unless prohibited by federal law, the commissioner of health shall charge  
 195.24 applicants the following fees to cover the cost of any initial certification surveys required  
 195.25 to determine a provider's eligibility to participate in the Medicare or Medicaid program:

195.26	Prospective payment surveys for hospitals	\$900
195.27	Swing bed surveys for nursing homes	\$1,200
195.28	Psychiatric hospitals	\$1,400
195.29	Rural health facilities	\$1,100
195.30	Portable x-ray providers	\$500
195.31	Home health agencies	\$1,800
195.32	Outpatient therapy agencies	\$800
195.33	End stage renal dialysis providers	\$2,100
195.34	Independent therapists	\$800
195.35	Comprehensive rehabilitation outpatient	
195.36	facilities	\$1,200
195.37	Hospice providers	\$1,700
195.38	Ambulatory surgical providers	\$1,800

196.1	Hospitals	\$4,200
196.2	Other provider categories or additional	Actual surveyor costs:
196.3	resurveys required to complete initial	average surveyor cost x
196.4	certification	number of hours for the
196.5		survey process.

196.6 These fees shall be submitted at the time of the application for federal certification  
 196.7 and shall not be refunded. All fees collected after the date that the imposition of fees is not  
 196.8 prohibited by federal law shall be deposited in the state treasury and credited to the state  
 196.9 government special revenue fund.

196.10 ~~(f) The commissioner shall charge the following fees for examinations, registrations,~~  
 196.11 ~~licenses, and inspections:~~

196.12	<del>Plumbing examination</del>	<del>\$ 50</del>
196.13	<del>Water conditioning examination</del>	<del>\$ 50</del>
196.14	<del>Plumbing bond registration fee</del>	<del>\$ 40</del>
196.15	<del>Water conditioning bond registration fee</del>	<del>\$ 40</del>
196.16	<del>Master plumber's license</del>	<del>\$120</del>
196.17	<del>Journeyman plumber's license</del>	<del>\$ 55</del>
196.18	<del>Apprentice registration</del>	<del>\$ 25</del>
196.19	<del>Water conditioning contractor license</del>	<del>\$ 70</del>
196.20	<del>Water conditioning installer license</del>	<del>\$ 35</del>
196.21	<del>Residential inspection fee (each visit)</del>	<del>\$ 50</del>
196.22	<del>Public, commercial, and industrial</del>	<del>Inspection fee</del>
196.23	<del>inspections</del>	
196.24	<del>25 or fewer drainage fixture units</del>	<del>\$ 300</del>
196.25	<del>26 to 50 drainage fixture units</del>	<del>\$ 900</del>
196.26	<del>51 to 150 drainage fixture units</del>	<del>\$1,200</del>
196.27	<del>151 to 249 drainage fixture units</del>	<del>\$1,500</del>
196.28	<del>250 or more drainage fixture units</del>	<del>\$1,800</del>
196.29	<del>Callback fee (each visit)</del>	<del>\$100</del>

196.30 **EFFECTIVE DATE.** This section is effective July 1, 2007.

196.31 Sec. 4. Minnesota Statutes 2006, section 144.99, subdivision 1, is amended to read:

196.32 Subdivision 1. **Remedies available.** The provisions of chapters 103I and 157 and  
 196.33 sections 115.71 to 115.77; 144.12, subdivision 1, paragraphs (1), (2), (5), (6), (10), (12),  
 196.34 (13), (14), and (15); 144.1201 to 144.1204; 144.121; 144.1222; 144.35; 144.381 to  
 196.35 144.385; 144.411 to 144.417; 144.495; 144.71 to 144.74; 144.9501 to 144.9509; 144.992;  
 196.36 ~~326.37 to 326.45; 326.57~~ 326.70 to 326.785; 327.10 to 327.131; and 327.14 to 327.28 and  
 196.37 all rules, orders, stipulation agreements, settlements, compliance agreements, licenses,  
 196.38 registrations, certificates, and permits adopted or issued by the department or under any

197.1 other law now in force or later enacted for the preservation of public health may, in  
 197.2 addition to provisions in other statutes, be enforced under this section.

