

A bill for an act

relating to economic development, labor, and industry; modifying grant and loan programs; modifying duties; making technical changes; defining terms; creating the Minnesota Science and Technology Authority; modifying licensing provisions; imposing and modifying fees; modifying construction codes; requesting a study; requiring reports; appropriating money; amending Minnesota Statutes 2008, sections 116J.437, subdivision 1; 116J.8731, subdivisions 1, 4; 116J.996; 116L.665, subdivisions 3, 6, by adding a subdivision; 136F.06, by adding a subdivision; 268.035, by adding a subdivision; 268.085, subdivision 16; 268.095, subdivision 5; 268.101, by adding a subdivision; 268.184, subdivision 1; 326B.133, subdivisions 1, 3, 8, 11, by adding subdivisions; 326B.197; 326B.33, subdivisions 18, 20, 21; 326B.42, by adding subdivisions; 326B.44; 326B.46, as amended; 326B.47; 326B.475, subdivision 2; 326B.50, by adding subdivisions; 326B.54; 326B.55, as amended; 326B.56, as amended; 326B.805, subdivision 6; 326B.83, subdivisions 1, 3, 6; 326B.865; 326B.921, subdivisions 2, 4, 7; 326B.922; 326B.978, subdivision 2, by adding a subdivision; 327.31, subdivision 17, by adding subdivisions; 327.32, subdivision 1, by adding subdivisions; 327.34, subdivision 1; 327B.04, subdivision 2; 469.1082, subdivision 5; 471.59, subdivision 10; Minnesota Statutes 2009 Supplement, sections 116J.8731, subdivision 3; 268.035, subdivision 23a; 268.095, subdivisions 2, 6; 268.105, subdivision 1; 326B.33, subdivision 19; 326B.475, subdivision 4; 326B.49, subdivision 1; 326B.58; 326B.815, subdivision 1; 326B.86, subdivision 1; 326B.94, subdivision 4; 326B.986, subdivision 5; 327B.04, subdivisions 7, 7a, 8; 327B.041; Laws 2009, chapter 78, article 1, section 3, subdivision 2; Laws 2010, chapter 216, section 58; proposing coding for new law in Minnesota Statutes, chapters 116L; 326B; proposing coding for new law as Minnesota Statutes, chapter 116W; repealing Minnesota Statutes 2008, sections 116J.657; 326B.133, subdivisions 9, 10; 326B.37, subdivision 13; 326B.475, subdivisions 5, 6; 326B.56, subdivision 3; 326B.885, subdivisions 3, 4; 326B.976; 327.32, subdivision 4; 327C.07, subdivisions 3a, 8; Minnesota Statutes 2009 Supplement, sections 326B.56, subdivision 4; 326B.986, subdivision 2; Minnesota Rules, parts 1301.0500; 1301.0900; 1301.1100, subparts 2, 3, 4; 1350.7200, subpart 3; 1350.8000, subpart 2.

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

2.1 Section 1. Minnesota Statutes 2008, section 116J.437, subdivision 1, is amended to  
2.2 read:

2.3 Subdivision 1. **Definitions.** (a) For the purpose of this section, the following terms  
2.4 have the meanings given.

2.5 (b) "Green economy" means products, processes, methods, technologies, or services  
2.6 intended to do one or more of the following:

2.7 (1) increase the use of energy from renewable sources, including through achieving  
2.8 the renewable energy standard established in section 216B.1691;

2.9 (2) achieve the statewide energy-savings goal established in section 216B.2401,  
2.10 including energy savings achieved by the conservation investment program under section  
2.11 216B.241;

2.12 (3) achieve the greenhouse gas emission reduction goals of section 216H.02,  
2.13 subdivision 1, including through reduction of greenhouse gas emissions, as defined in  
2.14 section 216H.01, subdivision 2, or mitigation of the greenhouse gas emissions through,  
2.15 but not limited to, carbon capture, storage, or sequestration;

2.16 (4) monitor, protect, restore, and preserve the quality of surface waters, including  
2.17 actions to further the purposes of the Clean Water Legacy Act as provided in section  
2.18 114D.10, subdivision 1; ~~or~~

2.19 (5) expand the use of biofuels, including by expanding the feasibility or reducing the  
2.20 cost of producing biofuels or the types of equipment, machinery, and vehicles that can  
2.21 use biofuels, including activities to achieve the biofuels 25 by 2025 initiative in sections  
2.22 41A.10, subdivision 2, and 41A.11; or

2.23 (6) increase the use of green chemistry, as defined in section 116.9401.

2.24 For the purpose of clause (3), "green economy" includes strategies that reduce carbon  
2.25 emissions, such as utilizing existing buildings and other infrastructure, and utilizing mass  
2.26 transit or otherwise reducing commuting for employees.

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

2.28 Sec. 2. Minnesota Statutes 2008, section 116J.8731, subdivision 1, is amended to read:

2.29 Subdivision 1. **Purpose.** The Minnesota investment fund is created to provide  
2.30 financial and technical assistance, through partnership with communities, for the creation  
2.31 of new employment or to maintain existing employment, and for business start-up,  
2.32 expansions, and retention. It shall accomplish these goals by the following means:

2.33 (1) creation or retention of permanent private-sector jobs in order to create  
2.34 above-average economic growth consistent with environmental protection, which includes

3.1 investments in technology and equipment that increase productivity and provide for a  
3.2 higher wage;

3.3 (2) stimulation or leverage of private investment to ensure economic renewal and  
3.4 competitiveness;

3.5 (3) increasing the local tax base, based on demonstrated measurable outcomes, to  
3.6 guarantee a diversified industry mix;

3.7 (4) improving the quality of existing jobs, based on increases in wages or  
3.8 improvements in the job duties, training, or education associated with those jobs;

3.9 (5) improvement of employment and economic opportunity for citizens in the region  
3.10 to create a reasonable standard of living, consistent with federal and state guidelines  
3.11 on low- to moderate-income persons; and

3.12 (6) stimulation of productivity growth through improved manufacturing or new  
3.13 technologies, including cold weather testing.

3.14 Sec. 3. Minnesota Statutes 2009 Supplement, section 116J.8731, subdivision 3, is  
3.15 amended to read:

3.16 Subd. 3. **Eligible expenditures.** The money appropriated for this section may be  
3.17 used to ~~fund~~:

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

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

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

3.31 Sec. 4. Minnesota Statutes 2008, section 116J.8731, subdivision 4, is amended to read:

3.32 Subd. 4. **Eligible projects.** Assistance must be evaluated on the existence of the  
3.33 following conditions:

4.1 (1) creation of new jobs, retention of existing jobs, or improvements in the quality of  
4.2 existing jobs as measured by the wages, skills, or education associated with those jobs;

4.3 (2) increase in the tax base;

4.4 (3) the project can demonstrate that investment of public dollars induces private  
4.5 funds;

4.6 (4) the project can demonstrate an excessive public infrastructure or improvement  
4.7 cost beyond the means of the affected community and private participants in the project;

4.8 (5) the project provides higher wage levels to the community or will add value to  
4.9 current workforce skills;

4.10 (6) the project supports the development of microenterprises, as defined by federal  
4.11 statutes, through financial assistance, technical assistance, advice, or business services;

4.12 ~~(6)~~ (7) whether assistance is necessary to retain existing business;

4.13 ~~(7)~~ (8) whether assistance is necessary to attract out-of-state business; and

4.14 ~~(8)~~ (9) the project promotes or advances the green economy as defined in section  
4.15 116J.437.

4.16 A grant or loan cannot be made based solely on a finding that the conditions in  
4.17 clause ~~(6)~~ (7) or ~~(7)~~ (8) exist. A finding must be made that a condition in clause (1), (2),  
4.18 (3), (4), ~~or~~ (5), or (6) also exists.

4.19 Applications recommended for funding shall be submitted to the commissioner.

4.20 Sec. 5. Minnesota Statutes 2008, section 116J.996, is amended to read:

4.21 **116J.996 MILITARY RESERVIST ECONOMIC INJURY AND**  
4.22 **VETERAN-OWNED SMALL BUSINESS LOANS.**

4.23 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this  
4.24 section.

4.25 (b) "Active service" has the meaning given in section 190.05.

4.26 (c) "Commissioner" means the commissioner of employment and economic  
4.27 development.

4.28 (d) "Eligible business" means a small business, as defined in section 645.445, that  
4.29 was operating in Minnesota on the date a military reservist received orders for active  
4.30 service.

4.31 (e) "Essential employee" means a military reservist who is an owner or employee  
4.32 of an eligible business and whose managerial or technical expertise is critical to the  
4.33 day-to-day operation of the eligible business.

4.34 (f) "Military reservist" means a member of the reserve component of the armed  
4.35 forces.

5.1 (g) "Reserve component of the armed forces" has the meaning given it in United  
5.2 States Code, title 10, section 101(c).

5.3 (h) "Substantial economic injury" means an economic harm to an eligible business  
5.4 that results in the inability of the eligible business to:

5.5 (1) meet its obligations as they mature;

5.6 (2) pay its ordinary and necessary operating expenses; or

5.7 (3) manufacture, produce, market, or provide a product or service ordinarily  
5.8 manufactured, produced, marketed, or provided by the eligible business.

5.9 (i) "Veteran-owned small business" means a small business, as defined in section  
5.10 645.445, that is majority-owned and operated by a recently separated veteran.

5.11 Subd. 2. **Loan program.** The commissioner may make onetime, interest-free  
5.12 loans of up to \$20,000 per borrower to:

5.13 (1) eligible businesses that have sustained or are likely to sustain substantial  
5.14 economic injury as a result of the call to active service for 180 days or more of an essential  
5.15 employee; or

5.16 (2) recently separated veterans who are veterans as defined in section 197.447,  
5.17 and have served in active military service, at any time on or after September 11, 2001,  
5.18 to start a veteran-owned small business.

5.19 Loans for economic injury must be made for the purpose of preventing, remedying, or  
5.20 ameliorating the substantial economic injury.

5.21 Subd. 3. **Revolving loan account.** The commissioner shall use money appropriated  
5.22 for the purpose to establish a revolving loan account. All repayments of loans made  
5.23 under this section must be deposited into this account. Interest earned on money in the  
5.24 account accrues to the account. Money in the account is appropriated to the commissioner  
5.25 for purposes of the loan program created in this section, including costs incurred by the  
5.26 commissioner to establish and administer the program.

5.27 Subd. 4. **Rules.** Using the expedited rulemaking procedures of section 14.389, the  
5.28 commissioner shall develop and publish expedited rules for loan applications, use of  
5.29 funds, needed collateral, terms of loans, and other details of military reservist economic  
5.30 injury and veteran-owned small business loans.

5.31 Sec. 6. Minnesota Statutes 2008, section 116L.665, subdivision 3, is amended to read:

5.32 Subd. 3. **Purpose; duties.** The governor's Workforce Development Council shall  
5.33 replace the governor's Job Training Council and assume all of its requirements, duties,  
5.34 and responsibilities under the Workforce Investment Act. Additionally, the Workforce  
5.35 Development Council shall assume the following duties and responsibilities:

6.1 (a) Review the provision of services and the use of funds and resources under  
6.2 applicable federal human resource programs and advise the governor on methods of  
6.3 coordinating the provision of services and the use of funds and resources consistent with  
6.4 the laws and regulations governing the programs. For purposes of this section, applicable  
6.5 federal and state human resource programs mean the:

6.6 (1) Workforce Investment Act, United States Code, title 29, section 2911, et seq.;

6.7 (2) Carl D. Perkins Vocational and Applied Technology Education Act, United  
6.8 States Code, title 20, section 2301, et seq.;

6.9 (3) Adult Education Act, United States Code, title 20, section 1201, et seq.;

6.10 (4) Wagner-Peyser Act, United States Code, title 29, section 49;

6.11 (5) Personal Responsibility and Work Opportunities Act of 1996 (TANF);

6.12 (6) Food Stamp Act of 1977, United States Code, title 7, section 6(d)(4), Food Stamp  
6.13 Employment and Training Program, United States Code, title 7, section 2015(d)(4); and

6.14 (7) programs defined in section 116L.19, subdivision 5.

6.15 Additional federal and state programs and resources can be included within the scope  
6.16 of the council's duties if recommended by the governor after consultation with the council.

6.17 (b) Review federal, state, and local education, postsecondary, job skills training,  
6.18 and youth employment programs, and make recommendations to the governor and the  
6.19 legislature for establishing an integrated seamless system for providing education and  
6.20 work skills development services to learners and workers of all ages.

6.21 (c) Advise the governor on the development and implementation of statewide and  
6.22 local performance standards and measures relating to applicable federal human resource  
6.23 programs and the coordination of performance standards and measures among programs.

6.24 (d) Promote education and employment transitions programs and knowledge and  
6.25 skills of entrepreneurship among employers, workers, youth, and educators, and encourage  
6.26 employers to provide meaningful work-based learning opportunities;

6.27 (e) Evaluate and identify exemplary education and employment transitions programs  
6.28 and provide technical assistance to local partnerships to replicate the programs throughout  
6.29 the state.

6.30 (f) Advise the governor on methods to evaluate applicable federal human resource  
6.31 programs.

6.32 (g) Sponsor appropriate studies to identify human investment needs in Minnesota  
6.33 and recommend to the governor goals and methods for meeting those needs.

6.34 (h) Recommend to the governor goals and methods for the development and  
6.35 coordination of a human resource system in Minnesota.

7.1 (i) Examine federal and state laws, rules, and regulations to assess whether they  
7.2 present barriers to achieving the development of a coordinated human resource system.

7.3 (j) Recommend to the governor and to the federal government changes in state or  
7.4 federal laws, rules, or regulations concerning employment and training programs that  
7.5 present barriers to achieving the development of a coordinated human resource system.

7.6 (k) Recommend to the governor and to the federal government waivers of laws and  
7.7 regulations to promote coordinated service delivery.

7.8 (l) Sponsor appropriate studies and prepare and recommend to the governor a  
7.9 strategic plan which details methods for meeting Minnesota's human investment needs  
7.10 and for developing and coordinating a state human resource system.

7.11 (m) Provide the commissioner of employment and economic development and  
7.12 the committees of the legislature with responsibility for economic development with  
7.13 recommendations provided to the governor under this subdivision.

7.14 (n) In consultation with local workforce councils and the Department of Employment  
7.15 and Economic Development, develop an ongoing process to identify and address local  
7.16 gaps in workforce services.

7.17 Sec. 7. Minnesota Statutes 2008, section 116L.665, subdivision 6, is amended to read:

7.18 Subd. 6. **Staffing.** The Department of Employment and Economic Development  
7.19 must provide staff support, including but not limited to professional, technical, and clerical  
7.20 staff necessary to perform the duties assigned to the Minnesota Workforce Development  
7.21 Council. ~~The support includes professional, technical, and clerical staff necessary to~~  
7.22 perform the duties assigned to the Workforce Development Council. All staff report to the  
7.23 commissioner. The council may ask for assistance from other units of state government as  
7.24 it requires in order to fulfill its duties and responsibilities.

7.25 Sec. 8. Minnesota Statutes 2008, section 116L.665, is amended by adding a subdivision  
7.26 to read:

7.27 Subd. 8. **Funding.** The commissioner shall develop recommendations on a funding  
7.28 formula for allocating Workforce Investment Act funds to the council with a minimum  
7.29 allocation of \$350,000 per year. The commissioner shall report the funding formula  
7.30 recommendations to the legislature by January 15, 2011.

7.31 Sec. 9. **[116L.98] WORKFORCE PROGRAM OUTCOMES.**

7.32 The commissioner shall develop and implement a set of standard approaches  
7.33 for assessing the outcomes of workforce programs under this chapter. The outcomes

8.1 assessed must include, but are not limited to, periodic comparisons of workforce program  
8.2 participants and nonparticipants.

8.3 The commissioner shall also monitor the activities and outcomes of programs and  
8.4 services funded by legislative appropriations and administered by the department on a  
8.5 pass-through basis and develop a consistent and equitable method of assessing recipients  
8.6 for the costs of its monitoring activities.

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

8.8 Sec. 10. **[116W.01] MINNESOTA SCIENCE AND TECHNOLOGY**  
8.9 **AUTHORITY ACT.**

8.10 This chapter may be cited as the "Minnesota Science and Technology Authority Act."

8.11 Sec. 11. **[116W.02] DEFINITIONS.**

8.12 Subdivision 1. **Applicability.** For the purposes of this chapter, the terms in this  
8.13 section have the meanings given them.

8.14 Subd. 2. **Authority.** "Authority" means the Minnesota Science and Technology  
8.15 Authority.

8.16 Subd. 3. **Eligible recipient.** "Eligible recipient" means an entity primarily operating  
8.17 to create and retain jobs in the state's industrial base and maximize the economic growth  
8.18 of the state through:

8.19 (1) high-technology research and development capabilities;

8.20 (2) product and process innovation and commercialization;

8.21 (3) high-technology manufacturing capabilities;

8.22 (4) science and technology business environment; or

8.23 (5) science and technology workforce preparation.

8.24 Subd. 4. **Advisory commission.** "Advisory commission" means the advisory  
8.25 commission under section 116W.051.

8.26 Sec. 12. **[116W.03] MINNESOTA SCIENCE AND TECHNOLOGY**  
8.27 **AUTHORITY.**

8.28 Subdivision 1. **Membership.** The Minnesota Science and Technology Authority  
8.29 consists of the state chief information officer, the commissioner of employment and  
8.30 economic development, the commissioner of management and budget, the commissioner  
8.31 of revenue, the commissioner of commerce, and the commissioner of agriculture.

8.32 Subd. 2. **Chair; other officers.** The commissioner of employment and economic  
8.33 development shall serve as the chair and chief executive officer of the authority. The

9.1 authority shall rotate the position of vice chair annually among its members. The  
9.2 commissioner of employment and economic development shall convene the first meeting  
9.3 of the authority no later than July 1, 2010. In the absence of the chair or vice chair at  
9.4 meetings of the authority members may elect a chair for the meeting, and may elect other  
9.5 officers as necessary from its members.

