A bill for an act

relating to state government; changing provisions for construction codes and licensing provisions; providing penalties and enforcement; modifying provisions relating to the limitation on certain actions; instructing the revisor to renumber certain statutory sections; appropriating money; providing appropriation reductions; amending Minnesota Statutes 2006, sections 16B.04, subdivision 2; 16B.60, subdivisions 4, 7, 8, 11; 16B.61; 16B.615, subdivision 4; 16B.617; 16B.6175; 16B.63; 16B.64, by adding a subdivision; 16B.65; 16B.70; 16B.72; 16B.73; 16B.735; 16B.74, subdivisions 1, 2, by adding subdivisions; 16B.741; 16B.744; 16B.745, subdivisions 1, 4; 16B.747; 16B.748; 16B.76; 31.175; 103I.621, subdivision 3; 144.122; 144.99, subdivision 1; 175.16, subdivision 1; 178.01; 178.02; 178.03, subdivision 3; 178.041, subdivision 1; 183.38; 183.39, subdivision 1; 183.411, subdivision 2; 183.42; 183.45; 183.46; 183.465; 183.466; 183.48; 183.501; 183.505; 183.51; 183.54, subdivisions 1, 3; 183.545, by adding a subdivision; 183.56; 183.57, subdivisions 1, 2, 5, 6; 183.59; 183.60; 183.61, subdivisions 2, 4; 214.01, subdivision 3; 214.04, subdivisions 1, 3; 299F.011, subdivision 1; 325E.37, subdivision 6; 325E.58; 326.01, subdivisions 2, 3, 5, 6, 6a, 6b, 6c, 6e, 6f, 6g, 6j, 6k, 6l, 7, 8, by adding subdivisions; 326.242; 326.243; 326.244, subdivisions 1a, 2, 3, 4, 5, by adding a subdivision; 326.2441; 326.245; 326.248; 326.37; 326.38; 326.39; 326.40; 326.401; 326.405; 326.42; 326.46; 326.461, by adding subdivisions; 326.47; 326.48; 326.50; 326.57, subdivision 1; 326.58; 326.59; 326.60; 326.601; 326.61, subdivisions 1, 2, 3, 4; 326.62; 326.65; 326.83, subdivisions 6, 7, 11, 18, 19, 20; 326.84; 326.841; 326.842; 326.86; 326.87; 326.88; 326.89; 326.90, subdivision 1; 326.91, subdivision 1; 326.92; 326.921; 326.93; 326.94; 326.95, subdivision 2; 326.96; 326.97; 326.975, subdivision 1; 326.992; 327.20, subdivision 1; 327.205; 327.31, subdivisions 2, 3, 4, 7, 15, by adding a subdivision; 327.32, subdivision 8; 327.33, subdivisions 2, 6, 7; 327.34, subdivision 3; 327.35, subdivisions 1, 2; 327A.01, subdivision 2; 327B.01, subdivisions 4, 5, 7, 17, by adding subdivisions; 327B.04, subdivisions 1, 4, 6, 7, 8, by adding a subdivision; 327B.05, subdivision 1; 327B.10; 363A.40, subdivision 1; 462.357, subdivision 6a; 462A.07, subdivision 8; 471.465; 471.466; 471.467; 471.471; 541.051; proposing coding for new law in Minnesota Statutes, chapters 326; 327B; proposing coding for new law as Minnesota Statutes, chapter 326B; repealing Minnesota Statutes 2006, sections 16B.665; 16B.747, subdivision 4; 183.001; 183.02; 183.375, subdivisions 1, 2, 3, 4, 5, 6; 183.41, subdivisions 1, 2, 3, 4; 183.44, subdivisions 1, 2, 3; 183.52; 183.54, subdivision 2; 183.545, subdivision 9; 183.61, subdivisions 1, 3, 5, 6; 326.01, subdivisions 4, 6h, 9, 10, 11, 12, 13; 326.241; 326.242, subdivisions 4, 9, 9a, 9b, 9c, 9d, 9e, 9f, 9g, 9h, 9i, 9j, 9k, 10;

326.244, subdivision 6; 326.246; 326.2461; 326.247; 326.40, subdivision 4; 326.41; 326.44; 326.45; 326.47, subdivision 5; 326.51; 326.52; 326.521; 326.64; 326.83, subdivisions 3, 4, 12, 13; 326.85; 326.875; 326.91, subdivisions 2, 3, 4; 326.945; 326.975; 326.98; 327B.05, subdivisions 2, 3, 4, 5, 6; Minnesota Rules, parts 2809.0230; 2891.0010; 2891.0030; 3800.2650; 3800.3580; 3800.3590; 3800.3630; 3800.3750; 3800.3835; 4715.5600; 4715.5900; 4717.7000, subpart 1, item I; 5225.0880; 5225.8600, subparts 1, 2, 3, 4, 5, 6, 7, 8, 9; 5230.0010; 5230.0020; 5230.0040; 5230.0060, subpart 2; 5230.0100, subparts 1, 3, 4.

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

ARTICLE 1
REVISOR'S INSTRUCTION

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

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

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

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

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

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

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

ARTICLE 2
CONSTRUCTION CODES AND LICENSING

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

Subdivision 1. **State Fire Code rulemaking authority.** The commissioner of ~~public safety through the Division of Fire Marshal may promulgate~~ labor and industry, consistent with the recommendations of the state fire marshal, shall adopt a State Fire Code and make amendments thereto in accordance with the Administrative Procedure Act in chapter 14. The code and its amendments shall conform insofar as practicable to model fire codes generally accepted and in use throughout the United States, with consideration given to existing statewide specialty codes presently in use in the state of Minnesota.

Statewide specialty codes and model codes with necessary modifications may be adopted by reference in accordance with section 14.07, subdivision 4.