197.3 Sec. 5. Minnesota Statutes 2006, section 175.16, subdivision 1, is amended to read:

197.4 Subdivision 1. **Established.** The Department of Labor and Industry shall consist  
 197.5 of the following divisions: Division of Workers' Compensation, Division of ~~Boiler~~  
 197.6 ~~Inspection~~ Construction Codes and Licensing, Division of Occupational Safety and  
 197.7 Health, Division of Statistics, ~~Division of Steamfitting Standards~~, Division of Labor  
 197.8 Standards and Apprenticeship, and such other divisions as the commissioner of the  
 197.9 Department of Labor and Industry may deem necessary and establish. Each division of  
 197.10 the department and persons in charge thereof shall be subject to the supervision of the  
 197.11 commissioner of the Department of Labor and Industry and, in addition to such duties  
 197.12 as are or may be imposed on them by statute, shall perform such other duties as may be  
 197.13 assigned to them by the commissioner. Notwithstanding any other law to the contrary,  
 197.14 the commissioner is the administrator and supervisor of all of the department's dispute  
 197.15 resolution functions and personnel and may delegate authority to compensation judges  
 197.16 and others to make determinations under sections 176.106, 176.238, and 176.239 and to  
 197.17 approve settlement of claims under section 176.521.

197.18 Sec. 6. Minnesota Statutes 2006, section 214.01, subdivision 3, is amended to read:

197.19 Subd. 3. **Non-health-related licensing board.** "Non-health-related licensing  
 197.20 board" means the Board of Teaching established pursuant to section 122A.07, the Board  
 197.21 of Barber Examiners established pursuant to section 154.001, the Board of Assessors  
 197.22 established pursuant to section 270.41, the Board of Architecture, Engineering, Land  
 197.23 Surveying, Landscape Architecture, Geoscience, and Interior Design established pursuant  
 197.24 to section 326.04, ~~the Board of Electricity established pursuant to section 326.241~~, the  
 197.25 Private Detective and Protective Agent Licensing Board established pursuant to section  
 197.26 326.33, the Board of Accountancy established pursuant to section 326A.02, and the Peace  
 197.27 Officer Standards and Training Board established pursuant to section 626.841.

197.28 Sec. 7. Minnesota Statutes 2006, section 214.04, subdivision 1, is amended to read:

197.29 Subdivision 1. **Services provided.** (a) ~~The commissioner of administration with~~  
 197.30 ~~respect to the Board of Electricity~~, the commissioner of education with respect to the  
 197.31 Board of Teaching; the commissioner of public safety with respect to the Board of Private  
 197.32 Detective and Protective Agent Services; the panel established pursuant to section  
 197.33 299A.465, subdivision 7; the Board of Peace Officer Standards and Training; and the

198.1 commissioner of revenue with respect to the Board of Assessors, shall provide suitable  
198.2 offices and other space, joint conference and hearing facilities, examination rooms, and  
198.3 the following administrative support services: purchasing service, accounting service,  
198.4 advisory personnel services, consulting services relating to evaluation procedures and  
198.5 techniques, data processing, duplicating, mailing services, automated printing of license  
198.6 renewals, and such other similar services of a housekeeping nature as are generally  
198.7 available to other agencies of state government. Investigative services shall be provided  
198.8 the boards by employees of the Office of Attorney General. The commissioner of health  
198.9 with respect to the health-related licensing boards shall provide mailing and office supply  
198.10 services and may provide other facilities and services listed in this subdivision at a  
198.11 central location upon request of the health-related licensing boards. The commissioner of  
198.12 commerce with respect to the remaining non-health-related licensing boards shall provide  
198.13 the above facilities and services at a central location for the remaining non-health-related  
198.14 licensing boards. The legal and investigative services for the boards shall be provided  
198.15 by employees of the attorney general assigned to the departments servicing the boards.  
198.16 Notwithstanding the foregoing, the attorney general shall not be precluded by this section  
198.17 from assigning other attorneys to service a board if necessary in order to insure competent  
198.18 and consistent legal representation. Persons providing legal and investigative services  
198.19 shall to the extent practicable provide the services on a regular basis to the same board  
198.20 or boards.