9.6 Subd. 3. **Delegation.** In addition to any powers to delegate that members of the  
9.7 authority have as commissioners, they may delegate to the chair, vice chair, or executive  
9.8 director their responsibilities as members of the authority for reviewing and approving  
9.9 financing of eligible projects, projects that have been authorized by law, or programs  
9.10 specifically authorized by resolution of the authority.

9.11 Subd. 4. **Actions.** (a) A majority of the authority, excluding vacancies, constitutes a  
9.12 quorum to conduct its business, to exercise its powers, and for all other purposes.

9.13 (b) The authority may conduct its business by any technological means available,  
9.14 including teleconference calls or interactive video, that allows for an interaction between  
9.15 members. If a meeting is conducted under this paragraph, a specific location must be  
9.16 available for the public to attend the meeting and at least one member must be present at  
9.17 that location.

9.18 Subd. 5. **Executive director; staffing.** The authority shall employ an executive  
9.19 director in the unclassified service. The initial executive director must be the individual in  
9.20 the position of director of the Office of Science and Technology as of January 1, 2010,  
9.21 under section 116J.657. The executive director is responsible for hiring staff necessary to  
9.22 assist the executive director to carry out the duties and responsibilities of the authority.  
9.23 The executive director shall perform duties that the authority may require in carrying out  
9.24 its responsibilities to manage and implement the funds and programs in this chapter, and  
9.25 comply with all state and federal program requirements, and state and federal securities  
9.26 and tax laws and regulations. The executive director shall assist the advisory board in  
9.27 fulfilling its duties under this chapter.

9.28 Subd. 6. **Administrative services.** The authority shall enter into agreements for  
9.29 administrative and professional services and technical support.

9.30 Subd. 7. **Expiration.** The authority is permanent and the provisions of section  
9.31 15.059, subdivision 5, do not apply.

9.32 **Sec. 13. [116W.04] POWERS AND DUTIES.**

9.33 Subdivision 1. **Duties.** The Science and Technology Authority shall:

10.1 (1) coordinate public and private efforts to procure federal funding for collaborative  
10.2 research and development projects of primary benefit to small-sized and medium-sized  
10.3 businesses;

10.4 (2) promote contractual relationships between Minnesota businesses that are  
10.5 recipients of federal grants and prime contractors, and Minnesota-based subcontractors;

10.6 (3) work with Minnesota nonprofit institutions including the University of  
10.7 Minnesota, Minnesota State Colleges and Universities, and the Mayo Clinic in promoting  
10.8 collaborative efforts to respond to federal funding opportunities;

10.9 (4) develop a framework for Minnesota companies to establish sole-source  
10.10 relationships with federal agencies;

10.11 (5) provide grants or other forms of financial assistance to eligible recipients for  
10.12 purposes of this chapter;

10.13 (6) coordinate workshops, assistance with business proposals, licensing, intellectual  
10.14 property protection, commercialization, and government auditing with the University of  
10.15 Minnesota and Minnesota State Colleges and Universities; and

10.16 (7) develop and implement a comprehensive science and technology economic  
10.17 development strategy for the state.

10.18 Subd. 2. **Technology matchmaking.** The authority must assist businesses in  
10.19 identifying qualified suppliers and vendors through a program to serve as a conduit for  
10.20 Minnesota-based companies to network with firms able to support their success. Firms  
10.21 outside Minnesota can participate in the technology matchmaking network if one of the  
10.22 participating companies is located in Minnesota.

10.23 Subd. 3. **Commercialization assistance.** The authority must provide  
10.24 commercialization assistance to Minnesota firms that have received a Phase I Small  
10.25 Business Innovation Research (SBIR) or a Phase I Small Business Technology Transfer  
10.26 (STTR) award and are submitting a Phase II proposal. Local service providers must assist  
10.27 the applicant with developing and reviewing the required commercialization plan prior to  
10.28 Phase II submission. The authority may provide SBIR Phase I proposal technical review.

10.29 Subd. 4. **Power to sue; enter contracts.** The authority may sue and be sued. The  
10.30 authority may make and enter into contracts, leases, and agreements necessary to perform  
10.31 its duties and exercise its powers.

10.32 Subd. 5. **Gifts; grants.** The authority may apply for, accept, and disburse gifts,  
10.33 grants, loans, or other property from the United States, the state, private sources, or  
10.34 any other source for any of its purposes. Money received by the authority under this  
10.35 subdivision must be deposited in the state treasury and is appropriated to the authority to  
10.36 carry out its duties.

11.1           Subd. 6. **Contract for services.** The authority may retain or contract for the  
11.2 services of accountants, financial advisors, and other consultants or agents needed to  
11.3 perform its duties and exercise its powers.

11.4           Subd. 7. **Fees.** The authority may set and collect fees for costs incurred by the  
11.5 authority, the Office of Enterprise Technology, the Department of Employment and  
11.6 Economic Development, the Department of Management and Budget, the Department of  
11.7 Revenue, the Department of Commerce, the Department of Labor and Industry, and the  
11.8 Department of Agriculture, including costs for personnel, professional, and administrative  
11.9 services.

11.10          Subd. 8. **Reports.** (a) The authority shall report by February 1 each year to the  
11.11 chairs and ranking minority members of the legislative committees and divisions with  
11.12 jurisdiction over finance and economic development on its progress to design, coordinate,  
11.13 and administer a strategic science and technology program for the state to promote the  
11.14 welfare of the people of the state, maximize the economic growth of the state, and create  
11.15 and retain jobs in the state's industrial base through enhancement of Minnesota's:

11.16           (1) high-technology research and development capabilities;

11.17           (2) product and process innovation and commercialization;

11.18           (3) high-technology manufacturing capabilities;

11.19           (4) science and technology business environment; and

11.20           (5) science and technology workforce preparation.

11.21          (b) The report must include a complete operating and financial statement covering  
11.22 the authority's operations during the year, including amounts of income from all sources.

11.23 Books and records of the authority are subject to audit by the legislative auditor in the  
11.24 manner prescribed for state agencies.

11.25          Subd. 9. **Consultative and technical services.** The authority may provide general  
11.26 consultative and technical services to assist eligible projects and enter into agreements or  
11.27 other transactions concerning the receipt or provision of those services.

11.28          Subd. 10. **Financial information.** Financial information, including credit reports,  
11.29 financial statements, and net worth calculations, received or prepared by the authority  
11.30 regarding financial assistance, is private data with regard to data on individuals as defined  
11.31 in section 13.02, subdivision 12, and nonpublic data with regard to data not on individuals  
11.32 as defined in section 13.02, subdivision 9.

11.33          Subd. 11. **General.** The authority shall have all powers necessary and appropriate to  
11.34 fulfill its responsibilities under this chapter.

11.35          Sec. 14. **[116W.05] PROJECT FINANCIAL ASSISTANCE.**

12.1 Subdivision 1. **Determination of financial assistance.** The authority shall assist  
12.2 eligible recipients in identifying grants or other sources of financial assistance available to  
12.3 finance projects and may assist eligible recipients in applying for and obtaining grants and  
12.4 other forms of assistance.

12.5 Subd. 2. **Financial feasibility review.** (a) The authority shall review the proposed  
12.6 financing for each project submitted to the authority to determine whether: (1) the  
12.7 proposed project and financing plan is an eligible use of the money; and (2) the proposal is  
12.8 in compliance with applicable state and federal tax and securities laws and regulations.  
12.9 Grants in excess of \$50,000 must be approved by the authority. Grants of \$50,000 or less  
12.10 may be authorized by the executive director. All grant approvals or disapprovals must  
12.11 be completed within 30 days of submission to the authority. Grants approved by the  
12.12 executive director must be reviewed by the authority each month.

12.13 (b) Unless a project is specifically authorized by law, the authority may reject the  
12.14 proposed financing for a project meeting the requirements in paragraph (a) if there are not  
12.15 sufficient funds available or if a majority of members believe the financing of the project  
12.16 would not be in the best interests of the state or would be detrimental to the authority's  
12.17 funds or programs. A determination to reject a proposed project must not be made in  
12.18 an arbitrary and capricious manner and must be supported by substantive evidence and  
12.19 documented by a resolution of the authority stating its findings.

12.20 Sec. 15. [116W.051] **ADVISORY COMMISSION.**

12.21 Subdivision 1. **Advisory commission membership.** A Science and Technology  
12.22 Initiative Advisory Commission of 17 members is established and is comprised of:

12.23 (1) two representatives of the University of Minnesota, selected by the president of  
12.24 the university, including a faculty member actively involved in science and technology  
12.25 research;

12.26 (2) a representative of Minnesota State Colleges and Universities, selected by the  
12.27 chancellor;

12.28 (3) the chief executive officer of the Mayo Clinic or a designee;

12.29 (4) six chief executive officers or designees from science-oriented or  
12.30 technology-oriented companies;

12.31 (5) four representatives from science-oriented and technology-oriented  
12.32 organizations;

12.33 (6) one representative of organized labor;

12.34 (7) a venture capital representative; and

12.35 (8) a representative of angel investors.

13.1 A member must have experience in science or technology in order to serve on  
13.2 the commission.

13.3 Members of the commission listed in clauses (4) to (8) shall be appointed by the  
13.4 authority.

13.5 Subd. 2. **Advisory commission duties.** The advisory commission must assist the  
13.6 authority in developing a comprehensive science and technology economic development  
13.7 plan to be presented to the chairs and ranking minority members of the legislative  
13.8 committees and divisions with jurisdiction over economic development by January  
13.9 15, 2011. The plan must include recommendations in strategic areas for science and  
13.10 technology investments, recommendations on additional programs to support science and  
13.11 technology focused economic development activities in the state, selection of specific  
13.12 programs and grantees for support from program funds authorized by the advisory  
13.13 commission and ongoing assessment of the effectiveness of programmatic elements  
13.14 according to metrics to be developed by the authority in consultation with the advisory  
13.15 commission. The advisory commission may also advise and assist the authority in  
13.16 fulfilling its duties under section 116W.04.

13.17 Subd. 3. **Membership terms; vacancies; compensation.** The membership terms,  
13.18 removal of members, and filling of vacancies are as provided under section 15.059. The  
13.19 executive director may provide compensation to members if funds are available.

13.20 Subd. 4. **Expiration.** The advisory commission expires June 30, 2013.

13.21 Subd. 5. **Convening of meetings; staffing.** The executive director of the authority  
13.22 must convene the first meeting of the commission by August 1, 2010. The executive  
13.23 director must provide administrative support and staff to the commission.

13.24 Sec. 16. **[116W.20] MONEY OF THE AUTHORITY.**

13.25 Subdivision 1. **Functions of commissioner of management and budget.** Except  
13.26 as otherwise provided in this section, money of the authority must be paid to the  
13.27 commissioner of management and budget as agent of the authority and the commissioner  
13.28 shall not commingle the money with other money. The money in the accounts of the  
13.29 authority must be paid out only on warrants drawn by the commissioner of management  
13.30 and budget on requisition of the executive director of the authority or of another officer or  
13.31 employee as the authority authorizes. Deposits of the authority's money must, if required  
13.32 by the commissioner or the authority, be secured by obligations of the United States or of  
13.33 the state of a market value equal at all times to the amount of the deposit and all banks and  
13.34 trust companies are authorized to give security for the deposits. All money paid to the  
13.35 commissioner as agent of the authority is appropriated to the authority. The commissioner

14.1 must annually report to the committees of the legislature with responsibility for economic  
14.2 development and management and budget on the use of appropriations under this section.

14.3 Subd. 2. **System of accounts.** The commissioner of management and budget shall  
14.4 prescribe a system of accounts.

14.5 Sec. 17. **[116W.21] NONLIABILITY.**

14.6 Subdivision 1. **Nonliability of individuals.** No member of the authority, staff of  
14.7 the authority, or other person executing other agreements or contracts of the authority is  
14.8 liable personally or is subject to any personal liability or accountability by reason of their  
14.9 issuance, execution, delivery, or performance.

14.10 Subd. 2. **Nonliability of state.** The state is not liable on loans or other agreements  
14.11 or contracts of the authority issued or entered into under this chapter and the loans or  
14.12 other agreements or contracts of the authority are not a debt of the state. The loans or  
14.13 other agreements or contracts of the authority must contain on their face a statement  
14.14 to that effect.

14.15 Sec. 18. **[116W.23] STATE PLEDGE AGAINST IMPAIRMENT OF**  
14.16 **CONTRACTS.**

14.17 The state pledges and agrees with parties to any loans or other agreements or  
14.18 contracts of the authority that the state will not: (1) limit or alter the rights vested in the  
14.19 authority to fulfill the terms of any agreements made with the parties to any loans or other  
14.20 agreements or contracts of the authority; or (2) in any way impair the rights and remedies  
14.21 of the parties to any loans or other agreements or contracts of the authority. The authority  
14.22 may include this pledge and agreement of the state in any agreement with the parties in  
14.23 any loans or other agreements or contracts of the authority.

14.24 Sec. 19. **[116W.24] RESERVES; FUNDS; ACCOUNTS.**

14.25 The authority may establish reserves, funds, or accounts necessary to carry out the  
14.26 purposes of the authority or to comply with any agreement made by or any resolution  
14.27 passed by the authority.

14.28 Sec. 20. Minnesota Statutes 2008, section 136F.06, is amended by adding a subdivision  
14.29 to read:

14.30 Subd. 4. **Workforce focus.** The board must identify colleges offering flexible  
14.31 academic programs that accommodate the needs of laid-off workers and assist its other

15.1 institutions in determining whether to offer similar programs. Colleges must increase the  
15.2 number of certificate programs available to meet the needs of unemployed Minnesotans.

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

15.4 Sec. 21. Minnesota Statutes 2008, section 268.035, is amended by adding a subdivision  
15.5 to read:

15.6 Subd. 21b. **Staffing service.** A "staffing service" is an employer whose business  
15.7 involves employing individuals directly for the purpose of furnishing temporary  
15.8 assignment workers to clients of the staffing service.

15.9 Sec. 22. Minnesota Statutes 2009 Supplement, section 268.035, subdivision 23a,  
15.10 is amended to read:

15.11 Subd. 23a. **Suitable employment.** (a) Suitable employment means employment in  
15.12 the applicant's labor market area that is reasonably related to the applicant's qualifications.  
15.13 In determining whether any employment is suitable for an applicant, the degree of risk  
15.14 involved to the health and safety, physical fitness, prior training, experience, length  
15.15 of unemployment, prospects for securing employment in the applicant's customary  
15.16 occupation, and the distance of the employment from the applicant's residence is  
15.17 considered.

15.18 (b) In determining what is suitable employment, primary consideration is given to the  
15.19 temporary or permanent nature of the applicant's separation from employment and whether  
15.20 the applicant has favorable prospects of finding employment in the applicant's usual or  
15.21 customary occupation at the applicant's past wage level within a reasonable period of time.

15.22 If prospects are unfavorable, employment at lower skill or wage levels is suitable  
15.23 if the applicant is reasonably suited for the employment considering the applicant's  
15.24 education, training, work experience, and current physical and mental ability.

15.25 The total compensation must be considered, including the wage rate, hours of  
15.26 employment, method of payment, overtime practices, bonuses, incentive payments, and  
15.27 fringe benefits.

15.28 (c) When potential employment is at a rate of pay lower than the applicant's former  
15.29 rate, consideration must be given to the length of the applicant's unemployment and the  
15.30 proportion of difference in the rates. Employment that may not be suitable because of  
15.31 lower wages during the early weeks of the applicant's unemployment may become suitable  
15.32 as the duration of unemployment lengthens.

16.1 (d) For an applicant seasonally unemployed, suitable employment includes  
16.2 temporary work in a lower skilled occupation that pays average gross weekly wages equal  
16.3 to or more than 150 percent of the applicant's weekly unemployment benefit amount.

16.4 (e) If a majority of the applicant's weeks of employment in the base period includes  
16.5 part-time employment, part-time employment in a position with comparable skills and  
16.6 comparable hours that pays comparable wages is considered suitable employment.

16.7 Full-time employment is not considered suitable employment for an applicant if a  
16.8 majority of the applicant's weeks of employment in the base period includes part-time  
16.9 employment.

16.10 (f) To determine suitability of employment in terms of shifts, the arrangement of  
16.11 hours in addition to the total number of hours is to be considered. Employment on a  
16.12 second, third, rotating, or split shift is suitable employment if it is customary in the  
16.13 occupation in the labor market area.

16.14 (g) Employment is not considered suitable if:

16.15 (1) the position offered is vacant because of a labor dispute;

16.16 (2) the wages, hours, or other conditions of employment are substantially less  
16.17 favorable than those prevailing for similar employment in the labor market area; ~~or~~

16.18 (3) as a condition of becoming employed, the applicant would be required to join a  
16.19 company union or to resign from or refrain from joining any bona fide labor organization;  
16.20 or

16.21 (4) the employment is with a staffing service and less than 75 percent of the  
16.22 applicant's wage credits are from a job assignment with the client of a staffing service.

16.23 (h) A job assignment with a staffing service is considered suitable only if 75  
16.24 percent or more of the applicant's wage credits are from job assignments with clients of  
16.25 a staffing service and the job assignment meets the definition of suitable employment  
16.26 under paragraph (a).

16.27 Sec. 23. Minnesota Statutes 2008, section 268.085, subdivision 16, is amended to read:

16.28 Subd. 16. **Actively seeking suitable employment defined.** (a) "Actively seeking  
16.29 suitable employment" means those reasonable, diligent efforts an individual in similar  
16.30 circumstances would make if genuinely interested in obtaining suitable employment under  
16.31 the existing conditions in the labor market area. Limiting the search to positions that are  
16.32 not available or are above the applicant's training, experience, and qualifications is not  
16.33 "actively seeking suitable employment."

17.1 (b) To be considered "actively seeking suitable employment" an applicant must,  
17.2 when reasonable, contact those employers from whom the applicant was laid off because  
17.3 of lack of work and request suitable employment.