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

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

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

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

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

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

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

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

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

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

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

Subdivision 1. **Transfer of responsibilities.** The responsibilities of the commissioner of administration relating to the state building code, sections 16B.59 to 16B.76; construction of low-cost manufactured home park storm shelters, section 327.205; manufactured homes, sections 327.31 to 327.36 and 327B.01 to 327B.12; and statutory warranties in connection with the sale of dwellings and home improvement work, chapter 327A, are transferred under section 15.039 to the commissioner of labor and industry as amended and recodified in this chapter. The responsibilities of the commissioner of health relating to the state plumbing code and licensing, sections 16B.61, 144.99 to 144.993, and 326.37 to 326.45, and water conditioning contractors and installers, sections 326.57 to 326.65, are transferred under section 15.039 to the commissioner of labor and industry as amended and recodified in this chapter except for responsibilities transferred to the Plumbing Board as expressly provided in this chapter. The responsibilities of the commissioner of commerce relating to residential contractors, residential remodelers, residential roofers, manufactured home installers, and the contractor's recovery fund under sections 45.027 to 45.23 and 326.83 to 326.992 are transferred under section 15.039

to the commissioner of labor and industry as amended and recodified in this chapter. The responsibilities of the Board of Electricity relating to the State Electrical Code and licensing, sections 16B.61 and 326.241 to 326.248, are transferred under section 15.039 to the commissioner of labor and industry as amended and recodified in this chapter except for responsibilities transferred to the Board of Electricity as expressly provided in this chapter.

Subd. 2. **Transfer of Authority.** The commissioner of administration may not use the authority under section 16B.37 to modify the transfers of authority to the Plumbing Board, the Board of Electricity, or the Board of High Pressure Piping Systems under this chapter.

Subd. 3. **Definition of responsibilities.** For purposes of subdivision 1, responsibilities include powers, duties, rights, obligations, and other authority imposed by law.

Subd. 4. **State fire marshal cooperation.** The state fire marshal shall work with the commissioner to improve the delivery of services to the public through the coordination of services and utilization of technology.

Subd. 5. **General rulemaking authority.** The commissioner may, under the rulemaking provisions of chapter 14 and as otherwise provided by this chapter, adopt, amend, suspend, and repeal rules relating to the commissioner's responsibilities under this chapter, except for rules for which the rulemaking authority is expressly transferred to the Plumbing Board, the Board of Electricity, or the Board of High Pressure Piping Systems.

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

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

Subdivision 1. **Construction code fund.** There is created in the state treasury a construction code fund as a special revenue fund for the purpose of administering this chapter, sections 327.31 to 327.36, and chapter 327B. All money collected under those sections, except penalties, is credited to the construction code fund unless otherwise specifically designated by law. Any interest or profit accruing from investment of these sums is credited to the construction code fund. All money collected in the construction code fund is appropriated to the commissioner to administer and enforce the provisions identified in this section.

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

Subd. 2. **Deposits.** All remaining balances as of June 30, 2007, in the state government special revenue fund and special revenue fund accounts maintained for the Building Codes and Standards Division, Board of Electricity, and plumbing and engineering unit are transferred to the construction code fund. Unless otherwise specifically designated by law: (1) all money collected under chapter 183 and sections 16B.59 to 16B.76; 144.122, paragraph (f); 181.723; 326.241 to 326.248; 326.37 to 326.521; 326.57 to 326.65; 326.83 to 326.992; 327.31 to 327.36; and 327B.01 to 327B.12, except penalties, is credited to the construction code fund; (2) all fees collected under section 45.23 in connection with continuing education for residential contractors, residential remodelers, and residential roofers are credited to the construction code fund; and (3) all penalties assessed under the sections set forth in clauses (1) and (2) and all penalties assessed under sections 144.99 to 144.993 in connection with any violation of sections 326.37 to 326.45 or 326.57 to 327.65 or the rules adopted under those sections are credited to the assigned risk safety account established by section 79.253.

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

Sec. 5. **[326B.06] BONDS.**

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

Sec. 6. **[326B.075] COMMISSIONER NOT SUBJECT TO SUBPOENA.**

The commissioner shall not be subject to subpoena for purposes of providing expert testimony, except in an enforcement proceeding brought by the commissioner.

Sec. 7. **APPOINTMENT AND FIRST MEETING OF BOARDS.**

The governor must make the appointments to the Board of Electricity, the Plumbing Board, and the Board of High Pressure Piping Systems no later than July 1, 2007. The commissioner of labor and industry must convene the first meeting of each board no later than September 1, 2007.

ARTICLE 3
ENFORCEMENT

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

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

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

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

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

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

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

(2) all requests for hearing have been withdrawn;

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

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

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

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

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

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

Subdivision 1. **Remedies available.** The commissioner may enforce all applicable law under this section. The commissioner may use any enforcement provision in this section, including the assessment of monetary penalties, against a person required to have a license, registration, certificate, or permit under the applicable law based on conduct

that would provide grounds for action against a licensee, registrant, certificate holder, or permit holder under the applicable law. The use of an enforcement provision in this section shall not preclude the use of any other enforcement provision in this section or otherwise provided by law.

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

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

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

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

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

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

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

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

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

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

Subd. 4. **Fax transmission.** When this section or section 326B.083 permits a request for reconsideration or request for hearing to be served by fax on the commissioner, the fax shall not exceed 15 pages in length. The request shall be considered timely served if the fax is received by the commissioner, at the fax number identified by the commissioner in the order or notice of violation, no later than 4:30 p.m. central time on the last day permitted for faxing the request. Where the quality or authenticity of the faxed request is at issue, the commissioner may require the original request to be filed. Where the commissioner has not identified quality or authenticity of the faxed request as an issue and the request has been faxed in accordance with this subdivision, the person faxing the request does not need to file the original request with the commissioner.

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

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

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

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

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

(c) If the person to whom the commissioner has issued the notice of violation believes the notice was issued in error, then the person may request reconsideration of the

parts of the notice that the person believes are in error. The request for reconsideration must be in writing and must be served on or faxed to the commissioner at the address or fax number specified in the notice of violation by the tenth day after the commissioner issued the notice of violation. The date on which a request for reconsideration is served by mail shall be the postmark date on the envelope in which the request for reconsideration is mailed. If the person does not serve or fax a written request for reconsideration or if the person's written request for reconsideration is not served on or faxed to the commissioner by the tenth day after the commissioner issued the notice of violation, the notice of violation shall become a final order of the commissioner and will not be subject to review by any court or agency. The request for reconsideration must:

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

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

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

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

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

(b) The commissioner may issue an administrative order for failure to correct a violation by the deadline stated in a final administrative order issued under paragraph (a).