198.21 (b) The requirements in paragraph (a) with respect to the panel established in section  
198.22 299A.465, subdivision 7, expire July 1, 2008.

198.23 Sec. 8. Minnesota Statutes 2006, section 214.04, subdivision 3, is amended to read:

198.24 Subd. 3. **Officers; staff.** The executive director of each health-related board and  
198.25 the executive secretary of each non-health-related board shall be the chief administrative  
198.26 officer for the board but shall not be a member of the board. The executive director or  
198.27 executive secretary shall maintain the records of the board, account for all fees received  
198.28 by it, supervise and direct employees servicing the board, and perform other services as  
198.29 directed by the board. The executive directors, executive secretaries, and other employees  
198.30 of the following boards shall be hired by the board, and the executive directors or executive  
198.31 secretaries shall be in the unclassified civil service, except as provided in this subdivision:

198.32 (1) Dentistry;

198.33 (2) Medical Practice;

198.34 (3) Nursing;

198.35 (4) Pharmacy;

- 199.1 (5) Accountancy;
- 199.2 (6) Architecture, Engineering, Land Surveying, Landscape Architecture,
- 199.3 Geoscience, and Interior Design;
- 199.4 (7) Barber Examiners;
- 199.5 (8) Cosmetology;
- 199.6 ~~(9) Electricity;~~
- 199.7 ~~(10) (9) Teaching;~~
- 199.8 ~~(11) (10) Peace Officer Standards and Training;~~
- 199.9 ~~(12) (11) Social Work;~~
- 199.10 ~~(13) (12) Marriage and Family Therapy;~~
- 199.11 ~~(14) (13) Dietetics and Nutrition Practice; and~~
- 199.12 ~~(15) (14) Licensed Professional Counseling.~~

199.13 The executive directors or executive secretaries serving the boards are hired by those

199.14 boards and are in the unclassified civil service, except for part-time executive directors

199.15 or executive secretaries, who are not required to be in the unclassified service. Boards

199.16 not requiring full-time executive directors or executive secretaries may employ them on

199.17 a part-time basis. To the extent practicable, the sharing of part-time executive directors

199.18 or executive secretaries by boards being serviced by the same department is encouraged.

199.19 Persons providing services to those boards not listed in this subdivision, except executive

199.20 directors or executive secretaries of the boards and employees of the attorney general, are

199.21 classified civil service employees of the department servicing the board. To the extent

199.22 practicable, the commissioner shall ensure that staff services are shared by the boards

199.23 being serviced by the department. If necessary, a board may hire part-time, temporary

199.24 employees to administer and grade examinations.

199.25 Sec. 9. Minnesota Statutes 2006, section 326.975, subdivision 1, is amended to read:

199.26 Subdivision 1. **Generally.** (a) In addition to any other fees, each applicant for a

199.27 license under sections 326.83 to 326.98 shall pay a fee to the contractor's recovery fund.

199.28 The contractor's recovery fund is created in the state treasury and must be administered

199.29 by the commissioner in the manner and subject to all the requirements and limitations

199.30 provided by section 82.43 ~~with the following exceptions:~~

199.31 ~~(1) each licensee who renews a license shall pay in addition to the appropriate~~

199.32 ~~renewal fee an additional fee which shall be credited to the contractor's recovery fund. The~~

199.33 ~~amount of the fee shall be based on the licensee's gross annual receipts for the licensee's~~

199.34 ~~most recent fiscal year preceding the renewal, on the following scale:~~

200.1	Fee	<del>Gross Receipts</del>
200.2	\$100	<del>under \$1,000,000</del>
200.3	\$150	<del>\$1,000,000 to \$5,000,000</del>
200.4	\$200	<del>over \$5,000,000</del>