17.4 (c) If reasonable prospects of suitable employment in the applicant's usual or  
17.5 customary occupation do not exist, the applicant must actively seek other suitable  
17.6 employment to be considered "actively seeking suitable employment." This applies to an  
17.7 applicant who is seasonally unemployed.

17.8 (d) Actively seeking a suitable job assignment or other employment with a staffing  
17.9 service is considered actively seeking suitable employment.

17.10 (e) An applicant who is seeking employment only through a union is considered  
17.11 actively seeking suitable employment if the applicant is in an occupation where hiring  
17.12 in that locality is done through the union. If the applicant is a union member who is  
17.13 restricted to obtaining employment among signatory contractors in the construction  
17.14 industry, seeking employment only with those signatory contractors is considered actively  
17.15 seeking employment. The applicant must be a union member in good standing, registered  
17.16 with the union for employment, and in compliance with other union rules to be considered  
17.17 "actively seeking suitable employment."

17.18 Sec. 24. Minnesota Statutes 2009 Supplement, section 268.095, subdivision 2, is  
17.19 amended to read:

17.20 Subd. 2. **Quit defined.** (a) A quit from employment occurs when the decision to end  
17.21 the employment was, at the time the employment ended, the employee's.

17.22 (b) An employee who has been notified that the employee will be discharged in the  
17.23 future, who chooses to end the employment while employment in any capacity is still  
17.24 available, is considered to have quit the employment.

17.25 (c) An employee who seeks to withdraw a previously submitted notice of quitting is  
17.26 considered to have quit the employment if the employer does not agree that the notice  
17.27 may be withdrawn.

17.28 (d) An applicant who, within five calendar days after completion of a suitable  
17.29 ~~temporary~~ job assignment from a staffing service ~~employer~~, (1) fails without good cause to  
17.30 affirmatively request an additional suitable job assignment, (2) refuses without good cause  
17.31 an additional suitable job assignment offered, or (3) accepts employment with the client  
17.32 of the staffing service, is considered to have quit employment with the staffing service.  
17.33 Accepting employment with the client of the staffing service meets the requirements of the  
17.34 exception to ineligibility under subdivision 1, clause (2).

18.1 This paragraph applies only if, at the time of beginning of employment with the  
18.2 staffing service ~~employer~~, the applicant signed and was provided a copy of a separate  
18.3 document written in clear and concise language that informed the applicant of this  
18.4 paragraph and that unemployment benefits may be affected.

18.5 For purposes of this paragraph, "good cause" is a reason that is significant and  
18.6 would compel an average, reasonable worker, who would otherwise want an additional  
18.7 ~~temporary suitable~~ job assignment with the staffing service ~~employer~~, (1) to fail to contact  
18.8 the staffing service ~~employer~~, or (2) to refuse an offered assignment.

18.9 ~~For purposes of this paragraph, a "staffing service employer" is an employer whose~~  
18.10 ~~business involves employing individuals directly for the purpose of furnishing temporary~~  
18.11 ~~job assignment workers to clients of the staffing service.~~

18.12 Sec. 25. Minnesota Statutes 2008, section 268.095, subdivision 5, is amended to read:

18.13 Subd. 5. **Discharge defined.** (a) A discharge from employment occurs when any  
18.14 words or actions by an employer would lead a reasonable employee to believe that the  
18.15 employer will no longer allow the employee to work for the employer in any capacity. A  
18.16 layoff because of lack of work is considered a discharge. A suspension from employment  
18.17 without pay of more than 30 calendar days is considered a discharge.

18.18 (b) An employee who gives notice of intention to quit the employment and is not  
18.19 allowed by the employer to work the entire notice period is considered discharged from  
18.20 the employment as of the date the employer will no longer allow the employee to work. If  
18.21 the discharge occurs within 30 calendar days before the intended date of quitting, then,  
18.22 as of the intended date of quitting, the separation from employment is considered a quit  
18.23 from employment subject to subdivision 1.

18.24 (c) The end of a job assignment with the client of a staffing service is considered a  
18.25 discharge from employment with the staffing service unless section 268.095, subdivision  
18.26 2, paragraph (d), applies.

18.27 Sec. 26. Minnesota Statutes 2009 Supplement, section 268.095, subdivision 6, is  
18.28 amended to read:

18.29 Subd. 6. **Employment misconduct defined.** (a) Employment misconduct means  
18.30 any ~~intentional, negligent, or indifferent~~ conduct, on the job or off the job that ~~displays~~  
18.31 ~~clearly~~.

18.32 ~~(1) a serious~~ is an egregious violation of the standards of behavior the employer has  
18.33 the right to reasonably expect of the employee; ~~or and displays clearly~~

19.1           ~~(2)~~ a substantial lack of concern for the employment. The term "egregious," as  
19.2 used in this subdivision, sets a high threshold, and application of the term must take into  
19.3 consideration section 268.031, subdivision 2.

19.4           (b) Regardless of paragraph (a), the following is not employment misconduct:

19.5           (1) conduct that was a consequence of the applicant's mental illness or impairment;

19.6           (2) conduct that was a consequence of the applicant's inefficiency or inadvertence;

19.7           (3) simple unsatisfactory conduct;

19.8           (4) conduct an average reasonable employee would have engaged in under the  
19.9 circumstances;

19.10          (5) ~~poor performance because of~~ conduct that was a consequence of the applicant's  
19.11 inability or incapacity;

19.12          (6) good faith errors in judgment if judgment was required;

19.13          (7) absence because of illness or injury of the applicant, with proper notice to the  
19.14 employer;

19.15          (8) absence, with proper notice to the employer, in order to provide necessary care  
19.16 because of the illness, injury, or disability of an immediate family member of the applicant;

19.17          (9) conduct that was a ~~direct result~~ consequence of the applicant's chemical  
19.18 dependency, unless the applicant was previously diagnosed chemically dependent or had  
19.19 treatment for chemical dependency, and since that diagnosis or treatment has failed to  
19.20 make consistent efforts to control the chemical dependency; or

19.21          (10) conduct that was a ~~result~~ consequence of the applicant, or an immediate family  
19.22 member of the applicant, being a victim of domestic abuse as defined under section  
19.23 518B.01. Domestic abuse must be shown as provided for in subdivision 1, clause (9).

19.24          (c) Regardless of paragraph (b), clause (9), conduct in violation of sections 169A.20,  
19.25 169A.31, or 169A.50 to 169A.53 that interferes with or adversely affects the employment  
19.26 is employment misconduct.

19.27          (d) If the conduct for which the applicant was discharged involved only a single  
19.28 incident, that is an important fact that must be considered in deciding whether the conduct  
19.29 rises to the level of employment misconduct under paragraph (a).

19.30          (e) The definition of employment misconduct provided by this subdivision is  
19.31 exclusive and no other definition applies.

19.32           **EFFECTIVE DATE.** This section is effective for determinations under section  
19.33 268.101, subdivision 2, and appeal decisions under section 268.105, subdivision 1, issued  
19.34 on and after the Sunday following final enactment.

20.1       Sec. 27. Minnesota Statutes 2008, section 268.101, is amended by adding a subdivision  
20.2 to read:

20.3           Subd. 2a. **Telephone number.** Every determination issued under subdivision 2  
20.4 must include a prominently displayed telephone number that an applicant or involved  
20.5 employer can call to speak with an unemployment insurance specialist and obtain further  
20.6 explanation about the determination and have any questions answered. The specialist  
20.7 must, when appropriate, issue an amended determination as provided for in subdivision 4.  
20.8 The listed telephone number must be unique to a specialized call group trained to handle  
20.9 calls involving determinations.

20.10           **EFFECTIVE DATE.** This section is effective October 3, 2010, and expires  
20.11 September 30, 2012.

20.12       Sec. 28. Minnesota Statutes 2009 Supplement, section 268.105, subdivision 1, is  
20.13 amended to read:

20.14           Subdivision 1. **Evidentiary hearing by unemployment law judge.** (a) Upon  
20.15 a timely appeal having been filed, the department must send, by mail or electronic  
20.16 transmission, a notice of appeal to all involved parties that an appeal has been filed, and  
20.17 that a de novo due process evidentiary hearing will be scheduled. The notice must set out  
20.18 the parties' rights and responsibilities regarding the hearing. The notice must explain that  
20.19 the facts will be determined by the unemployment law judge based upon a preponderance  
20.20 of the evidence. The notice must explain in clear and simple language the meaning of the  
20.21 term "preponderance of the evidence." The department must set a time and place for a  
20.22 de novo due process evidentiary hearing and send notice to any involved applicant and  
20.23 any involved employer, by mail or electronic transmission, not less than ten calendar  
20.24 days before the date of the hearing.

20.25           (b) The evidentiary hearing is conducted by an unemployment law judge as an  
20.26 evidence gathering inquiry. At the beginning of the hearing the unemployment law judge  
20.27 must fully explain how the hearing will be conducted, that the applicant has the right to  
20.28 request that the hearing be rescheduled so that documents or witnesses can be subpoenaed,  
20.29 that the facts will be determined based on a preponderance of the evidence, and, in  
20.30 clear and simple language, the meaning of the term "preponderance of the evidence."  
20.31 The unemployment law judge must ensure that all relevant facts are clearly and fully  
20.32 developed. The department may adopt rules on evidentiary hearings. The rules need  
20.33 not conform to common law or statutory rules of evidence and other technical rules of  
20.34 procedure. The department has discretion regarding the method by which the evidentiary  
20.35 hearing is conducted. A report of any employee of the department, except a determination,

21.1 made in the regular course of the employee's duties, is competent evidence of the facts  
21.2 contained in it. An affidavit or written statement based on personal knowledge and signed  
21.3 under penalty of perjury is competent evidence of the facts contained in it; however, the  
21.4 veracity of statements contained within the document or the credibility of the witness  
21.5 making the statement may be disputed with other documents or testimony and production  
21.6 of such documents or testimony may be compelled by subpoena.

21.7 (c) After the conclusion of the hearing, upon the evidence obtained, the  
21.8 unemployment law judge must make findings of fact and decision and send those, by mail  
21.9 or electronic transmission, to all involved parties. When the credibility of an involved  
21.10 party or witness testifying in an evidentiary hearing has a significant effect on the outcome  
21.11 of a decision, the unemployment law judge must set out the reason for crediting or  
21.12 discrediting that testimony. The unemployment law judge's decision is final unless a  
21.13 request for reconsideration is filed under subdivision 2.

21.14 (d) Regardless of paragraph (c), if the appealing party fails to participate in the  
21.15 evidentiary hearing, the unemployment law judge has the discretion to dismiss the appeal  
21.16 by summary order. By failing to participate, the appealing party is considered to have  
21.17 failed to exhaust available administrative remedies unless the appealing party files a  
21.18 request for reconsideration under subdivision 2 and establishes good cause for failing to  
21.19 participate in the evidentiary hearing under subdivision 2, paragraph (d). Submission  
21.20 of a written statement does not constitute participation. The applicant must participate  
21.21 personally and appearance solely by a representative does not constitute participation.

21.22 (e) Only employees of the department who are attorneys licensed to practice law  
21.23 in Minnesota may serve as the chief unemployment law judge, senior unemployment  
21.24 law judges who are supervisors, or unemployment law judges. The commissioner  
21.25 must designate a chief unemployment law judge. The chief unemployment law judge  
21.26 may transfer to another unemployment law judge any proceedings pending before an  
21.27 unemployment law judge.

21.28 (f) A full-time unemployment law judge must be paid a salary of a minimum of 55  
21.29 percent and a maximum of 75 percent of the salary set under section 15A.083, subdivision  
21.30 7, for a workers' compensation judge. The salary paid within that range to any single  
21.31 unemployment law judge is based on experience and performance.

21.32 **EFFECTIVE DATE.** This section is effective July 1, 2010, and applies to all new  
21.33 unemployment law judges hired on or after that date.

21.34 Sec. 29. Minnesota Statutes 2008, section 268.184, subdivision 1, is amended to read:

22.1 Subdivision 1. **Administrative penalties.** (a) The commissioner shall penalize  
22.2 an employer if that employer or any employee, officer, or agent of that employer, is  
22.3 in collusion with any applicant for the purpose of assisting the applicant to receive  
22.4 unemployment benefits fraudulently. The penalty is \$500 or the amount of unemployment  
22.5 benefits determined to be overpaid, whichever is greater.

22.6 (b) The commissioner shall penalize an employer if that employer or any employee,  
22.7 officer, or agent of that employer (1) made a false statement or representation knowing  
22.8 it to be false, (2) made a false statement or representation without a good faith belief as  
22.9 to correctness of the statement or representation, ~~or~~ (3) knowingly failed to disclose a  
22.10 material fact, or (4) made an offer of employment to an applicant when, in fact, the  
22.11 employer had no employment available, but only if the employer's action:

22.12 (i) was taken to prevent or reduce the payment of unemployment benefits to any  
22.13 applicant;

22.14 (ii) was taken to reduce or avoid any payment required from an employer under  
22.15 this chapter or section 116L.20; or

22.16 (iii) caused an overpayment of unemployment benefits to an applicant.

22.17 The penalty is \$500, or 50 percent of the overpaid or reduced unemployment benefits  
22.18 or payment required, whichever is greater.

22.19 (c) The commissioner shall penalize an employer if that employer failed or refused  
22.20 to honor a subpoena issued under section 268.105, subdivision 4, or section 268.188. The  
22.21 penalty is \$500 and any costs of enforcing the subpoena, including attorney fees.

22.22 (d) Penalties under this subdivision are in addition to any other penalties and subject  
22.23 to the same collection procedures that apply to past due taxes. Penalties must be paid  
22.24 within 30 calendar days of assessment and credited to the contingent account.

22.25 (e) The assessment of the penalty is final unless the employer files an appeal within  
22.26 20 calendar days after the sending of notice of the penalty to the employer by mail or  
22.27 electronic transmission. Proceedings on the appeal are conducted in accordance with  
22.28 section 268.105.

22.29 Sec. 30. **[326B.091] DEFINITIONS.**

22.30 Subdivision 1. **Applicability.** For purposes of sections 326B.091 to 326B.098, the  
22.31 terms defined in this section have the meanings given them.

22.32 Subd. 2. **Applicant.** "Applicant" means a person who has submitted to the  
22.33 department an application for a license.

22.34 Subd. 3. **License.** "License" means any registration, certification, or other form  
22.35 of approval authorized by chapters 326B and 327B to be issued by the commissioner

23.1 or department as a condition of doing business or conducting a trade, profession,  
23.2 or occupation in Minnesota. License includes specifically but not exclusively an  
23.3 authorization issued by the commissioner or department: to perform electrical work,  
23.4 plumbing or water conditioning work, high pressure piping work, or residential building  
23.5 work of a residential contractor, residential remodeler, or residential roofer; to install  
23.6 manufactured housing; to serve as a building official; or to operate a boiler or boat.

23.7 Subd. 4. **Licensee.** "Licensee" means the person named on the license as the person  
23.8 authorized to do business or conduct the trade, profession, or occupation in Minnesota.

23.9 Subd. 5. **Notification date.** "Notification date" means the date of the written  
23.10 notification from the department to an applicant that the applicant is qualified to take the  
23.11 examination required for licensure.

23.12 Subd. 6. **Renewal deadline.** "Renewal deadline," when used with respect to a  
23.13 license, means 30 days before the date that the license expires.

23.14 Sec. 31. **[326B.092] FEES.**

23.15 Subdivision 1. **Licenses requiring examination administered by commissioner.**

23.16 (a) If the applicant for a license must pass an examination administered by the  
23.17 commissioner in order to obtain the license, then the application for the initial license  
23.18 must be accompanied by an application and examination fee of \$50, which is separate  
23.19 from the license fee. The license fee is due after the applicant passes the examination  
23.20 and before the license is issued.

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

23.26 Subd. 2. **Licenses not requiring examination administered by commissioner.**

23.27 If the applicant for a license is not required to pass an examination in order to obtain the  
23.28 license, or is required to pass an examination that is not administered by the commissioner,  
23.29 then the license fee must accompany the application for the license. If the application is  
23.30 for a license issued under sections 326B.802 to 326B.885 and is not an application for  
23.31 license renewal, then the contractor recovery fund fee required under section 326B.89,  
23.32 subdivision 3, is due after the department has determined that the applicant meets the  
23.33 qualifications for licensing and before the license is issued.

23.34 Subd. 3. **Late fee.** The department must receive a complete application for license  
23.35 renewal by the renewal deadline but not more than 90 days before the renewal deadline. If

24.1 the department receives a renewal application after the expiration of the license, then the  
24.2 renewal application must be accompanied by a late fee equal to one-half of the license  
24.3 renewal fee; except that, for the purpose of calculating the late fee only, the license  
24.4 renewal fee shall not include any contractor recovery fund fee required by section  
24.5 326B.89, subdivision 3.

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

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

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

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

24.18 (2) any overpayment of fees; and

24.19 (3) if the license is not renewed, the contractor recovery fund fee and any additional  
24.20 assessment paid under subdivision 7, paragraph (e).

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

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

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

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

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

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

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

25.12 (e) If the license is issued under sections 326B.31 to 326B.59 or 326B.90 to  
25.13 326B.93, then a board fee must be included in the license fee and the renewal license fee.  
25.14 The board fee for all license classifications shall be: \$4 if the license duration is one year;  
25.15 \$8 if the license duration is two years; and \$12 if the license duration is three years.

25.16 (f) If the application is for the renewal of a license issued under sections 326B.802  
25.17 to 326B.885, then the contractor recovery fund fee required under section 326B.89,  
25.18 subdivision 3, and any additional assessment required under section 326B.89, subdivision  
25.19 16, must be included in the license renewal fee.

25.20 Sec. 32. **[326B.093] LICENSES REQUIRING EXAMINATION**  
25.21 **ADMINISTERED BY COMMISSIONER.**

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

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

25.30 Subd. 3. **Taking the examination.** If the applicant is qualified to take the  
25.31 examination, then the department must notify the applicant, and the applicant may  
25.32 schedule a time to take the examination within one year after the notification date. If the  
25.33 applicant does not take the examination at the scheduled time, the applicant may, one  
25.34 time only, reschedule a time to take the examination on a date within one year after the  
25.35 notification date. If the applicant fails to take the examination within one year after the  
25.36 notification date, the commissioner must deny the application and the applicant forfeits the

26.1 application/examination fee. The applicant may subsequently submit another application,  
26.2 accompanied by the required application/examination fee.