Each day after the deadline during which the violation remains uncorrected is a separate violation for purposes of calculating the maximum monetary penalty amount.

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

Subd. 8. **Hearings related to administrative orders.** (a) Within 30 days after the commissioner issues an administrative order or within 20 days after the commissioner issues the notice under section 326B.083, subdivision 3, paragraph (b), clause (3), the person to whom the administrative order or notice is issued may request an expedited hearing to review the commissioner's order or notice. The request for hearing must be in writing and must be served on or faxed to the commissioner at the address or fax number specified in the order or notice. If the person does not request a hearing or if the person's written request for hearing is not served on or faxed to the commissioner by the 30th day after the commissioner issues the administrative order or the 20th day after the commissioner issues the notice under section 326B.083, subdivision 3, paragraph (b), clause (3), the order will become a final order of the commissioner and will not be subject to review by any court or agency. The date on which a request for hearing is served by mail shall be the postmark date on the envelope in which the request for hearing is mailed. The hearing request must specifically state the reasons for seeking review of the order or notice. The person to whom the order or notice is issued and the commissioner are the parties to the expedited hearing. The commissioner must notify the person to whom the order or notice is issued of the time and place of the hearing at least 15 days before the hearing. The expedited hearing must be held within 45 days after a request for hearing has been served on the commissioner unless the parties agree to a later date.

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

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

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

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

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

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

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

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

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

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

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

(d) A stop order shall:

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

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

(e) Within 30 days after the commissioner issues a stop order, any person aggrieved by the order may request an expedited hearing to review the commissioner's action. The request for hearing must be made in writing and must be served on or faxed to the commissioner at the address or fax number specified in the order. If the person does not request a hearing or if the person's written request for hearing is not served on or faxed to the commissioner on or before the 30th day after the commissioner issued the stop order, the order will become a final order of the commissioner and will not be subject to review by any court or agency. The date on which a request for hearing is served by mail is the postmark date on the envelope in which the request for hearing is mailed. The hearing request must specifically state the reasons for seeking review of the order. The person who requested the hearing and the commissioner are the parties to the expedited hearing. The hearing shall be commenced within ten days after the commissioner receives the request for hearing. The hearing shall be conducted under Minnesota Rules, parts 1400.8510 to 1400.8612, as modified by this subdivision. The administrative law judge shall issue a report containing findings of fact, conclusions of law, and a recommended order within ten days after the conclusion of the hearing. Any party aggrieved by the administrative law judge's report shall have five days after the date of the administrative law judge's report to submit exceptions and argument to the commissioner. Within 15 days after receiving the administrative law judge's report, the commissioner shall issue an order vacating, modifying, or making permanent the stop order. The commissioner and the person requesting the hearing may by agreement lengthen any time periods described in this paragraph. The Office of Administrative Hearings may, in consultation with the agency, adopt rules specifically applicable to cases under this subdivision.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Subd. 12. **Issuance of licensing orders; hearings related to licensing orders.** (a) If the commissioner determines that a permit, license, registration, or certificate should be conditioned, limited, suspended, revoked, or denied under subdivision 11, or that the permit holder, licensee, registrant, or certificate holder should be censured under subdivision 11, then the commissioner shall issue to the person an order denying, conditioning, limiting, suspending, or revoking the person's permit, license, registration, or certificate, or censuring the permit holder, licensee, registrant, or certificate holder.

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

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

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

Subd. 13. **Summary suspension.** In any case where the commissioner has issued an order to revoke or suspend a license, registration, certificate, or permit under subdivision 12, the commissioner may summarily suspend the person's permit, license, registration, or certificate before the order becomes final. The commissioner shall issue a summary suspension order when the safety of life or property is threatened or to prevent the commission of fraudulent, deceptive, untrustworthy, or dishonest acts against the public. The summary suspension shall not affect the deadline for submitting a request for hearing under subdivision 12. If the commissioner summarily suspends a person's permit, license, registration, or certificate, a timely request for hearing submitted under subdivision 12 shall also be considered a timely request for hearing on continuation of the summary suspension. If the commissioner summarily suspends a person's permit,

license, registration, or certificate under this subdivision and the person submits a timely request for a hearing, then a hearing on continuation of the summary suspension must be held within ten days after the commissioner receives the request for hearing unless the parties agree to a later date.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

In any action brought by the commissioner for enforcement of an order issued under section 326B.082 for injunctive relief, or to compel performance pursuant to the applicable law, if the state finally prevails, the state, in addition to other penalties provided by law, may be allowed an amount determined by the court to be the reasonable value of all or part of the litigation expenses incurred by the state. In determining the amount of the litigation expenses to be allowed, the court shall give consideration to the economic circumstances of the defendant.

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

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

ARTICLE 4
BUILDING CODE

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

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

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

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

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

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

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

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

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

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

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

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

~~(11)~~ (10) provide rental space within the capitol complex for a private day care center for children of state employees. The commissioner shall contract for services as provided in this chapter. The commissioner shall report back to the legislature by October 1, 1984, with the recommendation to implement the private day care operation.

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

Subd. 4. **Code.** "Code" means the State Building Code adopted by the commissioner of labor and industry in consultation with each industry board and the Construction Codes Advisory Council in accordance with sections 16B.59 to 16B.75.

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

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

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

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

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

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

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

16B.61 GENERAL POWERS OF COMMISSIONER OF LABOR AND INDUSTRY.

Subdivision 1. **Adoption of code.** Subject to sections 16B.59 to 16B.75, the commissioner shall by rule and in consultation with the Construction Codes Advisory Council establish a code of standards for the construction, reconstruction, alteration, and repair of buildings, governing matters of structural materials, design and construction, fire protection, health, sanitation, and safety, including design and construction standards regarding heat loss control, illumination, and climate control. The code must also include duties and responsibilities for code administration, including procedures for administrative action, penalties, and suspension and revocation of certification. The code must conform insofar as practicable to model building codes generally accepted and in use throughout the United States, including a code for building conservation. In the preparation of the code, consideration must be given to the existing statewide specialty codes presently in use in the state. Model codes with necessary modifications and statewide specialty codes may be adopted by reference. The code must be based on the application of scientific principles, approved tests, and professional judgment. To the extent possible, the code must be adopted in terms of desired results instead of the means of achieving those results, avoiding wherever possible the incorporation of specifications of particular methods or materials. To that end the code must encourage the use of new methods and new materials. Except as otherwise provided in sections 16B.59 to 16B.75, the commissioner shall administer and enforce the provisions of those sections.