200.5 ~~Any person who receives a new license shall pay a fee based on the same scale;~~

200.6 ~~(2)~~ (1) The purpose of this fund is:

200.7 (i) to compensate any aggrieved owner or lessee of residential property located  
 200.8 within this state who obtains a final judgment in any court of competent jurisdiction  
 200.9 against a licensee licensed under section 326.84, on grounds of fraudulent, deceptive, or  
 200.10 dishonest practices, conversion of funds, or failure of performance arising directly out  
 200.11 of any transaction when the judgment debtor was licensed and performed any of the  
 200.12 activities enumerated under section 326.83, subdivision 19, on the owner's residential  
 200.13 property or on residential property rented by the lessee, or on new residential construction  
 200.14 which was never occupied prior to purchase by the owner, or which was occupied by the  
 200.15 licensee for less than one year prior to purchase by the owner, and which cause of action  
 200.16 arose on or after April 1, 1994; and

200.17 (ii) to reimburse the Department of Commerce for all legal and administrative  
 200.18 expenses, including staffing costs, incurred in administering the fund;

200.19 ~~(3)~~ (2) nothing may obligate the fund for more than \$50,000 per claimant, nor more  
 200.20 than \$75,000 per licensee; and

200.21 ~~(4)~~ (3) nothing may obligate the fund for claims based on a cause of action that  
 200.22 arose before the licensee paid the recovery fund fee set in clause (1), or as provided in  
 200.23 section 326.945, subdivision 3.

200.24 (b) Should the commissioner pay from the contractor's recovery fund any amount  
 200.25 in settlement of a claim or toward satisfaction of a judgment against a licensee, the  
 200.26 license shall be automatically suspended upon the effective date of an order by the court  
 200.27 authorizing payment from the fund. No licensee shall be granted reinstatement until the  
 200.28 licensee has repaid in full, plus interest at the rate of 12 percent a year, twice the amount  
 200.29 paid from the fund on the licensee's account, and has obtained a surety bond issued by an  
 200.30 insurer authorized to transact business in this state in the amount of at least \$40,000.

200.31 **EFFECTIVE DATE.** This section is effective July 1, 2007.

200.32 Sec. 10. Minnesota Statutes 2006, section 327.20, subdivision 1, is amended to read:

200.33 Subdivision 1. **Rules.** No domestic animals or house pets of occupants of  
 200.34 manufactured home parks or recreational camping areas shall be allowed to run at large,  
 200.35 or commit any nuisances within the limits of a manufactured home park or recreational

201.1 camping area. Each manufactured home park or recreational camping area licensed under  
201.2 the provisions of sections 327.10, 327.11, 327.14 to 327.28 shall, among other things,  
201.3 provide for the following, in the manner hereinafter specified:

201.4 (1) A responsible attendant or caretaker shall be in charge of every manufactured  
201.5 home park or recreational camping area at all times, who shall maintain the park or  
201.6 area, and its facilities and equipment in a clean, orderly and sanitary condition. In any  
201.7 manufactured home park containing more than 50 lots, the attendant, caretaker, or other  
201.8 responsible park employee, shall be readily available at all times in case of emergency.

201.9 (2) All manufactured home parks shall be well drained and be located so that the  
201.10 drainage of the park area will not endanger any water supply. No wastewater from  
201.11 manufactured homes or recreational camping vehicles shall be deposited on the surface of  
201.12 the ground. All sewage and other water carried wastes shall be discharged into a municipal  
201.13 sewage system whenever available. When a municipal sewage system is not available, a  
201.14 sewage disposal system acceptable to the state commissioner of health shall be provided.