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

26.14 Sec. 33. **[326B.094] RENEWAL OF LICENSES.**

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

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

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

26.32 Sec. 34. **[326B.095] INCOMPLETE LICENSE APPLICATIONS.**

26.33 This section applies to both applications for initial licenses and license renewal  
26.34 applications. If the department determines that an application is incomplete, the

27.1 department must notify the applicant of the deficiencies that must be corrected in  
27.2 order to complete the application. If the applicant wishes to complete the application,  
27.3 the department must receive the completed application within 90 days after the date  
27.4 the department mailed or delivered the incomplete application to the applicant. If the  
27.5 department does not receive the completed application by this deadline, the commissioner  
27.6 must deny the application and the applicant will forfeit all fees except as provided  
27.7 in section 326B.092, subdivision 6. If the application is for license renewal and the  
27.8 department receives the corrected application after the license has expired, then the  
27.9 corrected application must be accompanied by the late fee.

27.10       Sec. 35. **[326B.096] REINSTATEMENT OF LICENSES.**

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

27.15           (1) retake the examination and achieve a passing score; and

27.16           (2) meet all other requirements for an initial license, including payment of the  
27.17 application and examination fee and the license fee. The person holding the revoked  
27.18 license is not eligible for Minnesota licensure without examination based on reciprocity.

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

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

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

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

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

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

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

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

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

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

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

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

28.14          Sec. 36. **[326B.097] PROHIBITION OF TRANSFER.**

28.15          A licensee shall not transfer or sell any license.

28.16          Sec. 37. **[326B.098] CONTINUING EDUCATION.**

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

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

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

28.25          Sec. 38. Minnesota Statutes 2008, section 326B.133, subdivision 1, is amended to read:

28.26          Subdivision 1. **Designation.** Each municipality shall designate a building official to  
28.27 administer the code. A municipality may designate no more than one building official  
28.28 responsible for code administration defined by each certification category ~~established in~~  
28.29 ~~rule~~ created by statute or rule. Two or more municipalities may combine in the designation  
28.30 of a building official for the purpose of administering the provisions of the code within  
28.31 their communities. In those municipalities for which no building officials have been  
28.32 designated, the state building official may use whichever state employees are necessary to  
28.33 perform the duties of the building official until the municipality makes a temporary or

29.1 permanent designation. All costs incurred by virtue of these services rendered by state  
29.2 employees must be borne by the involved municipality and receipts arising from these  
29.3 services must be paid to the commissioner.

29.4 Sec. 39. Minnesota Statutes 2008, section 326B.133, is amended by adding a  
29.5 subdivision to read:

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

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

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

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

29.17 Sec. 40. Minnesota Statutes 2008, section 326B.133, subdivision 3, is amended to read:

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

29.21 (1) develop and administer written and practical examinations to determine if a  
29.22 person is qualified pursuant to subdivision 2 to be a building official;

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

29.26 (3) determine qualifications by satisfactory completion of clause (2) and a mandatory  
29.27 training program developed or approved by the commissioner.

29.28 Upon a determination of qualification under clause (1), (2), or (3), the commissioner  
29.29 shall issue a certificate to the building official stating that the official is certified. ~~Each~~  
29.30 ~~person applying for examination and certification pursuant to this section shall pay a~~  
29.31 ~~nonrefundable fee of \$70.~~ The commissioner or a designee may establish categories of  
29.32 certification that will recognize the varying complexities of code enforcement in the  
29.33 municipalities within the state. The commissioner shall provide educational programs  
29.34 designed to train and assist building officials in carrying out their responsibilities.

30.1 Sec. 41. Minnesota Statutes 2008, section 326B.133, is amended by adding a  
30.2 subdivision to read:

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

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

30.13 (c) Certified building official-limited. This certification is identified as "certified  
30.14 building official-limited" on the certification card. This certification is granted to an  
30.15 individual who has met the certified building official-limited requirements established by  
30.16 rule and passed the written examination prepared by the state. An individual with this  
30.17 certification may perform code administration for one- and two-family dwellings, their  
30.18 accessory structures, and "exempt classes of buildings" as provided in Minnesota Rules,  
30.19 part 1800.5000, of the Board of Architecture, Engineering, Land Surveying, Landscape  
30.20 Architecture, Geoscience, and Interior Design, and "facilities for persons with physical  
30.21 disabilities" that are governed by the State Building Code. Subject to the limitations of the  
30.22 building official-limited certification, an individual with this certification may serve as  
30.23 the designated building official for any municipality. Code administration for all other  
30.24 buildings must be performed by a certified building official as defined in paragraph (a). A  
30.25 certified building official-limited may conduct inspections for other structures regulated  
30.26 by the State Building Code under the direction of a designated certified building official or  
30.27 the state building official.

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

30.32 (d) Accessibility specialist. This certification is identified as accessibility specialist  
30.33 on the certification card. This certification is granted to an individual who has met  
30.34 the "accessibility specialist" requirements established by rule and passed the written  
30.35 examination prepared by the state. An individual with this classification is limited to the  
30.36 administration of those provisions of the State Building Code that provide access for

31.1 persons with disabilities. For the purposes of calculating fees under section 326B.092,  
31.2 certification as an accessibility specialist is a journeyman license.

31.3 Sec. 42. Minnesota Statutes 2008, section 326B.133, subdivision 8, is amended to read:

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

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

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

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

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

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

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

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

31.33 Sec. 43. Minnesota Statutes 2008, section 326B.133, subdivision 11, is amended to  
31.34 read:

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

32.6 Sec. 44. Minnesota Statutes 2008, section 326B.197, is amended to read:

32.7 **326B.197 BOND REQUIRED FOR CERTAIN CONTRACTORS.**

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

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

32.18 Sec. 45. Minnesota Statutes 2008, section 326B.33, subdivision 18, is amended to read:

32.19 Subd. 18. **Examination.** In addition to the other requirements described in this  
32.20 section and sections 326B.091 to 326B.098, and except as provided in subdivision 20, as a  
32.21 precondition to issuance of a personal license, each applicant must pass a written or oral  
32.22 examination developed and administered by the commissioner to ensure the competence of  
32.23 each applicant for license. An oral examination shall be administered only to an applicant  
32.24 who furnishes a written statement from a certified teacher or other professional, trained in  
32.25 the area of reading disabilities stating that the applicant has a specific reading disability  
32.26 which would prevent the applicant from performing satisfactorily on a written test. The  
32.27 oral examination shall be structured so that an applicant who passes the examination  
32.28 will not impair the applicant's own safety or that of others while acting as a licensed  
32.29 individual. ~~No individual failing an examination may retake it for six months thereafter,~~  
32.30 ~~but within such six months the individual may take an examination for a lesser grade of~~  
32.31 ~~license. Any individual failing to renew a personal license for two years or more after its~~  
32.32 ~~expiration, and any licensee whose personal license is revoked under this chapter, shall~~  
32.33 ~~be required to retake the examination before being issued a new license. An individual~~  
32.34 ~~whose personal license is revoked under any other chapter is not required to retake the~~

33.1 ~~examination before being issued a new license, unless the personal license was revoked~~  
33.2 ~~two years or more before the commissioner received the completed application for a new~~  
33.3 ~~license. A licensee whose personal license is suspended for any reason is not required to~~  
33.4 ~~retake the examination before the personal license is reinstated, unless the personal license~~  
33.5 ~~has not been reinstated within two years after the suspension began.~~

33.6 ~~An applicant for a personal license shall submit to the commissioner an application~~  
33.7 ~~and examination fee at the time of application. Upon approval of the application, the~~  
33.8 ~~commissioner shall schedule the applicant for the next available examination, which shall~~  
33.9 ~~be held within 60 days. The applicant shall be allowed one opportunity to reschedule~~  
33.10 ~~an examination without being required to submit another application and examination~~  
33.11 ~~fee. Additionally, an applicant who fails an examination, or whose application was not~~  
33.12 ~~approved, shall submit another application and examination fee.~~

33.13 Sec. 46. Minnesota Statutes 2009 Supplement, section 326B.33, subdivision 19,  
33.14 is amended to read:

33.15 Subd. 19. **License, registration, and renewal fees; expiration.** (a) Unless  
33.16 revoked or suspended under this chapter, all licenses issued or renewed under this section  
33.17 expire on the date specified in this subdivision. Master licenses expire March 1 of each  
33.18 odd-numbered year after issuance or renewal. Electrical contractor licenses expire March  
33.19 1 of each even-numbered year after issuance or renewal. Technology system contractor  
33.20 licenses expire August 1 of each even-numbered year after issuance or renewal. All  
33.21 other personal licenses expire two years from the date of original issuance and every two  
33.22 years thereafter. Registrations of unlicensed individuals expire one year from the date of  
33.23 original issuance and every year thereafter.

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

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

33.27 ~~(2) For original issuance and each subsequent renewal of:~~

33.28 ~~Class A Master or master special electrician, including master elevator constructor:~~  
33.29 ~~\$40 per year;~~

33.30 ~~Class B Master: \$25 per year;~~

33.31 ~~Power Limited Technician: \$15 per year;~~

33.32 ~~Class A Journeyman, Class B Journeyman, Installer, Elevator Constructor, Lineman,~~  
33.33 ~~or Maintenance Electrician other than master special electrician: \$15 per year;~~

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

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

34.1 ~~(e) If any new license is issued in accordance with this subdivision for less than two~~  
34.2 ~~years, the fee for the license shall be prorated on an annual basis.~~

34.3 ~~(d) A license fee may not be refunded after a license is issued or renewed. However,~~  
34.4 ~~if the fee paid for a license was not prorated in accordance with this subdivision, the~~  
34.5 ~~amount of the overpayment shall be refunded.~~

34.6 ~~(e) Any contractor who seeks reissuance of a license after it has been revoked or~~  
34.7 ~~suspended under this chapter shall submit a reissuance fee of \$100 before the license is~~  
34.8 ~~reinstated.~~

34.9 ~~(f) An individual or contractor who fails to renew a license before 30 days after the~~  
34.10 ~~expiration or registration of the license must submit a late fee equal to one year's license~~  
34.11 ~~fee in addition to the full renewal fee. Fees for renewed licenses or registrations are not~~  
34.12 ~~prorated. An individual or contractor that fails to renew a license or registration by the~~  
34.13 ~~expiration date is unlicensed until the license or registration is renewed.~~

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

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

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

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

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

34.26 (c) For each filing of a certificate of responsible person by an employer, the fee is  
34.27 \$100.

34.28 Sec. 47. Minnesota Statutes 2008, section 326B.33, subdivision 20, is amended to read:

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

34.33 (a) submits an application under this section;

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

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

35.2 Agreements are subject to the following:

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

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

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

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

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

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

35.22 Sec. 48. Minnesota Statutes 2008, section 326B.33, subdivision 21, is amended to read:

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

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

35.30 (2) the individual is supervised by:

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

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

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

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

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

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

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

36.26 (c) Companies and their employees that plan, lay out, install, alter, or repair class  
36.27 2 and class 3 remote control wiring associated with plug or cord and plug connected  
36.28 appliances other than security or fire alarm systems installed in a residential dwelling are  
36.29 not required to hold a license under sections 326B.31 to 326B.399.

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

36.34 (e) Employees of any electrical, communications, or railway utility, cable  
36.35 communications company as defined in section 238.02, or a telephone company as defined  
36.36 under section 237.01 or its employees, or of any independent contractor performing work

37.1 on behalf of any such utility, cable communications company, or telephone company, shall  
37.2 not be required to hold a license under sections 326B.31 to 326B.399:

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

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

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

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

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

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

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

37.23 Sec. 49. Minnesota Statutes 2008, section 326B.42, is amended by adding a  
37.24 subdivision to read:

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

37.29 Sec. 50. Minnesota Statutes 2008, section 326B.42, is amended by adding a  
37.30 subdivision to read:

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

38.1 Sec. 51. Minnesota Statutes 2008, section 326B.42, is amended by adding a  
38.2 subdivision to read:

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

38.9 Sec. 52. Minnesota Statutes 2008, section 326B.42, is amended by adding a  
38.10 subdivision to read:

38.11 Subd. 10. **Restricted plumbing contractor.** "Restricted plumbing contractor"  
38.12 means a licensed contractor whose responsible licensed plumber is a licensed restricted  
38.13 master plumber.

38.14 Sec. 53. Minnesota Statutes 2008, section 326B.44, is amended to read:

38.15 **326B.44 LOCAL REGULATIONS.**

38.16 Any of the following entities may, by ordinance, adopt local regulations providing  
38.17 for plumbing permits, approval of plans and specifications, and inspections of plumbing,  
38.18 which regulations are not in conflict with the plumbing code: any city having a system  
38.19 of waterworks or sewerage, regardless of population; any town having a population of  
38.20 5,000 or more according to the last federal census, exclusive of any statutory cities  
38.21 located therein; and the Metropolitan Airports Commission. No such entity shall prohibit  
38.22 ~~plumbers~~ plumbing contractors licensed by the commissioner from engaging in or working  
38.23 at the business of plumbing, except cities and statutory cities which, prior to April 21,  
38.24 1933, by ordinance required the licensing of plumbers. No such entity shall require any  
38.25 person who engages in the business of plumbing to post a bond as a prerequisite for  
38.26 engaging in the business of plumbing, except the bond to the state required under section  
38.27 326B.46 and except any performance bond required under a contract with the person  
38.28 for the performance of plumbing work for the entity. No such entity shall require any  
38.29 person who engages in the business of plumbing to maintain public liability insurance  
38.30 as a prerequisite for engaging in the business of plumbing, except the insurance required  
38.31 under section 326B.46 and except any public liability insurance required under a contract  
38.32 with the person for the performance of plumbing work for the entity. No city or town may  
38.33 require a license for persons performing building sewer or water service installation who  
38.34 have completed pipe laying training as prescribed by the commissioner of labor and

39.1 industry. Any city by ordinance may prescribe regulations, reasonable standards, and  
39.2 inspections and grant permits to any person engaged in the business of installing water  
39.3 softeners, who is not licensed as a ~~master plumber or journeyman plumber~~ contractor by  
39.4 the commissioner, to connect water softening and water filtering equipment to private  
39.5 residence water distribution systems, where provision has been previously made therefor  
39.6 and openings left for that purpose or by use of cold water connections to a domestic  
39.7 water heater; where it is not necessary to rearrange, make any extension or alteration of,  
39.8 or addition to any pipe, fixture or plumbing connected with the water system except to  
39.9 connect the water softener, and provided the connections so made comply with minimum  
39.10 standards prescribed by the Plumbing Board.

39.11 Sec. 54. Minnesota Statutes 2008, section 326B.46, as amended by Laws 2009, chapter  
39.12 78, article 5, section 14, and chapter 109, section 13, is amended to read:

39.13 **326B.46 LICENSING, BOND AND INSURANCE.**

39.14 Subdivision 1. **License required.** (a) No ~~person~~ individual shall engage in or work  
39.15 at the business of a master plumber, restricted master plumber, journeyman plumber,  
39.16 and restricted journeyman plumber unless licensed to do so by the ~~state~~ commissioner.  
39.17 A license is not required for individuals performing building sewer or water service  
39.18 installation who have completed pipe laying training as prescribed by the commissioner  
39.19 ~~of labor and industry~~. A master plumber may also work as a journeyman plumber, a  
39.20 restricted journeyman plumber, and a restricted master plumber. A journeyman plumber  
39.21 may also work as a restricted journeyman plumber. Anyone not so licensed may do  
39.22 plumbing work which complies with the provisions of the minimum standards prescribed  
39.23 by the Plumbing Board on premises or that part of premises owned and actually occupied  
39.24 by the worker as a residence, unless otherwise forbidden to do so by a local ordinance.

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

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

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

40.4            (b) An individual who is an employee working on the maintenance and repair of  
40.5 plumbing equipment, apparatus, or facilities owned or leased by the individual's employer  
40.6 and which is within the limits of property owned or leased, and operated or maintained by  
40.7 the individual's employer, shall not be required to maintain a contractor license as long  
40.8 as the employer has on file with the commissioner a current certificate of responsible  
40.9 person. The certificate must be signed by the responsible master plumber or, in an area of  
40.10 the state that is not a city or town with a population of more than 5,000 according to the  
40.11 last federal census, restricted master plumber, and must state that the person signing the  
40.12 certificate is responsible for ensuring that the maintenance and repair work performed by  
40.13 the employer's employees comply with sections 326B.41 to 326B.49, all rules adopted  
40.14 under those sections and sections 326B.50 to 326B.59, and all orders issued under section  
40.15 326B.082. The employer must pay a filing fee to file a certificate of responsible person  
40.16 with the commissioner. The certificate shall expire two years from the date of filing. In  
40.17 order to maintain a current certificate of responsible person, the employer must resubmit a  
40.18 certificate of responsible person, with a filing fee, no later than two years from the date of  
40.19 the previous submittal. The filing of the certificate of responsible person does not exempt  
40.20 any employee of the employer from the requirements of this chapter regarding individual  
40.21 licensing as a plumber or registration as a plumber's apprentice.

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

40.25            Subd. 1b. **Employment of master plumber or restricted master plumber.** (a)  
40.26 Each contractor must designate a responsible licensed plumber, who shall be responsible  
40.27 for the performance of all plumbing work in accordance with sections 326B.41 to  
40.28 326B.49, all rules adopted under these sections and sections 326B.50 to 326B.59, and all  
40.29 orders issued under section 326B.082. A plumbing contractor's responsible licensed  
40.30 plumber must be a master plumber. A restricted plumbing contractor's responsible licensed  
40.31 plumber must be a master plumber or a restricted master plumber. A plumbing contractor  
40.32 license authorizes the contractor to offer to perform and, through licensed and registered  
40.33 individuals, to perform plumbing work in all areas of the state. A restricted plumbing  
40.34 contractor license authorizes the contractor to offer to perform and, through licensed and  
40.35 registered individuals, to perform plumbing work in all areas of the state except in cities  
40.36 and towns with a population of more than 5,000 according to the last federal census.