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

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

Municipalities other than the state having an agreement with the commissioner for code administration and enforcement service for public buildings and state licensed

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Subd. 5. **Accessibility.** (a) **Public buildings.** The code must provide for making public buildings constructed or remodeled after July 1, 1963, accessible to and usable by

~~physically disabled~~ persons with disabilities, although this does not require the remodeling of public buildings solely to provide accessibility and usability to ~~the physically disabled~~ persons with disabilities when remodeling would not otherwise be undertaken.

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

(c) **Meetings or conferences.** Meetings or conferences for the public or for state employees which are sponsored in whole or in part by a state agency must be held in buildings that meet the State Building Code requirements relating to accessibility for ~~physically disabled~~ persons with disabilities. This subdivision does not apply to any classes, seminars, or training programs offered by the Minnesota State Colleges and Universities or the University of Minnesota. Meetings or conferences intended for specific individuals none of whom need the accessibility features for ~~disabled~~ persons with disabilities specified in the State Building Code need not comply with this subdivision unless a ~~disabled~~ person with a disability gives reasonable advance notice of an intent to attend the meeting or conference. When sign language interpreters will be provided, meetings or conference sites must be chosen which allow hearing impaired participants to see their signing clearly.

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

(e) **Symbol indicating access.** The wheelchair symbol adopted by Rehabilitation International's Eleventh World Congress is the state symbol indicating buildings, facilities, and grounds which are accessible to and usable by ~~disabled~~ persons with disabilities. In the interests of uniformity, this symbol is the sole symbol for display in or on all public or private buildings, facilities, and grounds which qualify for its use. The secretary of state shall obtain the symbol and keep it on file. No building, facility, or grounds may display the symbol unless it is in compliance with the rules adopted by the commissioner under subdivision 1. Before any rules are proposed for adoption under this paragraph, the commissioner shall consult with the Council on Disability. Rules adopted under this

paragraph must be enforced in the same way as other accessibility rules of the State Building Code.

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

~~(g) **Equipment allowed.** The code must allow the use of vertical wheelchair lifts and inclined stairway wheelchair lifts in public buildings. An inclined stairway wheelchair lift must be equipped with light or sound signaling device for use during operation of the lift. The stairway or ramp shall be marked in a bright color that clearly indicates the outside edge of the lift when in operation. The code shall not require a guardrail between the lift and the stairway or ramp. Compliance with this provision by itself does not mean other disability accessibility requirements have been met.~~

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

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

Subd. 8. **Separate metering for electric service.** The standards concerning heat loss, illumination, and climate control adopted pursuant to subdivision 1, shall require that electrical service to individual dwelling units in buildings containing two or more units be separately metered, with individual metering readily accessible to the individual occupants. The standards authorized by this subdivision shall only apply to buildings constructed after the effective date of the amended standards. Buildings intended for occupancy primarily by persons who are 62 years of age or older or disabled, or which

contain a majority of units not equipped with complete kitchen facilities, shall be exempt from the provisions of this subdivision.

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

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

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

16B.617 ENERGY CODE RULES REMAIN IN EFFECT.

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

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

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

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

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

16B.6175 ENERGY CODE.

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

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

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

16B.63 STATE BUILDING OFFICIAL.

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

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

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

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

Subd. 5. **Interpretative authority.** To achieve uniform and consistent application of the State Building Code, the ~~state building official~~ commissioner has final interpretative authority applicable to all codes adopted as part of the State Building Code except for the

Plumbing Code and the Electrical Code ~~when enforced by the State Board of Electricity~~. A final interpretative committee composed of seven members, consisting of three building officials, two inspectors from the affected field, and two construction industry representatives, shall review requests for final interpretations relating to that field~~. A request~~ for which the commissioner has final interpretative authority. The Plumbing Board has final interpretative authority applicable to the State Plumbing Code and shall review requests for final interpretation made to the board that relate to the State Plumbing Code. The Board of Electricity has final interpretative authority applicable to the State Electrical Code and shall review requests for final interpretation made to the board that relate to the State Electrical Code. The Board of High Pressure Piping Systems has final interpretative authority applicable to the State High Pressure Piping Code and shall review requests for final interpretation made to the board that relate to the State High Pressure Piping Code. Except for requests for final interpretations that relate to the State Plumbing Code, the State Electrical Code, and the State High Pressure Piping Code, requests for final interpretation must come from a local or state level building code board of appeals. The ~~state building official~~ commissioner must establish procedures for membership of the final interpretative committees. The appropriate committee shall review the request and make a recommendation to the ~~state building official~~ commissioner for the final interpretation within 30 days of the request. The ~~state building official~~ commissioner must issue ~~an~~ final interpretation within ten business days ~~from~~ after the receipt of the recommendation from the ~~review~~ final interpretive committee. ~~A~~ The Plumbing Board, the Board of Electricity, or the Board of High Pressure Piping Systems shall review a request and issue a final interpretation within 30 days of the request. Any person aggrieved by a final interpretation may ~~be appealed~~ appeal the interpretation within 30 days of its issuance ~~to~~ by the commissioner ~~under section 16B.67~~ or the board in accordance with chapter 14. The final interpretation must be published within ten business days of its issuance and made available to the public. Municipal building officials shall administer all final interpretations issued by the ~~state building official~~ commissioner, the Plumbing Board, the Board of Electricity, or the Board of High Pressure Piping Systems until the final interpretations are considered by the commissioner, the Plumbing Board, the Board of Electricity, or the Board of High Pressure Piping Systems for adoption as part of the State Building Code, State Plumbing Code, State Electrical Code, and the State High Pressure Piping Code.

Sec. 11. Minnesota Statutes 2006, section 16B.64, is amended by adding a subdivision to read:

Subd. 8. **Effective date of rules.** A rule to adopt or amend the state's building code is effective 180 days after the filing of the rule with the secretary of state under section 14.16 or 14.26. The rule may provide for a different effective date if the commissioner or board proposing the rule finds that a different effective date is necessary to protect public health and safety after considering, among other things, the need for time for training of individuals to comply with and enforce the rule.