201.15 (3) No manufactured home shall be located closer than three feet to the side lot lines  
201.16 of a manufactured home park, if the abutting property is improved property, or closer than  
201.17 ten feet to a public street or alley. Each individual site shall abut or face on a driveway  
201.18 or clear unoccupied space of not less than 16 feet in width, which space shall have  
201.19 unobstructed access to a public highway or alley. There shall be an open space of at least  
201.20 ten feet between the sides of adjacent manufactured homes including their attachments  
201.21 and at least three feet between manufactured homes when parked end to end. The space  
201.22 between manufactured homes may be used for the parking of motor vehicles and other  
201.23 property, if the vehicle or other property is parked at least ten feet from the nearest  
201.24 adjacent manufactured home position. The requirements of this paragraph shall not apply  
201.25 to recreational camping areas and variances may be granted by the state commissioner  
201.26 of health in manufactured home parks when the variance is applied for in writing and in  
201.27 the opinion of the commissioner the variance will not endanger the health, safety, and  
201.28 welfare of manufactured home park occupants.

201.29 (4) An adequate supply of water of safe, sanitary quality shall be furnished at each  
201.30 manufactured home park or recreational camping area. The source of the water supply  
201.31 shall first be approved by the state Department of Health.

201.32 (5) All plumbing shall be installed in accordance with the rules of the state  
201.33 commissioner of ~~health~~ labor and industry and the provisions of the Minnesota Plumbing  
201.34 Code.

201.35 (6) In the case of a manufactured home park with less than ten manufactured homes,  
201.36 a plan for the sheltering or the safe evacuation to a safe place of shelter of the residents of

202.1 the park in times of severe weather conditions, such as tornadoes, high winds, and floods.  
 202.2 The shelter or evacuation plan shall be developed with the assistance and approval of  
 202.3 the municipality where the park is located and shall be posted at conspicuous locations  
 202.4 throughout the park. The park owner shall provide each resident with a copy of the  
 202.5 approved shelter or evacuation plan, as provided by section 327C.01, subdivision 1c.  
 202.6 Nothing in this paragraph requires the Department of Health to review or approve any  
 202.7 shelter or evacuation plan developed by a park. Failure of a municipality to approve a plan  
 202.8 submitted by a park shall not be grounds for action against the park by the Department of  
 202.9 Health if the park has made a good faith effort to develop the plan and obtain municipal  
 202.10 approval.

202.11 (7) A manufactured home park with ten or more manufactured homes, licensed prior  
 202.12 to March 1, 1988, shall provide a safe place of shelter for park residents or a plan for the  
 202.13 evacuation of park residents to a safe place of shelter within a reasonable distance of the  
 202.14 park for use by park residents in times of severe weather, including tornadoes and high  
 202.15 winds. The shelter or evacuation plan must be approved by the municipality by March 1,  
 202.16 1989. The municipality may require the park owner to construct a shelter if it determines  
 202.17 that a safe place of shelter is not available within a reasonable distance from the park. A  
 202.18 copy of the municipal approval and the plan shall be submitted by the park owner to the  
 202.19 Department of Health. The park owner shall provide each resident with a copy of the  
 202.20 approved shelter or evacuation plan, as provided by section 327C.01, subdivision 1c.

202.21 (8) A manufactured home park with ten or more manufactured homes, receiving  
 202.22 a primary license after March 1, 1988, must provide the type of shelter required by  
 202.23 section 327.205, except that for manufactured home parks established as temporary,  
 202.24 emergency housing in a disaster area declared by the President of the United States or  
 202.25 the governor, an approved evacuation plan may be provided in lieu of a shelter for a  
 202.26 period not exceeding 18 months.

202.27 (9) For the purposes of this subdivision, "park owner" and "resident" have the  
 202.28 meaning given them in section 327C.01.

202.29 Sec. 11. Minnesota Statutes 2006, section 327.205, is amended to read:

202.30 **327.205 SHELTER CONSTRUCTION STANDARDS.**

202.31 The commissioner of ~~administration~~ labor and industry shall adopt, by rule,  
 202.32 minimum standards for the construction of low cost manufactured home park storm  
 202.33 shelters by March 1, 1988. All shelters constructed after March 1, 1988, shall be  
 202.34 constructed in accordance with these standards.