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

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

41.13 ~~Subd. 2. **Bond; insurance.** Any person contracting to do plumbing work must give~~  
41.14 As a condition of licensing, each contractor shall give and maintain bond to the state in the  
41.15 amount of at least \$25,000 for (1) all plumbing work entered into within the state or (2)  
41.16 all plumbing work and subsurface sewage treatment work entered into within the state.  
41.17 If the bond is for both plumbing work and subsurface sewage treatment work, the bond  
41.18 must comply with the requirements of this section and section 115.56, subdivision 2,  
41.19 paragraph (e). The bond shall be for the benefit of persons injured or suffering financial  
41.20 loss by reason of failure to comply with the requirements of the State Plumbing Code and,  
41.21 if the bond is for both plumbing work and subsurface sewage treatment work, financial  
41.22 loss by reason of failure to comply with the requirements of sections 115.55 and 115.56.  
41.23 The bond shall be filed with the commissioner and shall be written by a corporate surety  
41.24 licensed to do business in the state.

41.25 ~~In addition, each applicant for a master plumber license or restricted master plumber~~  
41.26 ~~license, or renewal thereof, shall provide evidence of~~ as a condition of licensing, each  
41.27 contractor shall have and maintain in effect public liability insurance, including products  
41.28 liability insurance with limits of at least \$50,000 per person and \$100,000 per occurrence  
41.29 and property damage insurance with limits of at least \$10,000. The insurance shall be  
41.30 written by an insurer licensed to do business in the state of Minnesota and each licensed  
41.31 master plumber shall maintain on file with the commissioner a certificate evidencing the  
41.32 insurance providing that the insurance shall not be canceled without the insurer first giving  
41.33 15 days written notice to the commissioner. ~~The term of the insurance shall be concurrent~~  
41.34 ~~with the term of the license.~~

41.35 ~~Subd. 3. **Bond and insurance exemption.** If a master plumber or restricted master~~  
41.36 ~~plumber who is in compliance with the bond and insurance requirements of subdivision 2,~~

42.1 ~~employs a licensed plumber, the employee plumber shall not be required to meet the bond~~  
42.2 ~~and insurance requirements of subdivision 2. An individual who is an employee working~~  
42.3 ~~on the maintenance and repair of plumbing equipment, apparatus, or facilities owned or~~  
42.4 ~~leased by the individual's employer and which is within the limits of property owned or~~  
42.5 ~~leased, and operated or maintained by the individual's employer, shall not be required to~~  
42.6 ~~meet the bond and insurance requirements of subdivision 2.~~

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

42.9 ~~(b) The commissioner shall in a manner determined by the commissioner, without~~  
42.10 ~~the need for any rulemaking under chapter 14, phase in the bond registration from one year~~  
42.11 ~~to two years so that the expiration of bond registration corresponds with the expiration of~~  
42.12 ~~the license issued under section 326B.475 or 326B.49, subdivision 1.~~

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

42.22 **Subd. 6. Well contractor exempt from licensing and bond; conditions.** No  
42.23 license, registration, or bond under sections 326B.42 to 326B.49 is required of a well  
42.24 contractor or a limited well/boring contractor who is licensed and bonded under section  
42.25 103I.525 or 103I.531 and is engaged in the work or business of installing (1) water service  
42.26 pipe from a well to a pressure tank or a frost free water hydrant with an antisiphon device,  
42.27 or (2) a temporary shut-off valve on a well water service pipe.

42.28 Sec. 55. Minnesota Statutes 2008, section 326B.47, is amended to read:

42.29 **326B.47 PLUMBER'S APPRENTICES.**

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

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

42.34 (2) be an unlicensed individual registered with the commissioner under subdivision  
42.35 3.

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

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

43.16           Subd. 2. **Journeyman exam.** A plumber's apprentice who has completed four  
43.17 years of practical plumbing experience is eligible to take the journeyman plumbing  
43.18 examination. Up to 24 months of practical plumbing experience prior to becoming a  
43.19 plumber's apprentice may be applied to the four-year experience requirement. However,  
43.20 none of this practical plumbing experience may be applied if the individual did not have  
43.21 any practical plumbing experience in the 12-month period immediately prior to becoming  
43.22 a plumber's apprentice. The Plumbing Board may adopt rules to evaluate whether  
43.23 the individual's past practical plumbing experience is applicable in preparing for the  
43.24 journeyman's examination. If two years after completing the training the individual has  
43.25 not taken the examination, the four years of experience shall be forfeited.

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

43.28           Subd. 3. **Registration, rules, applications, renewals, and fees.** An unlicensed  
43.29 individual may register by completing and submitting to the commissioner ~~a registration~~  
43.30 an application form provided by the commissioner, with all fees required by section  
43.31 326B.092. A completed ~~registration~~ application form must state the date the individual  
43.32 began training, the individual's age, schooling, previous experience, and employer,  
43.33 and other information required by the commissioner. The board may prescribe rules,  
43.34 not inconsistent with this section, for the registration of unlicensed individuals. ~~Each~~  
43.35 ~~applicant for initial registration as a plumber's apprentice shall pay the department an~~  
43.36 ~~application fee of \$25.~~ Applications for initial registration may be submitted at any time.

44.1 Registration must be renewed annually and shall be for the period from July 1 of each year  
44.2 to June 30 of the following year. ~~Applications for renewal registration must be received~~  
44.3 ~~by the commissioner by June 30 of each registration period on forms provided by the~~  
44.4 ~~commissioner, and must be accompanied by a fee of \$25. An application for renewal~~  
44.5 ~~registration received on or after July 1 in any year but no more than three months after~~  
44.6 ~~expiration of the previously issued registration must pay the past due renewal fee plus a~~  
44.7 ~~late fee of \$25. No applications for renewal registration will be accepted more than three~~  
44.8 ~~months after expiration of the previously issued registration.~~

44.9 Sec. 56. Minnesota Statutes 2008, section 326B.475, subdivision 2, is amended to read:

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

44.13 Sec. 57. Minnesota Statutes 2009 Supplement, section 326B.475, subdivision 4,  
44.14 is amended to read:

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

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

44.26 Sec. 58. Minnesota Statutes 2009 Supplement, section 326B.49, subdivision 1, is  
44.27 amended to read:

44.28 Subdivision 1. **Application, examination, and license fees.** (a) Applications for  
44.29 master and journeyman plumber's license licenses shall be made to the commissioner, with  
44.30 fee all fees required by section 326B.092. Unless the applicant is entitled to a renewal,  
44.31 the applicant shall be licensed by the commissioner only after passing a satisfactory  
44.32 examination developed and administered by the commissioner, based upon rules adopted  
44.33 by the Plumbing Board, showing fitness. ~~Examination fees for both journeyman and~~

45.1 ~~master plumbers shall be \$50 for each examination. Upon being notified of having~~  
45.2 ~~successfully passed the examination for original license the applicant shall submit an~~  
45.3 ~~application, with the license fee herein provided. The license fee for each initial master~~  
45.4 ~~plumber's license shall be \$240. The license fee for each initial journeyman plumber's~~  
45.5 ~~license shall be \$110.~~

45.6 (b) All initial ~~master and~~ journeyman plumber's licenses shall be effective for more  
45.7 than one calendar year and shall expire on December 31 of the year after the year in which  
45.8 the application is made. ~~The license fee for each renewal master plumber's license shall be~~  
45.9 ~~\$120 for one year or \$240 for two years. The license fee for each renewal journeyman~~  
45.10 ~~plumber's license shall be \$55 for one year or \$110 for two years. All master plumber's~~  
45.11 ~~licenses shall expire on December 31 of each even-numbered year after issuance or~~  
45.12 ~~renewal.~~ The commissioner shall in a manner determined by the commissioner, without  
45.13 the need for any rulemaking under chapter 14, phase in the renewal of master and  
45.14 journeyman plumber's licenses from one year to two years. By June 30, 2011, all renewed  
45.15 master and journeyman plumber's licenses shall be two-year licenses.

45.16 (c) ~~Any licensee who does not renew a license within two years after the license~~  
45.17 ~~expires is no longer eligible for renewal. Such an individual must retake and pass the~~  
45.18 ~~examination before a new license will be issued. A journeyman or master plumber who~~  
45.19 ~~submits a license renewal application after the time specified in rule but within two~~  
45.20 ~~years after the license expired must pay all past due renewal fees plus a late fee of \$25.~~  
45.21 Applications for contractor licenses shall be made to the commissioner, with all fees  
45.22 required by section 326B.092. All contractor licenses shall expire on December 31 of each  
45.23 odd-numbered year after issuance or renewal.

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

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

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

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

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

45.34 (e) For each filing of a certificate of responsible person by an employer, the fee is  
45.35 \$100.

46.1 Sec. 59. Minnesota Statutes 2008, section 326B.50, is amended by adding a  
46.2 subdivision to read:

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

46.10 Sec. 60. Minnesota Statutes 2008, section 326B.50, is amended by adding a  
46.11 subdivision to read:

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

46.16 Sec. 61. Minnesota Statutes 2008, section 326B.50, is amended by adding a  
46.17 subdivision to read:

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

46.22 Sec. 62. Minnesota Statutes 2008, section 326B.50, is amended by adding a  
46.23 subdivision to read:

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

46.28 Sec. 63. Minnesota Statutes 2008, section 326B.54, is amended to read:

46.29 **326B.54 VIOLATIONS TO BE REPORTED TO COMMISSIONER.**

46.30 Such local authority as may be designated by any such ordinance for the issuance  
46.31 of such water conditioning installation and servicing permits and approval of such plans  
46.32 shall report to the commissioner persistent or willful violations of the same and any

47.1 incompetence of a licensed water conditioning contractor, licensed water conditioning  
47.2 master, or licensed water conditioning ~~installer~~ journeyman observed by the local authority.

47.3 Sec. 64. Minnesota Statutes 2008, section 326B.55, as amended by Laws 2010, chapter  
47.4 183, section 13, is amended to read:

47.5 **326B.55 LICENSING IN CERTAIN CITIES; QUALIFICATIONS; RULES.**

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

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

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

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

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

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

47.34 (2) for an individual to perform water conditioning work that complies with the  
47.35 minimum standards prescribed by the Plumbing Board on premises or that part of premises

48.1 owned and occupied by the ~~worker~~ individual as a residence, unless otherwise prohibited  
48.2 by a local ordinance. The scope of work that a master plumber, restricted master plumber,  
48.3 journeyman plumber, or restricted journeyman plumber is authorized to perform as an  
48.4 employee of a licensed water conditioning contractor shall be limited to the scope of work  
48.5 that the licensed water conditioning contractor is licensed to perform.

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

48.16 (b) Each water conditioning contractor must designate a responsible licensed master  
48.17 plumber or a responsible licensed water conditioning master, who shall be responsible for  
48.18 the performance of all water conditioning installation and servicing in accordance with the  
48.19 requirements of sections 326B.50 to 326B.59, all rules adopted under sections 326B.50 to  
48.20 326B.59, the Minnesota Plumbing Code, and all orders issued under section 326B.082. If  
48.21 the water conditioning contractor is an individual or sole proprietorship, the responsible  
48.22 licensed master must be the individual, proprietor, or managing employee. If the water  
48.23 conditioning contractor is a partnership, the responsible licensed master must be a general  
48.24 partner or managing employee. If the water conditioning contractor is a limited liability  
48.25 company, the responsible licensed master must be a chief manager or managing employee.  
48.26 If the water conditioning contractor is a corporation, the responsible licensed master must  
48.27 be an officer or managing employee. If the responsible licensed master is a managing  
48.28 employee, the responsible licensed master must be actively engaged in performing water  
48.29 conditioning work on behalf of the water conditioning contractor and cannot be employed  
48.30 in any capacity as a water conditioning master or water conditioning journeyman for any  
48.31 other water conditioning contractor. An individual must not be the responsible licensed  
48.32 master for more than one water conditioning contractor.

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

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

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

49.5 (1) license water conditioning contractors, water conditioning masters, and installers  
49.6 water conditioning journeymen; and

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

49.11 Sec. 65. Minnesota Statutes 2008, section 326B.56, as amended by Laws 2009, chapter  
49.12 78, article 5, section 18, is amended to read:

49.13 **326B.56 ALTERNATIVE STATE BONDING AND INSURANCE**  
49.14 **REGULATION.**

49.15 Subdivision 1. **Bonds.** (a) ~~An applicant for a water conditioning contractor or~~  
49.16 ~~installer license or renewal thereof who is required by any political subdivision to give a~~  
49.17 ~~bond to obtain or maintain the license, may comply with any political subdivision bonding~~  
49.18 ~~requirement by giving~~ As a condition of licensing, each water conditioning contractor  
49.19 shall give and maintain a bond to the state as described in paragraph (b). No applicant for a  
49.20 water conditioning contractor or installer license who maintains the bond under paragraph  
49.21 (b) shall be otherwise required to meet the bond requirements of any political subdivision.

49.22 (b) Each bond given to the state under this subdivision shall be in the total sum of  
49.23 \$3,000 conditioned upon the faithful and lawful performance of all water conditioning  
49.24 ~~contracting or installing work~~ installation or servicing done within the state. The bond  
49.25 shall be for the benefit of persons suffering injuries or damages due to the work. The bond  
49.26 shall be filed with the commissioner and shall be written by a corporate surety licensed to  
49.27 do business in this state. The bond must remain in effect at all times while the application  
49.28 is pending and while the license is in effect.

49.29 Subd. 2. **Insurance.** (a) ~~Each applicant for a water conditioning contractor or~~  
49.30 ~~installer license or renewal thereof who is required by any political subdivision to maintain~~  
49.31 ~~insurance to obtain or maintain the license may comply with any political subdivision's~~  
49.32 ~~insurance requirement by maintaining~~ As a condition of licensing, each water conditioning  
49.33 contractor shall have and maintain in effect the insurance described in paragraph (b).  
49.34 No applicant for a water conditioning contractor ~~or installer~~ license who maintains the

50.1 insurance described in paragraph (b) shall be otherwise required to meet the insurance  
50.2 requirements of any political subdivision.

50.3 (b) The insurance shall provide coverage, including products liability coverage,  
50.4 for all damages in connection with licensed work for which the licensee is liable, with  
50.5 personal damage limits of at least \$50,000 per person and \$100,000 per occurrence and  
50.6 property damage insurance with limits of at least \$10,000. The insurance shall be written  
50.7 by an insurer licensed to do business in this state and a certificate evidencing the insurance  
50.8 shall be filed with the commissioner. The insurance must remain in effect at all times  
50.9 while the application is pending and while the license is in effect. The insurance shall not  
50.10 be canceled without the insurer first giving 15 days' written notice to the commissioner.

50.11 Subd. 3. **Bond and insurance exemption.** A water conditioning contractor or  
50.12 installer who is an employee of a water conditioning contractor or installer, including  
50.13 an employee engaged in the maintenance and repair of water conditioning equipment,  
50.14 apparatus, or facilities owned, leased and operated, or maintained by the employer, is  
50.15 not required to meet the bond and insurance requirements of subdivisions 1 and 2 or of  
50.16 any political subdivision.

50.17 Subd. 4. **Fee.** (a) The commissioner shall collect a \$40 bond registration fee for  
50.18 one year or \$80 for two years from each applicant for issuance or renewal of a water  
50.19 conditioning contractor or installer license who elects to proceed under subdivisions  
50.20 1 and 2.

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

50.25 Sec. 66. Minnesota Statutes 2009 Supplement, section 326B.58, is amended to read:

50.26 **326B.58 FEES; RENEWAL.**

50.27 (a) ~~Examination fees for both water conditioning contractors and water conditioning~~  
50.28 ~~installers shall be \$50 for each examination. Each initial water conditioning contractor~~  
50.29 ~~and installer master and water conditioning journeyman license shall be effective for more~~  
50.30 ~~than one calendar year and shall expire on December 31 of the year after the year in which~~  
50.31 ~~the application is made. The license fee for each initial water conditioning contractor's~~  
50.32 ~~license shall be \$140, except that the license fee shall be \$105 if the application is~~  
50.33 ~~submitted during the last three months of the calendar year. The license fee for each~~  
50.34 ~~renewal water conditioning contractor's license shall be \$70 for one year or \$140 for two~~  
50.35 ~~years. The license fee for each initial water conditioning installer license shall be \$70,~~

51.1 ~~except that the license fee shall be \$52.50 if the application is submitted during the last~~  
51.2 ~~three months of the calendar year. The license fee for each renewal water conditioning~~  
51.3 ~~installer license shall be \$35 for one year or \$70 for two years.~~

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

51.10 (c) ~~Any licensee who does not renew a license within two years after the license~~  
51.11 ~~expires is no longer eligible for renewal. Such an individual must retake and pass the~~  
51.12 ~~examination before a new license will be issued. A water conditioning contractor or water~~  
51.13 ~~conditioning installer who submits a license renewal application after the time specified~~  
51.14 ~~in rule but within two years after the license expired must pay all past due renewal fees~~  
51.15 ~~plus a late fee of \$25. All water conditioning contractor licenses shall expire on December~~  
51.16 ~~31 of the year after issuance or renewal.~~

51.17 (d) For purposes of calculating license fees and renewal fees required under section  
51.18 326B.092:

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

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

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

51.23 Sec. 67. Minnesota Statutes 2008, section 326B.805, subdivision 6, is amended to read:

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

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

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

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

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

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

52.5 (6) a mechanical contractor;

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

52.8 (8) specialty contractors who provide only one special skill as defined in section  
52.9 326B.802;

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

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

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

52.27 Sec. 68. Minnesota Statutes 2009 Supplement, section 326B.815, subdivision 1,  
52.28 is amended to read:

52.29 Subdivision 1. ~~Licensing fee Fees.~~ (a) ~~The licensing fee for persons licensed~~  
52.30 ~~pursuant to sections 326B.802 to 326B.885, except for manufactured home installers,~~  
52.31 ~~is \$200 for a two-year period. The~~ For the purposes of calculating fees under section  
52.32 326B.092, an initial or renewed residential contractor, residential remodeler, or residential  
52.33 roofer license is a business license. Notwithstanding section 326B.092, the licensing fee  
52.34 for manufactured home installers under section 327B.041 is \$300 for a three-year period.