Sec. 12. Minnesota Statutes 2006, section 16B.65, is amended to read:

16B.65 BUILDING OFFICIALS.

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

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

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

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

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

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

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

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

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

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

(b) The committee ~~consists~~ shall consist of six members. One member shall be the commissioner's designee and five members shall be certified building officials~~,~~ who are appointed by the commissioner. At least two of ~~whom~~ the appointed certified building officials must be from nonmetropolitan counties. For the committee members ~~must be compensated according to~~ who are not state officials or employees, their compensation and removal from the oversight committee is governed by section 15.059~~, subdivision 3~~. The commissioner's designee shall ~~act as an ex-officio member of the oversight committee~~

serve as the chair of the oversight committee and shall not vote. The terms of the appointed members of the oversight committee shall be four years. The terms of three of the appointed members shall be coterminous with the governor and the terms of the remaining two appointed members shall end on the first Monday in January one year after the terms of the other appointed members expire. An appointed member may be reappointed. The committee is not subject to the expiration provisions of section 15.059, subdivision 5.

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

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

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

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

(2) engages in fraud, deceit, or misrepresentation while performing the duties of a certified building official~~;~~.

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

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

~~Notice must be provided and the hearing conducted in accordance with the provisions of chapter 14 governing contested case proceedings.~~ Nothing in this subdivision limits or otherwise affects the authority of a municipality to dismiss or suspend a building official at its discretion, except as otherwise provided for by law.

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

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

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

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

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

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

(b) If the commissioner has not issued a notice of denial of application for a certificate holder and if the certificate holder has properly and timely filed a fully completed renewal application, then the certificate holder may continue to engage in building official activities whether or not the renewed certificate has been received. Applications must be made on a form approved by the commissioner. Each application for renewal must be

fully completed, and be accompanied by proof of the satisfactory completion of minimum continuing education requirements and the certification renewal fee established by the commissioner. Applications are timely if received prior to the expiration of the most recently issued certificate. An application for renewal that does not contain all of the information requested is an incomplete application and will not be accepted.

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

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

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

Sec. 13. Minnesota Statutes 2006, section 16B.70, is amended to read:

16B.70 SURCHARGE.

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

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

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

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

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

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

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

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

Subd. 2. **Collection and reports.** All permit surcharges must be collected by each municipality and a portion of them remitted to the state. Each municipality having a population greater than 20,000 people shall prepare and submit to the commissioner once a month a report of fees and surcharges on fees collected during the previous month but shall retain the greater of two percent or that amount collected up to $25 to apply against the administrative expenses the municipality incurs in collecting the surcharges. All other municipalities shall submit the report and surcharges on fees once a quarter but shall retain the greater of four percent or that amount collected up to $25 to apply against the administrative expenses the municipalities incur in collecting the surcharges. The report, which must be in a form prescribed by the commissioner, must be submitted together with a remittance covering the surcharges collected by the 15th day following the month or quarter in which the surcharges are collected. ~~All money collected by the commissioner through surcharges and other fees prescribed by sections 16B.59 to 16B.75 shall be deposited in the state government special revenue fund and is appropriated to the commissioner for the purpose of administering and enforcing the State Building Code under sections 16B.59 to 16B.75.~~

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

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

Sec. 14. Minnesota Statutes 2006, section 16B.72, is amended to read:

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

Notwithstanding any other provision of law to the contrary, a county that is not a metropolitan county as defined by section 473.121, subdivision 4, may provide, by a vote of the majority of its electors residing outside of municipalities that have adopted the State Building Code before January 1, 1977, that no part of the State Building Code except the

building requirements for ~~disabled~~ persons with disabilities, the requirements for bleacher safety, and the requirements for elevator safety applies within its jurisdiction.

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

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

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

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

Sec. 15. Minnesota Statutes 2006, section 16B.73, is amended to read:

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

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

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

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

A statutory or home rule charter city that is not covered by the State Building Code because of action taken under section 16B.72 or 16B.73 is responsible for enforcement in the city of the State Building Code's requirements for ~~disabled~~ persons with disabilities. In all other areas where the State Building Code does not apply because of action taken under section 16B.72 or 16B.73, the county is responsible for enforcement of those requirements.

Sec. 17. Minnesota Statutes 2006, section 16B.74, subdivision 1, is amended to read:

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

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

Sec. 18. Minnesota Statutes 2006, section 16B.74, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

16B.741 ELEVATOR ~~AVAILABLE FOR~~ INSPECTION AND REPORTING.

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

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

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

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

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

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

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

(a) the location of each elevator;

(b) the type of each elevator; and

(c) the date the elevator was installed.

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

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

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

16B.744 ELEVATORS, ENTRANCES SEALED.

It shall be the duty of the department ~~of Administration~~ and the licensing authority of any municipality which adopts any such ordinance whenever it finds any such elevator

under its jurisdiction in use in violation of any provision of sections 16B.74 to 16B.745 to seal the entrances of such elevator and attach a notice forbidding the use of such elevator until the provisions thereof are complied with.

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

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

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

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

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

16B.747 FEES FOR LICENSURE AND ~~INSPECTION~~ PERMIT.

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

Subd. 1a. **Annual operating permit.** No person may operate an elevator without first obtaining an annual operating permit from the department or a municipality authorized by subdivision 3 to issue annual operating permits. A $100 annual operating permit fee must be paid to the department for each annual operating permit issued by the department, except that the original annual operating permit must be included in the permit fee for the initial installation of the elevator. Annual operating permits must be issued at 12-month intervals from the date of the initial annual operating permit. For each subsequent year, an owner must be granted an annual operating permit for the elevator upon the owner's or owner's agent's submission of a form prescribed by the commissioner and payment of the $100 fee. Each form must include the location of the elevator, the results of any periodic test required by the code, and any other criteria established by rule.

An annual operating permit may be revoked by the commissioner upon an audit of the periodic testing results submitted with the application or a failure to comply with elevator code requirements, inspections, or any other law related to elevators.

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

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

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

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

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

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

16B.748 RULES.