203.1 Sec. 12. Minnesota Statutes 20064, section 327A.01, subdivision 2, is amended to read:

203.2 Subd. 2. **Building standards.** "Building standards" means the materials and  
 203.3 installation standards of the State Building Code, adopted by the commissioner of  
 203.4 ~~administration~~ labor and industry pursuant to sections 16B.59 to 16B.75, in effect at  
 203.5 the time of the construction or remodeling.

203.6 Sec. 13. Minnesota Statutes 2006, section 363A.40, subdivision 1, is amended to read:

203.7 Subdivision 1. **Definitions.** The definitions in this subdivision apply to this section.

203.8 (a) "Accessible unit" means an accessible rental housing unit that meets the  
 203.9 ~~disability facility~~ persons with disabilities requirements of the State Building Code;  
 203.10 ~~Minnesota Rules, chapter 1340.~~

203.11 (b) "Landlord" has the meaning given it in section 504B.001, subdivision 7.

203.12 Sec. 14. Minnesota Statutes 2006, section 462.357, subdivision 6a, is amended to read:

203.13 Subd. 6a. **Normal residential surroundings for ~~disabled~~ persons with**  
 203.14 **disabilities**. It is the policy of this state that ~~disabled~~ persons and children with disabilities  
 203.15 should not be excluded by municipal zoning ordinances or other land use regulations from  
 203.16 the benefits of normal residential surroundings. For purposes of subdivisions 6a through  
 203.17 9, "person" has the meaning given in section 245A.02, subdivision 11.

203.18 Sec. 15. Minnesota Statutes 2006, section 462A.07, subdivision 8, is amended to read:

203.19 Subd. 8. **State Building Code.** It may assist the commissioner of ~~administration~~  
 203.20 labor and industry in the development, implementation and revision of ~~a uniform~~ the  
 203.21 State Building Code.

203.22 Sec. 16. Minnesota Statutes 2006, section 471.465, is amended to read:

203.23 **471.465 PERSONS WITH DISABILITIES; BUILDING REGULATIONS;**  
 203.24 **DEFINITIONS.**

203.25 Subdivision 1. **Scope.** For the purposes of sections 471.465 to 471.469, the terms  
 203.26 defined in this section have the meanings given them.

203.27 Subd. 2. **Buildings and facilities.** "Buildings and facilities" means any and all  
 203.28 buildings and facilities and the grounds appurtenant thereto within any city, township or  
 203.29 other governmental subdivision of the state other than all farm dwellings and buildings  
 203.30 and single and two family dwellings. However, on the date on which rules promulgated by  
 203.31 the commissioner of ~~administration~~ labor and industry regarding building requirements for  
 203.32 ~~disabled~~ persons with disabilities shall become effective, "buildings and facilities" shall

204.1 mean only those structures which must provide facilities for ~~the disabled~~ persons with  
 204.2 disabilities pursuant to said rules.

204.3 Subd. 3. **Physically disabled Persons with disabilities.** "~~Physically disabled~~  
 204.4 Persons with disabilities" means and includes people having sight disabilities, hearing  
 204.5 disabilities, disabilities of incoordination, disabilities of aging, and any other disability  
 204.6 that significantly reduces mobility, flexibility, coordination, or perceptiveness.

204.7 Subd. 4. **Remodeling.** "Remodeling" means deliberate reconstruction of an existing  
 204.8 building or facility in whole or in part in order to bring it up to date to conform with  
 204.9 present uses of the structure and to conform with rules and regulations on the upgrading  
 204.10 of health and safety aspects of structures.

204.11 Subd. 5. **Local authority.** "Local authority" means the local authority having  
 204.12 jurisdiction over local building construction.

204.13 Sec. 17. Minnesota Statutes 2006, section 471.466, is amended to read:

204.14 **471.466 ADMINISTRATION AND ENFORCEMENT.**

204.15 The duty and power to administer and enforce sections 471.465 to 471.469 is  
 204.16 conferred upon and vested in the commissioner of ~~administration~~ labor and industry and  
 204.17 the local authority.