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

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

53.11 Sec. 69. Minnesota Statutes 2008, section 326B.83, subdivision 1, is amended to read:

53.12 Subdivision 1. **Form.** (a) An applicant for a license under sections 326B.802 to  
53.13 326B.885 must submit an application, under oath and accompanied by the ~~license fee~~ fees  
53.14 required by section ~~326B.815~~ 326B.092, on a form prescribed by the commissioner.  
53.15 ~~Within 30 business days of receiving all required information, the commissioner must~~  
53.16 ~~act on the license request.~~

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

53.21 Sec. 70. Minnesota Statutes 2008, section 326B.83, subdivision 3, is amended to read:

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

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

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

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

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

54.1 ~~to act as a qualifying person for a licensee within two years from the examination date,~~  
54.2 ~~must, upon application provide:~~

54.3 ~~(1) passing examination results within two years from the date of application; or~~

54.4 ~~(2) proof that the person has fulfilled the continuing education requirements in~~  
54.5 ~~section 326B.821 in the manner required for a qualifying person of a licensee for each~~  
54.6 ~~license period after the expiration of the examination results.~~

54.7 Sec. 71. Minnesota Statutes 2008, section 326B.83, subdivision 6, is amended to read:

54.8 Subd. 6. **License.** A nonresident of Minnesota may be licensed as a residential  
54.9 building contractor, residential remodeler, residential roofer, or manufactured home  
54.10 installer upon compliance with all the provisions of sections 326B.092 to 326B.098 and  
54.11 326B.802 to 326B.885.

54.12 Sec. 72. Minnesota Statutes 2009 Supplement, section 326B.86, subdivision 1, is  
54.13 amended to read:

54.14 Subdivision 1. **Bond.** (a) Licensed manufactured home installers and licensed  
54.15 residential roofers must post a biennial surety bond in the name of the licensee with the  
54.16 commissioner, conditioned that the applicant shall faithfully perform the duties and in  
54.17 all things comply with all laws, ordinances, and rules pertaining to the license or permit  
54.18 applied for and all contracts entered into. The biennial bond must be continuous and  
54.19 maintained for so long as the licensee remains licensed. The aggregate liability of the  
54.20 surety on the bond to any and all persons, regardless of the number of claims made  
54.21 against the bond, may not exceed the amount of the bond. The bond may be canceled as  
54.22 to future liability by the surety upon 30 days' written notice mailed to the commissioner  
54.23 by regular mail.

54.24 (b) A licensed residential roofer must post a bond of at least \$15,000.

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

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

54.28 Sec. 73. Minnesota Statutes 2008, section 326B.865, is amended to read:

54.29 **326B.865 SIGN CONTRACTOR; BOND.**

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

55.1 commissioner. The aggregate liability of the surety on the bond to any and all persons,  
55.2 regardless of the number of claims made against the bond, may not exceed the annual  
55.3 amount of the bond. The bond may be canceled as to future liability by the surety upon 30  
55.4 days' written notice mailed to the commissioner by United States mail.

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

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

55.12 Sec. 74. Minnesota Statutes 2008, section 326B.921, subdivision 2, is amended to read:

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

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

55.23 To retain its business license without reapplication, a person holding a high pressure  
55.24 piping business license that ceases to employ an individual holding a contracting high  
55.25 pressure pipefitter competency license shall have 60 days from the last day of employment  
55.26 of its previous contracting pipefitter competency license holder to employ another license  
55.27 holder. The department must be notified no later than five days after the last day of  
55.28 employment of the previous license holder.

55.29 No high pressure pipefitting work may be performed during any period when the  
55.30 high pressure pipefitting business does not have a contracting high pressure pipefitter  
55.31 competency license holder on staff. If a license holder is not employed within 60 days  
55.32 after the last day of employment of the previous license holder, the pipefitting business  
55.33 license shall lapse.

55.34 The board shall prescribe by rule procedures for application for and issuance of  
55.35 business licenses.

56.1 Sec. 75. Minnesota Statutes 2008, section 326B.921, subdivision 4, is amended to read:

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

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

56.14 Sec. 76. Minnesota Statutes 2008, section 326B.921, subdivision 7, is amended to read:

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

56.17 ~~(a) application for journeyman high pressure pipefitter competency license, \$120;~~

56.18 ~~(b) renewal of journeyman high pressure pipefitter competency license, \$80;~~

56.19 ~~(c) application for contracting high pressure pipefitter competency license, \$270;~~

56.20 ~~(d) renewal of contracting high pressure pipefitter competency license, \$240;~~

56.21 ~~(e) application for high pressure piping business license, \$450;~~

56.22 ~~(f) application to inactivate a contracting high pressure pipefitter competency license~~  
56.23 ~~or inactivate a journeyman high pressure pipefitter competency license, \$40; and~~

56.24 ~~(g) renewal of an inactive contracting high pressure pipefitter competency license or~~  
56.25 ~~inactive journeyman high pressure pipefitter competency license, \$40.~~

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

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

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

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

- 57.1 (2) a journeyman high pressure pipefitter license is a journeyman license;  
57.2 (3) a contracting high pressure pipefitter license is a master license; and  
57.3 (4) a high pressure piping business license is a business license.

57.4 Sec. 77. Minnesota Statutes 2008, section 326B.922, is amended to read:

57.5 **326B.922 LICENSE APPLICATION AND RENEWAL.**

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

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

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

57.26 Sec. 78. Minnesota Statutes 2009 Supplement, section 326B.94, subdivision 4, is  
57.27 amended to read:

57.28 Subd. 4. **Examinations, licensing.** Every individual that operates a boat must  
57.29 hold a current master's license issued by the commissioner, unless the individual holds  
57.30 a valid, current charter boat captain's license issued by the United States Coast Guard.

57.31 The commissioner shall develop and administer an examination for all masters of boats  
57.32 carrying passengers for hire on the inland waters of the state as to their qualifications and  
57.33 fitness. If found qualified and competent to perform their duties as a master of a boat  
57.34 carrying passengers for hire, they shall be issued a license authorizing them to act as such

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

58.7 Sec. 79. Minnesota Statutes 2008, section 326B.978, subdivision 2, is amended to read:

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

58.14 Sec. 80. Minnesota Statutes 2008, section 326B.978, is amended by adding a  
58.15 subdivision to read:

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

58.18 Sec. 81. Minnesota Statutes 2009 Supplement, section 326B.986, subdivision 5,  
58.19 is amended to read:

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

- 58.22 ~~(1) chief engineer's license, \$70;~~  
58.23 ~~(2) first class engineer's license, \$70;~~  
58.24 ~~(3) second class engineer's license, \$70;~~  
58.25 ~~(4) special engineer's license, \$40;~~  
58.26 ~~(5) traction or hobby boiler engineer's license, \$50; and~~  
58.27 ~~(6) provisional license, \$50.~~

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

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

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

59.2 (2) the following licenses are journeyman licenses: first class engineer, Grade A;  
59.3 first class engineer, Grade B; first class engineer, Grade C; second class engineer, Grade  
59.4 A; second class engineer, Grade B; second class engineer, Grade C; and provisional  
59.5 license; and

59.6 (3) the following licenses are master licenses: boiler chief engineer, Grade A; boiler  
59.7 chief engineer, Grade B; boiler chief engineer, Grade C; boiler commissioner inspector;  
59.8 and traction or hobby boiler engineer.

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

59.12 Sec. 82. Minnesota Statutes 2008, section 327.31, subdivision 17, is amended to read:

59.13 Subd. 17. **Installation.** "Installation" of a manufactured home means ~~assembly~~  
59.14 installation or reinstallation, at the site of occupancy, of all portions of a manufactured  
59.15 home, connection of the manufactured home to existing utility connections and installation  
59.16 of support and/or anchoring systems.

59.17 Sec. 83. Minnesota Statutes 2008, section 327.31, is amended by adding a subdivision  
59.18 to read:

59.19 Subd. 21. **Used manufactured home.** "Used manufactured home" means a home  
59.20 being offered for sale not less than 24 months after the first purchaser took legal ownership  
59.21 or possession of the home.

59.22 Sec. 84. Minnesota Statutes 2008, section 327.31, is amended by adding a subdivision  
59.23 to read:

59.24 Subd. 22. **Seller.** "Seller" means either the homeowner, manufactured home retailer  
59.25 or dealer, broker, or limited dealer or retailer.

59.26 Sec. 85. Minnesota Statutes 2008, section 327.32, subdivision 1, is amended to read:

59.27 Subdivision 1. **Requirement; new manufactured homes.** No person shall sell;  
59.28 or offer for sale; in this state; any new manufactured home ~~manufactured after July 1,~~  
59.29 ~~1972,~~ or manufacture any manufactured home in this state ~~or install for occupancy any~~  
59.30 ~~manufactured home manufactured after July 1, 1972, in any manufactured home park in~~  
59.31 ~~this state~~ unless the manufactured home complies with the Manufactured Home Building  
59.32 Code and bears a label as required by the secretary.

60.1 ~~(a) bears a seal issued by the commissioner, and is, whenever possible, accompanied~~  
60.2 ~~by a certificate by the manufacturer or dealer, both evidencing that it complies with the~~  
60.3 ~~Manufactured Home Building Code; or~~

60.4 ~~(b) if manufactured after June 14, 1976, bears a label as required by the secretary.~~

60.5 Sec. 86. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision  
60.6 to read:

60.7 Subd. 1a. **Requirement; used manufactured homes.** No person shall sell or  
60.8 offer for sale in this state any used manufactured home manufactured after June 14,  
60.9 1976, or install for occupancy any used manufactured home manufactured after June  
60.10 14, 1976, unless the used manufactured home complies with the Notice of Compliance  
60.11 Form as provided in this subdivision. If manufactured after June 14, 1976, the home  
60.12 must bear a label as required by the secretary. The Notice of Compliance Form shall be  
60.13 signed by the seller and purchaser indicating which party is responsible for either making  
60.14 or paying for any necessary corrections prior to the sale and transferring ownership of  
60.15 the manufactured home.

60.16 The Notice of Compliance Form shall be substantially in the following form:

60.17 **"Notice of Compliance Form as required in Minnesota Statutes,**  
60.18 **section 327.32, subdivision 1.**

60.19 This notice must be completed and signed by the purchaser(s) and the seller(s) of the  
60.20 used manufactured home described in the purchase agreement and on the bottom of this  
60.21 notice before the parties transfer ownership of a used manufactured home constructed  
60.22 after June 14, 1976.

60.23 Electric ranges and clothes dryers must have required four-conductor cords and plugs.

60.24 Complies ..... Correction required .....

60.25 Initialed by Responsible Party: Buyer ..... Seller .....

60.26 Solid fuel-burning fireplaces or stoves must be listed for use in manufactured homes, Code  
60.27 of Federal Regulations, title 24, section 3280.709(g), and installed correctly in accordance  
60.28 with their listing or standards (i.e., chimney, doors, hearth, combustion, or intake, etc.,  
60.29 Code of Federal Regulations, title 24, section 3280.709(g)).

60.30 Complies ..... Correction required .....

60.31 Initialed by Responsible Party: Buyer ..... Seller .....

60.32 Gas water heaters and furnaces must be listed for manufactured home use, Code of Federal  
60.33 Regulations, title 24, section 3280.709(a) and (d)(1) and (2), and installed correctly, in  
60.34 accordance with their listing or standards.

- 61.1 Complies ..... Correction required .....  
61.2 Initialed by Responsible Party: Buyer ..... Seller .....
- 61.3 Smoke alarms are required to be installed and operational in accordance with Code of  
61.4 Federal Regulations, title 24, section 3280.208.
- 61.5 Complies ..... Correction required .....  
61.6 Initialed by Responsible Party: Buyer ..... Seller .....
- 61.7 Carbon monoxide alarms or CO detectors that are approved and operational are required  
61.8 to be installed within ten feet of each room lawfully used for sleeping purposes.
- 61.9 Complies ..... Correction required .....  
61.10 Initialed by Responsible Party: Buyer ..... Seller .....
- 61.11 Egress windows are required in every bedroom with at least one operable window with  
61.12 a net clear opening of 20 inches wide and 24 inches high, five square feet in area, with  
61.13 the bottom of windows opening no more than 36 inches above the floor. Locks, latches,  
61.14 operating handles, tabs, or other operational devices shall not be located more than 54  
61.15 inches above the finished floor.
- 61.16 Complies ..... Correction required .....  
61.17 Initialed by Responsible Party: Buyer ..... Seller .....
- 61.18 The furnace compartment of the home is required to have interior finish with a flame  
61.19 spread rating not exceeding 25 feet, as specified in the 1976 United States Department of  
61.20 Housing and Urban Development Code governing manufactured housing construction.
- 61.21 Complies ..... Correction required .....  
61.22 Initialed by Responsible Party: Buyer ..... Seller .....
- 61.23 The water heater enclosure in this home is required to have interior finish with a flame  
61.24 spread rating not exceeding 25 feet, as specified in the 1976 United States Department of  
61.25 Housing and Urban Development Code governing manufactured housing construction.
- 61.26 Complies ..... Correction required .....  
61.27 Initialed by Responsible Party: Buyer ..... Seller .....
- 61.28 The home complies with the snowload and heat zone requirements for the state of  
61.29 Minnesota as indicated by the data plate.
- 61.30 Complies ..... Correction required .....  
61.31 Initialed by Responsible Party: Buyer ..... Seller .....
- 61.32 The parties to this agreement have initialed all required sections and agree by their  
61.33 signature to complete any necessary corrections prior to the sale or transfer of ownership

62.1 of the home described below as listed in the purchase agreement. The state of Minnesota  
62.2 or a local building official has the authority to inspect the home in the manner described in  
62.3 Minnesota Statutes, section 327.33, prior to or after the sale to ensure compliance was  
62.4 properly executed as provided under the Manufactured Home Building Code.

62.5 Signature of Purchaser(s) of Home

62.6 .....date..... .....date.....

62.7 ..... .....

62.8 Print name as appears on purchase Print name as appears on purchase  
62.9 agreement agreement

62.10 Signature of Seller(s) of Home

62.11 .....date..... .....date.....

62.12 ..... .....

62.13 Print name and license number, if applicable Print name and license number, if applicable

62.14 (Street address of home at time of sale)

62.15 .....

62.16 (City/State/Zip).....

62.17 Name of manufacturer of home.....

62.18 Model and Year.....

62.19 Serial Number....."

62.20 Sec. 87. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision  
62.21 to read:

62.22 Subd. 1b. **Alternative design plan.** An alternative frost-free design slab that is  
62.23 submitted to the department, stamped by a licensed professional engineer or architect,  
62.24 and is in compliance with either the federal installation standards in effect at the date of  
62.25 manufacture or the Minnesota State Building Code, when applicable, shall be issued a  
62.26 permit by the department within ten days.

62.27 Sec. 88. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision  
62.28 to read:

62.29 Subd. 1c. **Manufacturer's installation instructions; new home.** All new  
62.30 single-section manufactured homes and new multisection manufactured homes shall be  
62.31 installed in compliance with either the manufacturer's installation instructions in effect at  
62.32 the date of manufacture or, when applicable, the Minnesota State Building Code.

62.33 Sec. 89. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision  
62.34 to read:

62.35 Subd. 1d. **Manufacturer's installation instructions; used multisection homes.**  
62.36 All used multisection manufactured homes shall be installed in compliance with the

63.1 manufacturer's installation instructions in effect at the date of manufacture, approved  
63.2 addenda or, when applicable, the Minnesota State Building Code.

63.3 Sec. 90. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision  
63.4 to read:

63.5 Subd. 1e. **Reinstallation requirements for single-section used manufactured**  
63.6 **homes.** (a) All single-section used manufactured homes reinstalled less than 24 months  
63.7 from the date of installation by the first purchaser must be reinstalled in compliance with  
63.8 subdivision 1c. All single-section used manufactured homes reinstalled more than 24  
63.9 months from the date of installation by the first purchaser may be reinstalled without  
63.10 a frost-protected foundation if the home is reinstalled in compliance with Minnesota  
63.11 Rules, chapter 1350, for above frost-line installations and the notice requirement of  
63.12 subdivision 1f is complied with by the seller and the purchaser of the single-section used  
63.13 manufactured home.

63.14 (b) The installer shall affix an installation seal issued by the department to the  
63.15 outside of the home as required by the Minnesota State Building Code. The certificate  
63.16 of installation issued by the installer of record shall clearly state that the home has been  
63.17 reinstalled with an above frost-line foundation. Fees for inspection of a reinstallation and  
63.18 for issuance of reinstallation seals shall follow the requirements of sections 326B.802  
63.19 to 326B.885. Fees for review of plans, specifications, and on-site inspections shall be  
63.20 those as specified in section 326B.153, subdivision 1, paragraph (c). Whenever an  
63.21 installation certificate for an above frost-line installation is issued to a single-section used  
63.22 manufactured home being listed for sale, the purchase agreement must disclose that the  
63.23 home is installed on a nonfrost-protected foundation and recommend that the purchaser  
63.24 have the home inspected to determine the effects of frost on the home.

63.25 Sec. 91. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision  
63.26 to read:

63.27 Subd. 1f. **Notice requirement.** The seller of the single-section used manufactured  
63.28 home being reinstalled under subdivision 1e shall provide the following notice to the  
63.29 purchaser and secure signatures of all parties to the purchase agreement on or before  
63.30 signing a purchase agreement prior to submitting an application for an installation  
63.31 certificate. Whenever a current owner of a manufactured home reinstalls the manufactured  
63.32 home under subdivision 1e, the current owner is not required to comply with the notice  
63.33 requirement under this subdivision. The notice shall be in at least 14-point font, except the  
63.34 heading, "WHICH MAY VOID WARRANTY," must be in capital letters, in 20-point font.