The commissioner may adopt rules for the following purposes:

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

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

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

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

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

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

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

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

16B.76 CONSTRUCTION CODES ADVISORY COUNCIL.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(ix) a member of the Plumbing ~~contractor~~ Board;

(x) a ~~representative of a construction and building trades union; and~~ member of the Board of Electricity;

~~(xi) a local unit of government representative.~~ (xi) a member of the Board of High Pressure Piping Systems;

(xii) the boiler industry;

(xiii) the manufactured housing industry;

(xiv) public utility suppliers;

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

(xvi) local units of government.

(b) The commissioner or the commissioner's designee representing the department's Construction Codes and Licensing Division shall serve as chair of the advisory council. For members who are not state officials or employees, ~~terms~~, compensation~~,~~ and removal~~,~~ ~~and the filling of vacancies~~ of members of the advisory council are governed by section 15.059. ~~The council shall select one of its members to serve as chair.~~ The terms of the members of the advisory council shall be four years. The terms of eight of the appointed members shall be coterminous with the governor and the terms of the remaining nine appointed members shall end on the first Monday in January one year after the terms of the other appointed members expire. An appointed member may be reappointed. Each council member shall appoint an alternate to serve in their absence. The committee is not subject to the expiration provision of section 15.059, subdivision 5.

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

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

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

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

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

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

The council shall meet a minimum of four times each year. The council shall report its findings and recommendations to the commissioner ~~of administration and the head of any other affected agency by the end of each calendar year~~. The council

~~may~~ shall recommend changes in laws or rules governing building construction. The council ~~may~~ shall establish subcommittees to facilitate its work. If the council establishes subcommittees, it shall include in their memberships representation from entities and organizations expressing an interest in membership. The commissioner ~~of administration~~ shall maintain a list of interested entities and organizations.

Subd. 3. **Agency cooperation.** State agencies and local governmental units shall cooperate with the council and, so far as possible, provide information or assistance to it upon its request. The commissioner ~~of administration~~ shall provide necessary staff and administrative support to the council.

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

326.992 BOND REQUIRED FOR CERTAIN CONTRACTORS.

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

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

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

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

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

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

Subd. 3. **Manufactured Home Building Code.** "Manufactured Home Building Code" means, for manufactured homes manufactured after July 1, 1972, and prior to June 15, 1976, the standards code promulgated by the American National Standards Institute

and identified as ANSI A119.1, including all revisions thereof in effect on May 21, 1971, or the provisions of the National Fire Protection Association and identified as NFPA 501B, and further revisions adopted by the commissioner of labor and industry.

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

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

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

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

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

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

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

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

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

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

Subd. 8. **Evidence of compliance.** Each manufacturer, distributor, and dealer shall establish and maintain records, make reports, and provide information as the commissioner or the secretary may reasonably require to be able to determine whether the manufacturer, distributor, or dealer has acted or is acting in compliance with sections 327.31 to 327.35, and shall, upon request of a person duly designated by the commissioner or the secretary, permit that person to inspect appropriate books, papers, records, and documents relevant to determining whether that manufacturer, distributor, or dealer has acted or is acting in compliance with sections 327.31 to 327.35, and the National Manufactured Home Construction and Safety Standards Act of 1974, United States

Code, title 42, section 5401, et seq., as amended by the National Manufactured Housing Construction and Safety Standards Act, Title VI, Manufactured Housing Improvement Act of 2000, or other applicable federal or state law.

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

Subd. 2. **Fees.** The commissioner shall by rule establish reasonable fees for seals, installation seals and inspections which are sufficient to cover all costs incurred in the administration of sections 327.31 to 327.35. The commissioner shall also establish by rule a monitoring inspection fee in an amount that will comply with the secretary's fee distribution program. This monitoring inspection fee shall be an amount paid by the manufacturer for each manufactured home produced in Minnesota. The monitoring inspection fee shall be paid by the manufacturer to the secretary. The rules of the fee distribution program require the secretary to distribute the fees collected from all manufactured home manufacturers among states approved and conditionally approved based on the number of new manufactured homes whose first location after leaving the manufacturer is on the premises of a distributor, dealer or purchaser in that state. ~~All money collected by the commissioner through fees prescribed by sections 327.31 to 327.36 shall be deposited in the state government special revenue fund and is appropriated to the commissioner for the purpose of administering and enforcing the Manufactured Home Building Code under sections 327.31 to 327.36.~~

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

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

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

consistent with regulations adopted by the United States Department of Housing and Urban Development and to adopt rules in order to carry out this function.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(c) the applicant has secured: (1) a surety bond in the amount of $20,000 for the agency and each subagency location that bears the applicant's name and the name under which the applicant will be licensed and do business in this state. Each bond is for the protection of consumer customers, and must be executed by the applicant as principal and issued by a surety company admitted to do business in this state. ~~The~~ Each bond shall be exclusively for the purpose of reimbursing consumer customers and shall be conditioned upon the faithful compliance by the applicant with all of the laws and rules of this state pertaining to the applicant's business as a dealer or manufacturer, including sections 325D.44, 325F.67 and 325F.69, and upon the applicant's faithful performance of all its legal obligations to consumer customers; and (2) a certificate of liability insurance in the amount of $1,000,000 that provides coverage for the agency and each subagency location;

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

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

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

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

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

Subd. 7. **Fees; licenses; when granted.** Each application for a license or license renewal must be accompanied by a fee in an amount established by the commissioner by rule pursuant to section 327B.10. The fees shall be set in an amount which over the fiscal biennium will produce revenues approximately equal to the expenses which the commissioner expects to incur during that fiscal biennium while administering and enforcing sections 327B.01 to 327B.12. ~~All money collected by the commissioner through fees prescribed in sections 327B.01 to 327B.12 shall be deposited in the state government special revenue fund and is appropriated to the commissioner for purposes of administering and enforcing the provisions of this chapter.~~ The commissioner shall grant or deny a license application or a renewal application within 60 days of its filing. If the license is granted, the commissioner shall license the applicant as a dealer or manufacturer

for the remainder of the calendar year. Upon application by the licensee, the commissioner shall renew the license for a two year period, if:

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

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

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

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

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

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

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

(i) the identity of the applicant;

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

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

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

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

(vi) whether the applicant or its designated individual has been convicted of a crime within the previous ten years that is either related directly to the business for which the license is sought or involved fraud, misrepresentation or misuse of funds, or has suffered a judgment in a civil action involving fraud, misrepresentation, or conversion within the previous five years or has had any government license or permit suspended or revoked

as a result of an action brought by a federal or state governmental agency in this or any other state within the last five years; and

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

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

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

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

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

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

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

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

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

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

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

Subd. 4. **Disciplinary action in another state.** A licensee shall notify the commissioner in writing within ten days of the condition, reprimand, censure, limitation, suspension, or revocation of any other professional or occupational license, registration, permit, or certificate held by the licensee in this or any other state, or any other United States jurisdiction.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

327B.10 RULEMAKING AUTHORITY.