204.18 Sec. 18. Minnesota Statutes 2006, section 471.467, is amended to read:

204.19 **471.467 BUILDING REQUIREMENTS; CONFORMITY.**

204.20 Subdivision 1. **Date applicable.** On the date on which rules promulgated by the  
 204.21 commissioner of ~~administration~~ labor and industry regarding building requirements for  
 204.22 ~~disabled~~ persons with disabilities shall become effective, said rules shall exclusively  
 204.23 govern the provision of facilities.

204.24 Subd. 2. **No remodeling if solely for disabled persons with disabilities.** Nothing  
 204.25 in sections 471.465 to 471.469 shall be construed to require the remodeling of buildings  
 204.26 solely to provide accessibility and usability to ~~the physically disabled~~ persons with  
 204.27 disabilities when remodeling would not otherwise be undertaken.

204.28 Subd. 3. **Applies to remodeled part.** When any building or facility covered  
 204.29 by sections 471.465 to 471.469 undergoes remodeling either in whole or in part, that  
 204.30 portion of the building or facility remodeled shall conform to the requirements of sections  
 204.31 471.465 to 471.469.

205.1 Sec. 19. Minnesota Statutes 2006, section 471.471, is amended to read:

205.2 **471.471 ACCESS REVIEW BOARD.**

205.3 Subdivision 1. **Membership.** The Access Review Board consists of:

205.4 (1) a representative of the ~~Building Code and Standards Division of the Department~~  
205.5 of ~~Administration~~ Labor and Industry, appointed by the commissioner of ~~administration~~  
205.6 labor and industry;

205.7 (2) a representative of the state fire marshal's office, appointed by the commissioner  
205.8 of public safety;

205.9 (3) the commissioner of human rights or the commissioner's designee;

205.10 (4) a representative of the elevator safety section, designated by the commissioner  
205.11 of labor and industry ~~or the commissioner's designee~~; and

205.12 (5) the chair of the Council on Disability or the chair's designee.

205.13 The board shall elect a chair from among its members. Terms of members coincide with  
205.14 the terms of their appointing authorities or, in the case of ex officio members or their  
205.15 designees, with the terms of the offices by virtue of which they are members of the board.  
205.16 Compensation of members is governed by section 15.0575, subdivision 3.

205.17 Subd. 2. **Staff; administrative support.** The commissioner of ~~administration~~ labor  
205.18 and industry shall furnish staff, office space, and administrative support to the board. Staff  
205.19 assigned to the board must be knowledgeable with respect to access codes, site surveys,  
205.20 plan design, and product use and eligibility.

205.21 Subd. 3. **Duties.** The board shall consider applications for waivers from the  
205.22 State Building Code to permit the installation of stairway chair lifts to provide limited  
205.23 accessibility for ~~the physically disabled~~ persons with disabilities to buildings in which  
205.24 the provision of access by means permitted under the State Building Code is not  
205.25 architecturally or financially possible. In considering applications, the board shall review  
205.26 other possible access options. The board may approve an application for installation of a  
205.27 stairway chair when the board determines that the installation would be appropriate and  
205.28 no other means of access is possible. In determining whether to approve an application,  
205.29 the board shall consider:

205.30 (1) the need for limited accessibility when a higher degree of accessibility is not  
205.31 required by state or federal law or rule;

205.32 (2) the architectural feasibility of providing a greater degree of accessibility than  
205.33 would be provided by the proposed device or equipment;

205.34 (3) the total cost of the proposed device or equipment over its projected usable life,  
205.35 including installation, maintenance, and replacement costs;

205.36 (4) the reliability of the proposed device or equipment;

206.1 (5) the applicant's ability to comply with all recognized access and safety standards  
 206.2 for installation and maintenance; and

206.3 (6) whether the proposed device or equipment can be operated and used without  
 206.4 reducing or compromising minimum safety standards.