64.1 The notice must be printed on a separate sheet of paper in a color different than the paper  
64.2 on which the purchase agreement is printed. The notice becomes a part of the purchase  
64.3 agreement and shall be substantially in the following form:

64.4 **"Notice of Reinstalling of a Single-Section Used Manufactured**

64.5 **Home Above Frost-Line;**

64.6 **WHICH MAY VOID WARRANTY**

64.7 It is recommended that the single-section used manufactured home being reinstalled  
64.8 follow the instructions in the manufacturer's installation manual. By signing this notice,  
64.9 the purchaser(s) are acknowledging they have elected to use footings placed above the  
64.10 local frost line in accordance with the Minnesota State Building Code.

64.11 The seller has explained the differences between the manufacturer's installation  
64.12 instructions and the installation system selected by the purchaser(s) with respect to  
64.13 possible effects of frost on the manufactured home.

64.14 The purchaser(s) acknowledge by signing this notice that there is no manufacturer's  
64.15 original warranty remaining on the home and recognize that any other extended or ancillary  
64.16 warranty could be adversely affected if any applicable warranty stipulates that the home  
64.17 be installed in accordance with the manufacturer's installation manual to remain effective.

64.18 After the reinstallation of the manufactured home, it is highly recommended that the  
64.19 purchaser(s) have a licensed manufactured home installer recheck the home's installation  
64.20 for any releveling needs or anchoring system adjustments each freeze-thaw cycle.

64.21 The purchaser(s) of the used manufactured home described below that is being reinstalled  
64.22 acknowledge they have read this notice and have been advised to contact the manufacturer  
64.23 of the home and/or the Department of Labor and Industry if they desire additional  
64.24 information before signing this notice. It is the intent of this notice to inform the  
64.25 purchaser(s) that the purchaser(s) elected not to use a frost-protected foundation system  
64.26 for the reinstallation of the manufactured home as originally required by the home's  
64.27 installation manual.

64.28 **Plain language notice.**

64.29 I understand that because this home will be installed with footings placed above the  
64.30 local frost line, this home may be subject to adverse effects from frost heave that may  
64.31 damage this home. Purchaser(s) initials: .....

64.32 I understand that the installation of this home with footings placed above the local  
64.33 frost line could affect my ability to obtain a mortgage or mortgage insurance on this  
64.34 home. Purchaser(s) initials: .....

65.1 I understand that the installation of this home with footings placed above the local  
65.2 frost line could void my warranty on the home if any warranty is still in place on this  
65.3 home. Purchaser(s) initials: .....

65.4 Signature of Purchaser(s)

65.5 .....date..... .....date.....

65.6 ..... .....

65.7 Print name

Print name

65.8 **(Street address of location where**  
65.9 **manufactured home is being reinstalled)**

65.10 .....

65.11 **(City/State/Zip).....**

65.12 **Name of manufacturer of home.....**

65.13 **Model and year.....**

65.14 **Serial number.....**

65.15 Name of licensed installer and license number or homeowner responsible for the  
65.16 installation of the home as described above.

65.17 Installer name:.....

65.18 License number:....."

65.19 Sec. 92. Minnesota Statutes 2008, section 327.34, subdivision 1, is amended to read:

65.20 Subdivision 1. **Generally.** It shall be a misdemeanor for any person,

65.21 (a) to sell, lease, or offer to sell or lease, any manufactured home manufactured  
65.22 after ~~July 1, 1972~~ June 14, 1976, which does not comply with the Manufactured Home  
65.23 Building Code or which does not bear a seal or label as required by sections 327.31 to  
65.24 327.34, unless the action is subject to the provisions of section 327.35;

65.25 (b) to affix a seal or label, or cause a seal or label to be affixed, to any manufactured  
65.26 home which does not comply with the Manufactured Home Building Code unless the  
65.27 action is subject to the provisions of section 327.35;

65.28 (c) to alter a manufactured home manufactured after ~~July 1, 1972~~ June 14, 1976,  
65.29 in a manner prohibited by sections 327.31 to 327.34; or

65.30 (d) to fail to correct a Manufactured Home Building Code violation in a  
65.31 manufactured home manufactured after ~~July 1, 1972~~ June 14, 1976, which is owned,  
65.32 manufactured, or sold by that person, within 40 days of being ordered to do so in writing  
65.33 by an authorized representative of the commissioner, unless the correction is subject to the  
65.34 provisions of section 327.35; ~~or~~.

66.1 ~~(e) to interfere with, obstruct, or hinder any authorized representative of the~~  
66.2 ~~commissioner in the performance of duties relating to manufactured homes manufactured~~  
66.3 ~~after July 1, 1972, and prior to June 15, 1976.~~

66.4 Sec. 93. Minnesota Statutes 2008, section 327B.04, subdivision 2, is amended to read:

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

66.11 Sec. 94. Minnesota Statutes 2009 Supplement, section 327B.04, subdivision 7, is  
66.12 amended to read:

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

- 66.23 (1) the renewal application satisfies the requirements of subdivisions 3 and 4;  
66.24 (2) the renewal applicant has made all listings, registrations, notices and reports  
66.25 required by the commissioner during the preceding licensure period; and  
66.26 (3) the renewal applicant has paid all fees owed pursuant to sections 327B.01 to  
66.27 327B.12 and all taxes, arrearages, and penalties owed to the state.

66.28 Sec. 95. Minnesota Statutes 2009 Supplement, section 327B.04, subdivision 7a,  
66.29 is amended to read:

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

- 66.32 ~~(1) initial dealer license for principal location, \$400. Fee is not refundable;~~  
66.33 ~~(2) initial dealer license for subagency location, \$80;~~

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

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

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

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

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

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

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

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

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

67.20 Sec. 96. Minnesota Statutes 2009 Supplement, section 327B.04, subdivision 8, is  
67.21 amended to read:

67.22 Subd. 8. **Limited dealer's license.** The commissioner shall issue a limited dealer's  
67.23 license to an owner of a manufactured home park authorizing the licensee as principal  
67.24 only to engage in the sale, offering for sale, soliciting, or advertising the sale of used  
67.25 manufactured homes located in the owned manufactured home park. The licensee must be  
67.26 the title holder of the homes and may engage in no more than ten sales during each year of  
67.27 the two-year licensure period. An owner may, upon payment of the applicable fee and  
67.28 compliance with this subdivision, obtain a separate license for each owned manufactured  
67.29 home park and is entitled to sell up to 20 homes per license period provided that only one  
67.30 limited dealer license may be issued for each park. The license shall be issued after:

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

67.33 (i) the identity of the applicant;

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

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

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

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

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

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

68.18 (2) payment of the license fee established by subdivision 7a; and

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

68.21 The applicant need not comply with section 327B.04, subdivision 4, paragraph (e).  
68.22 The holding of a limited dealer's license does not satisfy the requirement contained in  
68.23 section 327B.04, subdivision 4, paragraph (e), for the licensee or salespersons with respect  
68.24 to obtaining a dealer license. The commissioner may, upon application for a renewal of a  
68.25 license, require only a verification that copies of sales documents have been retained and  
68.26 payment of the renewal ~~fee fees~~ established by ~~subdivision 7a~~ section 326B.092. "Sales  
68.27 documents" mean only the safety feature disclosure form defined in section 327C.07,  
68.28 subdivision 3a, title of the home, financing agreements, and purchase agreements.

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

68.32 Sec. 97. Minnesota Statutes 2009 Supplement, section 327B.041, is amended to read:

68.33 **327B.041 MANUFACTURED HOME INSTALLERS.**

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

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

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

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

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

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

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

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

69.25 Sec. 98. Minnesota Statutes 2008, section 469.1082, subdivision 5, is amended to read:

69.26 Subd. 5. **Area of operation.** The area of operation of a county economic  
69.27 development service provider created under this section shall include all cities and  
69.28 townships within a county that have adopted resolutions electing to participate. A city  
69.29 or township may adopt a resolution electing to withdraw participation. The withdrawal  
69.30 election may be made every fifth year following adoption of the resolution electing  
69.31 participation. The withdrawal election is effective on the anniversary date of the original  
69.32 resolution provided notice is given to the county economic development authority not less  
69.33 than 90 nor more than 180 days prior to that anniversary date. The city or township  
69.34 electing to withdraw retains any rights, obligations, and liabilities it obtained or incurred  
69.35 during its participation. Any city or township within the county shall have the option to

70.1 adopt a resolution to prohibit the county economic development service provider created  
 70.2 under this section from operating within its boundaries and (1) within an agreed upon  
 70.3 urban service area, or (2) within the distance approved in the committee report referenced  
 70.4 in subdivision 3. If a city or township prohibits a county economic development service  
 70.5 provider created under this section from operating within its boundaries, the city's or  
 70.6 township's property taxpayers shall not be subject to the property tax levied for the county  
 70.7 economic development service provider.

70.8 Sec. 99. Minnesota Statutes 2008, section 471.59, subdivision 10, is amended to read:

70.9 Subd. 10. **Services performed by governmental units; commonality of powers.**

70.10 Notwithstanding the provisions of subdivision 1 requiring commonality of powers  
 70.11 between parties to any agreement, the governing body of any governmental unit as  
 70.12 defined in subdivision 1 may enter into agreements with any other governmental unit  
 70.13 to perform on behalf of that unit any service or function which the governmental unit  
 70.14 providing the service or function is authorized to provide for itself. If the agreement  
 70.15 has the effect of eliminating or replacing a public employee who is part of a collective  
 70.16 bargaining agreement represented by an exclusive representative, and there is no provision  
 70.17 in the collective bargaining agreement detailing the effect of the action on the affected  
 70.18 public employee, negotiations on the effects to the employee of the job elimination or  
 70.19 restructuring must be conducted between the exclusive representative and the employer.

70.20 Sec. 100. Laws 2009, chapter 78, article 1, section 3, subdivision 2, is amended to read:

70.21	Subd. 2. <b>Business and Community</b>		8,980,000
70.22	<b>Development</b>	8,980,000	<u>8,873,000</u>

70.23	Appropriations by Fund		
70.24			<del>7,941,000</del>
70.25	General	7,941,000	<u>7,834,000</u>
70.26	Remediation	700,000	700,000
70.27	Workforce		
70.28	Development	339,000	339,000

70.29 (a) \$700,000 the first year and \$700,000 the  
 70.30 second year are from the remediation fund for  
 70.31 contaminated site cleanup and development  
 70.32 grants under Minnesota Statutes, section  
 70.33 116J.554. This appropriation is available  
 70.34 until expended.

71.1 (b) \$200,000 each year is from the general  
71.2 fund for a grant to WomenVenture for  
71.3 women's business development programs  
71.4 and for programs that encourage and assist  
71.5 women to enter nontraditional careers in the  
71.6 trades; manual and technical occupations;  
71.7 science, technology, engineering, and  
71.8 mathematics-related occupations; and green  
71.9 jobs. This appropriation may be matched  
71.10 dollar for dollar with any resources available  
71.11 from the federal government for these  
71.12 purposes with priority given to initiatives  
71.13 that have a goal of increasing by at least ten  
71.14 percent the number of women in occupations  
71.15 where women currently comprise less than 25  
71.16 percent of the workforce. The appropriation  
71.17 is available until expended.

71.18 (c) \$105,000 each year is from the general  
71.19 fund and \$50,000 each year is from the  
71.20 workforce development fund for a grant to  
71.21 the Metropolitan Economic Development  
71.22 Association for continuing minority business  
71.23 development programs in the metropolitan  
71.24 area. This appropriation must be used for the  
71.25 sole purpose of providing free or reduced  
71.26 fee business consulting services to minority  
71.27 entrepreneurs and contractors.

71.28 (d)(1) \$500,000 each year is from the  
71.29 general fund for a grant to BioBusiness  
71.30 Alliance of Minnesota for bioscience  
71.31 business development programs to promote  
71.32 and position the state as a global leader  
71.33 in bioscience business activities. This  
71.34 appropriation is added to the department's  
71.35 base. These funds may be used to create,  
71.36 recruit, retain, and expand biobusiness

72.1 activity in Minnesota; implement the  
72.2 destination 2025 statewide plan; update  
72.3 a statewide assessment of the bioscience  
72.4 industry and the competitive position of  
72.5 Minnesota-based bioscience businesses  
72.6 relative to other states and other nations;  
72.7 and develop and implement business and  
72.8 scenario-planning models to create, recruit,  
72.9 retain, and expand biobusiness activity in  
72.10 Minnesota.

72.11 (2) The BioBusiness Alliance must report  
72.12 each year by February 15 to the committees  
72.13 of the house of representatives and the senate  
72.14 having jurisdiction over bioscience industry  
72.15 activity in Minnesota on the use of funds;  
72.16 the number of bioscience businesses and  
72.17 jobs created, recruited, retained, or expanded  
72.18 in the state since the last reporting period;  
72.19 the competitive position of the biobusiness  
72.20 industry; and utilization rates and results of  
72.21 the business and scenario-planning models  
72.22 and outcomes resulting from utilization of  
72.23 the business and scenario-planning models.

72.24 (e)(1) Of the money available in the  
72.25 Minnesota Investment Fund, Minnesota  
72.26 Statutes, section 116J.8731, to the  
72.27 commissioner of the Department of  
72.28 Employment and Economic Development,  
72.29 up to \$3,000,000 is appropriated in fiscal year  
72.30 2010 for a loan to an aircraft manufacturing  
72.31 and assembly company, associated with the  
72.32 aerospace industry, for equipment utilized  
72.33 to establish an aircraft completion center  
72.34 at the Minneapolis-St. Paul International  
72.35 Airport. The finishing center must use the  
72.36 state's vocational training programs designed

73.1 specifically for aircraft maintenance training,  
73.2 and to the extent possible, work to recruit  
73.3 employees from these programs. The center  
73.4 must create at least 200 new manufacturing  
73.5 jobs within 24 months of receiving the  
73.6 loan, and create not less than 500 new  
73.7 manufacturing jobs over a five-year period  
73.8 in Minnesota.

73.9 (2) This loan is not subject to loan limitations  
73.10 under Minnesota Statutes, section 116J.8731,  
73.11 subdivision 5. Any match requirements  
73.12 under Minnesota Statutes, section 116J.8731,  
73.13 subdivision 3, may be made from current  
73.14 resources. This is a onetime appropriation  
73.15 and is effective the day following final  
73.16 enactment.

73.17 (f) \$65,000 each year is from the general  
73.18 fund for a grant to the Minnesota Inventors  
73.19 Congress, of which at least \$6,500 must be  
73.20 used for youth inventors.

73.21 (g) \$200,000 the first year and \$200,000 the  
73.22 second year are for the Office of Science and  
73.23 Technology. This is a onetime appropriation.

73.24 (h) \$500,000 the first year and \$500,000 the  
73.25 second year are for a grant to Enterprise  
73.26 Minnesota, Inc., for the small business  
73.27 growth acceleration program under  
73.28 Minnesota Statutes, section 116O.115. This  
73.29 is a onetime appropriation and is available  
73.30 until expended.

73.31 (i)(1) \$100,000 each year is from the  
73.32 workforce development fund for a grant  
73.33 under Minnesota Statutes, section 116J.421,  
73.34 to the Rural Policy and Development  
73.35 Center at St. Peter, Minnesota. The grant

74.1 shall be used for research and policy  
74.2 analysis on emerging economic and social  
74.3 issues in rural Minnesota, to serve as a  
74.4 policy resource center for rural Minnesota  
74.5 communities, to encourage collaboration  
74.6 across higher education institutions, to  
74.7 provide interdisciplinary team approaches  
74.8 to research and problem-solving in rural  
74.9 communities, and to administer overall  
74.10 operations of the center.

74.11 (2) The grant shall be provided upon the  
74.12 condition that each state-appropriated  
74.13 dollar be matched with a nonstate dollar.  
74.14 Acceptable matching funds are nonstate  
74.15 contributions that the center has received and  
74.16 have not been used to match previous state  
74.17 grants. Any funds not spent the first year are  
74.18 available the second year.

74.19 (j) Notwithstanding Minnesota Statutes,  
74.20 section 268.18, subdivision 2, \$414,000 of  
74.21 funds collected for unemployment insurance  
74.22 administration under this subdivision is  
74.23 appropriated as follows: \$250,000 to Lake  
74.24 County for ice storm damage; \$64,000 is for  
74.25 the city of Green Isle for reimbursement of  
74.26 fire relief efforts and other expenses incurred  
74.27 as a result of the fire in the city of Green Isle;  
74.28 and \$100,000 is to develop the construction  
74.29 mitigation pilot program to make grants ~~for~~  
74.30 ~~up to five projects statewide available~~ to local  
74.31 government units to mitigate the impacts of  
74.32 transportation construction on local small  
74.33 business. These are onetime appropriations  
74.34 and are available until expended.

75.1 (k) Up to \$10,000,000 is appropriated from  
75.2 the Minnesota minerals 21st century fund to  
75.3 the commissioner of Iron Range resources  
75.4 and rehabilitation to make ~~a grant~~ grants or  
75.5 forgivable ~~loan to a manufacturer~~ loans to  
75.6 manufacturers of windmill blades ~~at a facility,~~  
75.7 other renewable energy manufacturing, or  
75.8 biomass products at facilities to be located  
75.9 within the taconite tax relief area defined  
75.10 in Minnesota Statutes, section 273.134. No  
75.11 match is required for the renewable energy  
75.12 manufacturing or biomass projects.

75.13 (l) \$1,000,000 is appropriated from the  
75.14 Minnesota minerals 21st century fund to  
75.15 the Board of Trustees of the Minnesota  
75.16 State Colleges and Universities for a grant  
75.17 to the Northeast Higher Education District  
75.18 for planning, design, and construction of  
75.19 classrooms and housing facilities for upper  
75.20 division students in the engineering program.

75.21 (m)(1) \$189,000 each year is appropriated  
75.22 from the workforce development fund for  
75.23 grants of \$63,000 to eligible organizations  
75.24 each year to assist in the development of  
75.25 entrepreneurs and small businesses. Each  
75.26 state grant dollar must be matched with \$1  
75.27 of nonstate funds. Any balance in the first  
75.28 year does not cancel but is available in the  
75.29 second year.