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

Sec. 60. **INCORPORATING ADAPTABILITY DESIGN ELEMENTS; REPORT.**

The commissioner of labor and industry shall explore the possibility of incorporating the adaptability design elements in the State Building Code for the following International Residential Codes (IRC) and International Building Codes (IBC):

(1) IRC-1;

(2) IRC-2;

(3) IRC-3;

(4) IBC R-2; and

(5) IBC R-3.

The commissioner shall report back to the legislative committees having jurisdiction over these issues by January 15, 2008.

Sec. 61. **REVISOR'S INSTRUCTION.**

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

Column A	Column B
16B.59	326B.101
16B.60, subd. 1	326B.103, subd. 1
16B.60, subd. 2	326B.103, subd. 4
16B.60, subd. 3	326B.103, subd. 9
16B.60, subd. 4	326B.103, subd. 5
16B.60, subd. 5	326B.103, subd. 3
16B.60, subd. 6	326B.103, subd. 11
16B.60, subd. 7	326B.103, subd. 10
16B.60, subd. 8	326B.103, subd. 12
16B.60, subd. 9	326B.103, subd. 8
16B.60, subd. 10	326B.103, subd. 7
16B.60, subd. 11	326B.103, subd. 13
16B.60, subd. 12	326B.103, subd. 6
16B.60, subd. 13	326B.103, subd. 2
16B.61	326B.106
16B.615	326B.109
16B.616	326B.112
16B.617	326B.115
16B.6175	326B.118
16B.62	326B.121
16B.625	326B.124
16B.63	326B.127
16B.64	326B.13

16B.65	326B.133
16B.66	326B.136
16B.67	326B.139
16B.68	326B.142
16B.685	326B.145
16B.70	326B.148
16B.71	326B.151
16B.72	326B.154
16B.73	326B.157
16B.735	326B.16
16B.74	326B.163
16B.741	326B.166
16B.742	326B.169
16B.743	326B.172
16B.744	326B.175
16B.745	326B.178
16B.746	326B.181
16B.747	326B.184
16B.748	326B.187
16B.749	326B.191
16B.75	326B.194
16B.76	326B.07
326.992	326B.197

ARTICLE 5
ELECTRICAL

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

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

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

Subd. 3. **Class A journeyman electrician.** ~~The term~~ "Class A journeyman electrician" means ~~a person~~ an individual having the necessary qualifications, training, experience, and technical knowledge to ~~install, alter, repair, and supervise the installing, altering, or repairing of electrical wiring, apparatus, and equipment for light, heat, power,~~

~~and other purposes~~ perform and supervise any electrical work except for planning or laying out of electrical work, and who is licensed as ~~such~~ a Class A journeyman electrician by the ~~Board of Electricity~~ commissioner.

Sec. 3. Minnesota Statutes 2006, section 326.01, is amended by adding a subdivision to read:

Subd. 4a. **Elevator constructor.** "Elevator constructor" means an individual having the necessary qualifications, training, experience, and technical knowledge to wire for, install, maintain, and repair electrical wiring, apparatus, and equipment for elevators and escalators and who is licensed as an elevator constructor by the commissioner.

Sec. 4. Minnesota Statutes 2006, section 326.01, is amended by adding a subdivision to read:

Subd. 4b. **Elevator contractor.** "Elevator contractor" means a licensed contractor whose responsible licensed individual is a licensed master elevator constructor. An elevator contractor license does not itself qualify its holder to perform or supervise the electrical or elevator work authorized by holding any other personal license issued by the commissioner.

Sec. 5. Minnesota Statutes 2006, section 326.01, is amended by adding a subdivision to read:

Subd. 4c. **Lineman.** "Lineman" means an individual having the necessary qualifications, training, experience, and technical knowledge to construct and maintain transmission and distribution systems that are or will be owned or leased by an electrical utility, and who is licensed as a lineman by the commissioner.

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

Subd. 4d. **Maintenance electrician.** "Maintenance electrician" means an individual having the necessary qualifications, training, experience, and technical knowledge to properly maintain and repair electrical wiring, apparatus, and equipment, who is licensed as a maintenance electrician by the commissioner or who is exempt from licensing by sections 326.241 to 326.248.

Sec. 7. Minnesota Statutes 2006, section 326.01, is amended by adding a subdivision to read:

Subd. 4e. **Master elevator constructor.** "Master elevator constructor" means an individual having the necessary qualifications, training, experience, and technical knowledge to properly plan, lay out, and supervise the installation, maintenance, and repair of wiring, apparatus, and equipment for elevators and escalators and who is licensed as a master elevator constructor by the commissioner.

Sec. 8. Minnesota Statutes 2006, section 326.01, subdivision 5, is amended to read:

Subd. 5. **Contractor.** ~~The term~~ "Contractor" means a person~~, partnership, or corporation operating a business that undertakes~~ who performs or offers to ~~undertake to plan for, lay out, or install or to make additions, alterations, or repairs in the installation of electrical wiring, apparatus, or equipment for light, heat, power, and other purposes~~ perform any electrical work, with or without compensation, who is licensed as ~~such~~ a contractor by the ~~Board of Electricity~~ commissioner. A contractor's license does not of itself qualify its holder to perform or supervise the electrical work authorized by holding any class of electrician's or other personal electrical license. Contractor includes electrical contractors and technology system contractors.