206.5 The board shall consider the applicant's demonstrated inability to afford a greater degree  
 206.6 of accessibility, but may not give greater weight to this factor than to the factors listed  
 206.7 in clauses (1) to (6). The board may not approve an application unless the applicant  
 206.8 guarantees that the device or equipment will be installed and operated in accordance with  
 206.9 nationally recognized standards for such devices or equipment and agrees to obtain any  
 206.10 permits needed from the agency responsible for enforcing those standards.

206.11 Subd. 4. **Application process.** A person seeking a waiver shall apply to the  
 206.12 ~~Building Code and Standards Division of the Department of Administration~~ Labor and  
 206.13 Industry on a form prescribed by the board and pay a \$70 fee to the construction code  
 206.14 fund. The division shall review the application to determine whether it appears to be  
 206.15 meritorious, using the standards set out in subdivision 3. The division shall forward  
 206.16 applications it considers meritorious to the board, along with a list and summary of  
 206.17 applications considered not to be meritorious. The board may require the division to  
 206.18 forward to it an application the division has considered not to be meritorious. The board  
 206.19 shall issue a decision on an application within 90 days of its receipt. A board decision  
 206.20 to approve an application must be unanimous. An application that contains false or  
 206.21 misleading information must be rejected.

206.22 Subd. 5. **Liability.** Board members are immune from liability for personal injury or  
 206.23 death resulting from the use or misuse of a device or equipment installed and operated  
 206.24 under a waiver granted by the board.

206.25 **EFFECTIVE DATE.** This section is effective July 1, 2007.

## 206.26 **ARTICLE 13**

### 206.27 **REPEALER; EFFECTIVE DATE**

206.28 Section 1. **REPEALER.**

206.29 (a) Minnesota Statutes 2006, sections 16B.665; 16B.747, subdivision 4; 183.001;  
 206.30 183.02; 183.375, subdivisions 1, 2, 3, 4, and 6; 183.41, subdivisions 1, 2, 3, and 4; 183.44,  
 206.31 subdivisions 1, 2, and 3; 183.52; 183.54, subdivision 2; 183.61, subdivisions 1, 3, 5, and  
 206.32 6; 326.01, subdivisions 6h, 10, 11, and 12; 326.242, subdivisions 9, 9a, 9b, 9c, 9d, 9e, 9f,  
 206.33 9g, 9h, 9i, 9j, 9k, and 10; 326.244, subdivision 6; 326.246; 326.2461; 326.40, subdivision  
 206.34 4; 326.41; 326.45; 326.47, subdivision 5; 326.51; 326.521; 326.83, subdivisions 3, 4, 12,

207.1 and 13; 326.85; 326.875; 326.91, subdivisions 2, 3, and 4; 326.945; 326.975; 326.98; and  
207.2 327B.05, subdivisions 2, 3, 4, 5, and 6, are repealed.

207.3 (b) Minnesota Statutes 2006, sections 183.375, subdivision 5; 183.545, subdivision  
207.4 9; 326.01, subdivision 13; 326.44; 326.52; and 326.64, are repealed.

207.5 (c) Minnesota Rules, parts 2809.0230; 2891.0010; 2891.0030; 3800.2650;  
207.6 3800.3580; 3800.3590; 3800.3630; 3800.3750; 3800.3835; 4715.5600; 4715.5900;  
207.7 4717.7000, subpart 1, item I; 5225.0880; 5225.8600, subparts 1, 2, 3, 4, 5, 6, 7, 8, and  
207.8 9; 5230.0010; 5230.0020; 5230.0040; 5230.0060, subpart 2; and 5230.0100, subparts  
207.9 1, 3, and 4, are repealed.

207.10 **EFFECTIVE DATE.** Paragraphs (a) and (c) are effective December 1, 2007.

207.11 Paragraph (b) is effective July 1, 2007.

207.12 **Sec. 2. EFFECTIVE DATE.**

207.13 This act is effective December 1, 2007, except when another date is specified. The  
207.14 revisor's instructions contained in this act shall be implemented for the 2008 edition of  
207.15 Minnesota Statutes.