75.30 (2) Three grants must be awarded to  
75.31 continue or to develop a program. One  
75.32 grant must be awarded to the Riverbend  
75.33 Center for Entrepreneurial Facilitation  
75.34 in Blue Earth County, and two to other  
75.35 organizations serving Faribault and Martin

76.1 Counties. Grant recipients must report to the  
76.2 commissioner by February 1 of each year  
76.3 that the organization receives a grant with the  
76.4 number of customers served; the number of  
76.5 businesses started, stabilized, or expanded;  
76.6 the number of jobs created and retained; and  
76.7 business success rates. The commissioner  
76.8 must report to the house of representatives  
76.9 and senate committees with jurisdiction  
76.10 over economic development finance on the  
76.11 effectiveness of these programs for assisting  
76.12 in the development of entrepreneurs and  
76.13 small businesses.

76.14 Sec. 101. Laws 2010, chapter 216, section 58, is amended to read:

76.15 Sec. 58. **2010 DISTRIBUTIONS ONLY.**

76.16 For distributions in 2010 only, a special fund is established to receive ~~28.757~~ 31.941  
76.17 cents per ton that otherwise would be allocated under Minnesota Statutes, section 298.28,  
76.18 subdivision 6. The following amounts are allocated to St. Louis County acting as the fiscal  
76.19 agent for the recipients for the specific purposes:

76.20 (1) 0.764 cent per ton must be paid to Northern Minnesota Dental to provide  
76.21 incentives for at least two dentists to establish dental practices in high-need areas of the  
76.22 taconite tax relief area;

76.23 (2) 0.955 cent per ton must be paid to the city of Virginia for repairs and geothermal  
76.24 heat at the Olcott Park Greenhouse/Virginia Commons project;

76.25 (3) 0.796 cent per ton must be paid to the city of Virginia for health and safety  
76.26 repairs at the Miners Memorial;

76.27 (4) 1.114 cents per ton must be paid to the city of Eveleth for the reconstruction  
76.28 of Highway 142/Grant and Park Avenues;

76.29 (5) 0.478 cent per ton must be paid to the Greenway Joint Recreation Board for  
76.30 upgrades and capital improvements to the public arena in Coleraine;

76.31 (6) 0.796 cent per ton must be paid to the city of Calumet for water treatment and  
76.32 pumphouse modifications;

76.33 (7) 0.159 cent per ton must be paid to the city of Bovey for residential and  
76.34 commercial claims for water damage due to water and flood-related damage caused by  
76.35 the Canisteo Pit;

77.1 (8) 0.637 cent per ton must be paid to the city of Nashwauk for a community and  
77.2 child care center;

77.3 (9) 0.637 cent per ton must be paid to the city of Keewatin for water and sewer  
77.4 upgrades;

77.5 (10) 0.637 cent per ton must be paid to the city of Marble for the city hall and  
77.6 library project;

77.7 (11) 0.955 cent per ton must be paid to the city of Grand Rapids for extension of  
77.8 water and sewer services for Lakewood Housing;

77.9 (12) 0.159 cent per ton must be paid to the city of Grand Rapids for exhibits at  
77.10 the Children's Museum;

77.11 (13) 0.637 cent per ton must be paid to the city of Grand Rapids for Block 20/21 soil  
77.12 corrections. This amount must be matched by local sources;

77.13 (14) 0.605 cent per ton must be paid to the city of Aitkin for three water loops;

77.14 (15) 0.048 cent per ton must be paid to the city of Aitkin for signage;

77.15 (16) 0.159 cent per ton must be paid to Aitkin County for a trail;

77.16 (17) 0.637 cent per ton must be paid to the city of Cohasset for the Beiers Road  
77.17 railroad crossing;

77.18 (18) 0.088 cent per ton must be paid to the town of Clinton for expansion and  
77.19 striping of the community center parking lot;

77.20 (19) 0.398 cent per ton must be paid to the city of Kinney for water line replacement;

77.21 (20) 0.796 cent per ton must be paid to the city of Gilbert for infrastructure  
77.22 improvements, milling, and overlay for Summit Street between Alaska Avenue and  
77.23 Highway 135;

77.24 (21) 0.318 cent per ton must be paid to the city of Gilbert for sanitary sewer main  
77.25 replacements and improvements in the Northeast Lower Alley area;

77.26 (22) 0.637 cent per ton must be paid to the town of White for replacement of the  
77.27 Stepetz Road culvert;

77.28 (23) 0.796 cent per ton must be paid to the city of Buhl for reconstruction of Sharon  
77.29 Street and associated infrastructure;

77.30 (24) 0.796 cent per ton must be paid to the city of Mountain Iron for site  
77.31 improvements at the Park Ridge development;

77.32 (25) 0.796 cent per ton must be paid to the city of Mountain Iron for infrastructure  
77.33 and site preparation for its renewable and sustainable energy park;

77.34 (26) 0.637 cent per ton must be paid to the city of Biwabik for sanitary sewer  
77.35 improvements;

- 78.1 (27) 0.796 cent per ton must be paid to the city of Aurora for alley and road  
78.2 rebuilding for the Summit Addition;
- 78.3 (28) 0.955 cent per ton must be paid to the city of Silver Bay for bioenergy facility  
78.4 improvements;
- 78.5 (29) 0.318 cent per ton must be paid to the city of Grand Marais for water and  
78.6 sewer infrastructure improvements;
- 78.7 (30) 0.318 cent per ton must be paid to the city of Orr for airport, water, and sewer  
78.8 improvements;
- 78.9 (31) 0.716 cent per ton must be paid to the city of Cook for street and bridge  
78.10 improvements;
- 78.11 (32) 0.955 cent per ton must be paid to the city of Ely for street, water, and sewer  
78.12 improvements;
- 78.13 (33) 0.318 cent per ton must be paid to the city of Tower for water and sewer  
78.14 improvements;
- 78.15 (34) 0.955 cent per ton must be paid to the city of Two Harbors for water and sewer  
78.16 improvements;
- 78.17 (35) 0.637 cent per ton must be paid to the city of Babbitt for water and sewer  
78.18 improvements;
- 78.19 (36) 0.096 cent per ton must be paid to the township of Duluth for infrastructure  
78.20 improvements;
- 78.21 (37) 0.096 cent per ton must be paid to the township of Tofte for infrastructure  
78.22 improvements;
- 78.23 (38) 3.184 cents per ton must be paid to the city of Hibbing for sewer improvements;
- 78.24 (39) 1.273 cents per ton must be paid to the city of Chisholm for NW Area Project  
78.25 infrastructure improvements;
- 78.26 (40) 0.318 cent per ton must be paid to the city of Chisholm for health and safety  
78.27 improvements at the athletic facility;
- 78.28 (41) 0.796 cent per ton must be paid to the city of Hoyt Lakes for residential street  
78.29 improvements;
- 78.30 (42) 0.796 cent per ton must be paid to the Bois Forte Indian Reservation for  
78.31 infrastructure related to a housing development;
- 78.32 (43) 0.159 cent per ton must be paid to Balkan Township for building improvements;
- 78.33 (44) 0.159 cent per ton must be paid to the city of Grand Rapids for a grant to  
78.34 a nonprofit for a signage kiosk;
- 78.35 (45) 0.318 cent per ton must be paid to the city of Crane Lake for sanitary sewer  
78.36 lines and adjacent development near County State-Aid Highway 24; ~~and~~

79.1 (46) 0.159 cent per ton must be paid to the city of Chisholm to rehabilitate historic  
79.2 wall infrastructure around the athletic complex;

79.3 (47) 2.706 cents per ton must be paid to the Virginia Regional Medical Center for  
79.4 operating room equipment and renovations; and

79.5 (48) 0.478 cent per ton must be paid to St. Louis County for a study of the future  
79.6 feasibility and operation of Independent School District No. 2142. Funds must be paid  
79.7 upon execution of a contract to conduct the study.

79.8 **EFFECTIVE DATE.** This section is effective ~~for the 2010 distribution, all of~~  
79.9 ~~which must be made in the August 2010 payment~~ retroactively from the day following  
79.10 final enactment.

79.11 **EFFECTIVE DATE.** This section is effective retroactively from April 2, 2010.

79.12 Sec. 102. **CUSTOMER SERVICE.**

79.13 (a) The commissioner of employment and economic development, in consultation  
79.14 with workforce service area staff, must, as soon as practical, develop and implement  
79.15 processes and procedures to ensure that unemployed Minnesotans who go to a workforce  
79.16 center are provided, to the fullest extent possible, seamless assistance in applying for  
79.17 unemployment benefits, accessing resource room resources, searching for jobs, accessing  
79.18 training and other services available to unemployed workers, and receiving answers to  
79.19 questions about unemployment insurance.

79.20 (b) The actions taken to comply with paragraph (a) must include, at a minimum,  
79.21 the implementation of a procedure by which unemployed Minnesotans may receive, at  
79.22 their option, face-to-face consultation and assistance in their local workforce center on  
79.23 applying for unemployment benefits, accessing resource room resources, searching for  
79.24 jobs, accessing training and other services available to unemployed workers, and receiving  
79.25 answers to questions about unemployment insurance.

79.26 (c) The commissioner is authorized and encouraged to maximize the use of existing  
79.27 employees and federal dollars to accomplish paragraph (a), including, but not limited to,  
79.28 paying portions of existing employees' salaries from more than one source of funding,  
79.29 ensuring that employees are cross-trained to perform functions beyond that required by  
79.30 paragraph (b) when such employees are stationed in workforce centers, and implementing  
79.31 need-based scheduling of employees to ensure that each workforce center is adequately  
79.32 staffed during peak demand hours for the services contemplated by paragraph (a).

79.33 (d) By September 1, 2010, the commissioner must provide an initial written report to  
79.34 the chairs and ranking minority members of the standing committees of the senate and

80.1 house of representatives having jurisdiction over economic and workforce development  
80.2 issues on the actions taken under paragraph (a) and the result of those actions. The report  
80.3 must include detailed information on new additional resources provided by the department  
80.4 to ensure that the issues in paragraph (a) are addressed. A second report with updated  
80.5 information must be provided to the chairs and ranking minority members of the standing  
80.6 committees of the senate and house of representatives having jurisdiction over economic  
80.7 and workforce development issues by January 15, 2011.

80.8 **EFFECTIVE DATE.** This section is effective the day following final enactment  
80.9 and expires August 31, 2011.

80.10 Sec. 103. **WORKFORCE SERVICES REPORT AND RECOMMENDATIONS.**

80.11 By January 15, 2011, the governor's Workforce Development Council executive  
80.12 committee shall submit a report to the senate and house of representatives committees  
80.13 with jurisdiction over workforce development programs on the performance and outcomes  
80.14 of the workforce centers, as required by Minnesota Statutes, section 116L.665, subdivision  
80.15 4. This report must contain recommendations for an ongoing process to identify local gaps  
80.16 in workforce services and ways to fill the gaps. The Department of Employment and  
80.17 Economic Development and the workforce councils should be included in the process  
80.18 for identifying service gaps. The governor's Workforce Development Council executive  
80.19 committee must submit draft-guiding principles to the legislature for review and feedback  
80.20 by August 12, 2010.

80.21 Sec. 104. **DEPARTMENT OF EMPLOYMENT AND ECONOMIC**  
80.22 **DEVELOPMENT BLOCK GRANT REPORT.**

80.23 The commissioner of employment and economic development shall study and  
80.24 report to the chairs and ranking minority members of the house of representatives and  
80.25 senate committees having jurisdiction over economic development and workforce issues  
80.26 on the use of block grant funding to be administered by the Workforce Development  
80.27 Division and the Business and Community Development Division. The report must  
80.28 include recommendations for the use of block grant funding including goals, grant award  
80.29 criteria, RFP procedures, priorities for target populations and the services to be provided,  
80.30 and inclusion of all pass-through grants administered by the department including those  
80.31 receiving direct state appropriations. The recommendations must contain specific  
80.32 proposals on providing grant oversight, evaluation, and administration of allocated funds  
80.33 in order to maximize services to target populations.

81.1       Sec. 105. **STUDY OF DIVISION OF STATE DEPOSITORY ACCOUNTS AND**  
81.2 **GENERAL FUND REVENUE ACCOUNT.**

81.3           (a) The Carlson School of Management at the University of Minnesota is requested  
81.4 to study:

81.5           (1) the feasibility of dividing the state's general fund revenue account among  
81.6 community financial institutions and transferring the state's major and minor accounts to  
81.7 community financial institutions in order to ensure that state money benefits Minnesota  
81.8 residents;

81.9           (2) the potential economic benefit of transferring all major and minor accounts  
81.10 to community financial institutions; and

81.11           (3) the potential economic benefit to governmental entities as defined by Minnesota  
81.12 Statutes, section 118A.01, subdivision 2, from an increase in their use of community  
81.13 financial institutions as defined in clause (1).

81.14           (b) The results of the study must be reported to the legislature by December 1, 2010.

81.15           For purposes of this section, "community financial institution" means a federally  
81.16 insured bank or credit union, chartered as a bank or credit union by the state of  
81.17 Minnesota or the United States, that is headquartered in Minnesota and has no more than  
81.18 \$2,500,000,000 in assets.

81.19       Sec. 106. **COMPARATIVE STUDY OF STATE REGULATION AFFECTING**  
81.20 **SMALL BUSINESS START-UPS.**

81.21           (a) The Legislative Coordinating Commission must apply to the University of  
81.22 Minnesota Carlson School of Business or another grant-making organization for a grant to  
81.23 fund or conduct a comparative study of the effects of state regulation on the cost and delay  
81.24 required to start a typical small business in Minnesota and Wisconsin.

81.25           (b) The study must examine the typical cost and delay required by state regulation in  
81.26 the two states to start a typical small services business, small retail business, and small  
81.27 manufacturing business. Within each of those three categories, the study must choose a  
81.28 specific type of business and follow the start-up process in the two states from beginning  
81.29 to end, including formation, financing, licensing, permits, reporting requirements,  
81.30 employment laws, and state and local taxes, including special tax provisions that affect the  
81.31 business' ability to start operations. The study must result in a written report submitted to  
81.32 the Legislative Coordinating Commission no later than December 1, 2011.

81.33           (c) The Legislative Coordinating Commission shall request proposals and choose  
81.34 the recipient of the grant from among higher education institutions that have a graduate  
81.35 program in business, business administration, or a similar field. The Legislative

82.1 Coordinating Commission shall periodically monitor the recipient's progress on the study  
82.2 and written report. The Legislative Coordinating Commission shall submit the written  
82.3 report as a report to the legislature in compliance with Minnesota Statutes, sections 3.195  
82.4 and 3.197.

82.5 (d) If a grant is not received for the comparative study, the Legislative Coordinating  
82.6 Commission is not responsible for any of the tasks under this section.

82.7 **Sec. 107. VACATION PAY AND UNEMPLOYMENT BENEFITS.**

82.8 An individual who received unemployment benefits in 2009 shall not be determined  
82.9 overpaid under Minnesota Statutes, section 268.18, subdivision 1, because of receipt of  
82.10 vacation pay in 2009 which was earned in 2008 under a collective bargaining agreement  
82.11 with an employer that had layoffs in May 2009 of over 400 workers.

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

82.13 **Sec. 108. GRANT AGREEMENT.**

82.14 The 2008 Producer Grant and Loan Fund Grant Agreement between the state of  
82.15 Minnesota acting through the office of the commissioner of Iron Range resources and  
82.16 rehabilitation and St. Louis County for "The Pike River Road Project" and "St. Louis  
82.17 County Maintenance Garage Project" shall remain in effect until the project is completed  
82.18 and all obligations set forth in the agreement have been satisfactorily fulfilled.

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

82.20 **Sec. 109. APPROPRIATION.**

82.21 \$107,000 is appropriated from the general fund in fiscal year 2011 to the Minnesota  
82.22 Science and Technology Authority for the purposes of Minnesota Statutes, chapter 116W.

82.23 **Sec. 110. TRANSFER.**

82.24 The commissioner of management and budget must transfer any remaining balance  
82.25 of the appropriation made in Laws 2009, chapter 78, article 1, section 3, subdivision 2,  
82.26 paragraph (g), to the Minnesota Science and Technology Authority.

82.27 **Sec. 111. REVISOR'S INSTRUCTION.**

82.28 In Minnesota Rules, the revisor of statutes shall change all references to Minnesota  
82.29 Rules, part 1350.8300, to Minnesota Statutes, section 327B.04.

83.1       Sec. 112. **REPEALER.**

83.2           (a) Minnesota Statutes 2008, sections 326B.133, subdivisions 9 and 10; 326B.37,  
83.3 subdivision 13; 326B.475, subdivisions 5 and 6; 326B.56, subdivision 3; 326B.885,  
83.4 subdivisions 3 and 4; 326B.976; 327.32, subdivision 4; and 327C.07, subdivisions 3a  
83.5 and 8, are repealed.

83.6           (b) Minnesota Statutes 2009 Supplement, sections 326B.56, subdivision 4; and  
83.7 326B.986, subdivision 2, are repealed.

83.8           (c) Minnesota Rules, parts 1301.0500; 1301.0900; 1301.1100, subparts 2, 3, and 4;  
83.9 1350.7200, subpart 3; and 1350.8000, subpart 2, are repealed.

83.10          (d) Minnesota Statutes 2008, section 116J.657, is repealed.

83.11          **EFFECTIVE DATE.** Paragraphs (a) to (c) are effective January 1, 2012, except  
83.12 that the repeal of Minnesota Statutes, sections 327.32, subdivision 4, and 327C.07,  
83.13 subdivisions 3a and 8, are effective August 1, 2010. Paragraph (d) is effective July 1, 2010.

83.14       Sec. 113. **EFFECTIVE DATE.**

83.15           (a) Sections 30 to 81 and 93 to 97 are effective January 1, 2012.

83.16           (b) Sections 10 to 19, 100, and 109 are effective July 1, 2010.