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 15. Minnesota Statutes 2006, section 326.01, subdivision 6g, is amended to read:

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

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

(2) during the entire working day of the unlicensed individual, the licensed individual is physically present at the location where the unlicensed individual is performing electrical work and immediately available to the unlicensed individual;

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

(4) electronic supervision does not meet the requirement of physically present and immediately available;

(5) the licensed individual shall review the electrical work performed by the unlicensed individual before the electrical work is operated; and

~~(3)~~ (6) the licensed ~~person~~ individual is able to and does determine that all electrical work performed by the unlicensed ~~person~~ individual is performed in compliance with section 326.243.

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

Sec. 16. Minnesota Statutes 2006, section 326.01, subdivision 6j, is amended to read:

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

Sec. 17. Minnesota Statutes 2006, section 326.01, subdivision 6k, is amended to read:

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

Sec. 18. Minnesota Statutes 2006, section 326.01, subdivision 6l, is amended to read:

Subd. 6l. **Technology circuits or systems.** "Technology circuits or systems" means class 2 or class 3 circuits or systems for, but not limited to, remote control, signaling, control, alarm, and audio signal, including associated components as covered by the National Electrical Code, articles 640, 645, 650, 725, 760, 770, and 780, and which are isolated from circuits or systems other than class 2 or class 3 by a demarcation and are not process control circuits or systems; antenna and communication circuits or systems as covered by chapter 8 of the National Electrical Code; and circuitry and equipment for indoor lighting and outdoor landscape lighting systems that are supplied by the secondary circuit of an isolating power supply operating at 30 volts or less as covered by the National Electrical Code, article 411. The planning, laying out, installing, altering, and repairing of technology circuits or systems must be performed in accordance with the applicable requirements of the National Electrical Code pursuant to section 326.243.

Sec. 19. **[326.2415] BOARD OF ELECTRICITY.**

Subdivision 1. **Composition.** (a) The Board of Electricity shall consist of 12 members. Eleven members shall be appointed by the governor with the advice and consent of the senate and shall be voting members. Appointments of members by the governor shall be made in accordance with section 15.066. If the senate votes to refuse to consent to an appointment of a member made by the governor, the governor shall appoint a new member with the advice and consent of the senate. One member shall be the commissioner of labor and industry or the commissioner's designee, who shall be a voting member. Of the 11 appointed members, the composition shall be as follows:

(1) one member shall be an electrical inspector;

(2) two members shall be representatives of the electrical suppliers in rural areas;

(3) two members shall be master electricians, who shall be contractors;

(4) two members shall be journeyman electricians;

(5) one member shall be a registered consulting electrical engineer;

(6) two members shall be power limited technicians, who shall be technology system contractors primarily engaged in the business of installing technology circuit or systems; and

(7) one member shall be a public member as defined by section 214.02.

The electrical inspector shall be appointed to a term to end December 31, 2011. One of the rural electrical suppliers shall be appointed for a term to end December 31, 2011. The other rural electrical supplier shall be appointed for a term to end December 31, 2010. The consulting electrical engineer shall be appointed for a term to end December

31, 2011. One of the master electrician contractors shall be appointed for a term to end December 31, 2011. The other master electrician contractor shall be appointed for a term to end December 31, 2010. One of the journeyman electricians shall be appointed for a term to end December 31, 2011. The other journeyman electrician shall be appointed for a term to end December 31, 2010. One of the power limited technicians shall be appointed for a term to end December 31, 2011. The other power limited technician shall be appointed for a term to end December 31, 2010. The public member shall be appointed for a term to end December 31, 2010.

(b) The consulting electrical engineer must possess a current Minnesota professional engineering license and maintain the license for the duration of the term on the board. All other appointed members, except for the public member and the representatives of electrical suppliers in rural areas, must possess a current electrical license issued by the Department of Labor and Industry and maintain that license for the duration of their terms. All appointed members must be residents of Minnesota at the time of and throughout the member's appointment. The term of any appointed member that does not maintain membership qualification status shall end on the date of the status change and the governor shall appoint a new member. It is the responsibility of the member to notify the board of their status change.

(c) For appointed members, except the initial terms designated in paragraph (a), each term shall be three years with the terms ending on December 31. Members appointed by the governor shall be limited to three consecutive terms. The governor shall, all or in part, reappoint the current members or appoint replacement members with the advice and consent of the senate. Midterm vacancies shall be filled for the remaining portion of the term. Vacancies occurring with less than six months time remaining in the term shall be filled for the existing term and the following three-year term. Members may serve until their successors are appointed but in no case later than July 1 in a year in which the term expires unless reappointed.

Subd. 2. **Powers; duties; administrative support.** (a) The board shall have the power to:

(1) elect its chair, vice-chair, and secretary;

(2) adopt bylaws that specify the duties of its officers, the meeting dates of the board, and containing such other provisions as may be useful and necessary for the efficient conduct of the business of the board;

(3) the Minnesota Electrical Code shall be the most current edition of the National Electrical Code upon its adoption by the board and any amendments thereto as adopted by the board. The board shall adopt the most current edition of the National Electrical

Code and any amendments thereto pursuant to chapter 14 and as provided in subdivision 6, paragraphs (b) and (c);

(4) review requests for final interpretations and issue final interpretations as provided in section 16B.63, subdivision 5;

(5) adopt rules that regulate the licensure or registration of electrical businesses, electrical contractors, master electricians, journeyman electricians, Class A installer, Class B installer, power limited technicians, and other persons who perform electrical work except for those individuals licensed under section 326.02, subdivisions 2 and 3. The board shall adopt these rules pursuant to chapter 14 and as provided in subdivision 6, paragraphs (d) and (e);

(6) adopt rules that regulate continuing education for individuals licensed or registered as electrical businesses, electrical contractors, master electricians, journeyman electricians, Class A installer, Class B installer, power limited technicians, and other persons who perform electrical work. The board shall adopt these rules pursuant to chapter 14 and as provided in subdivision 6, paragraph (e);

(7) advise the commissioner regarding educational requirements for electrical inspectors;

(8) refer complaints or other communications to the commissioner, whether oral or in writing, as provided in subdivision 8 that alleges or implies a violation of a statute, rule, or order that the commissioner has the authority to enforce pertaining to code compliance, licensure, registration, or an offering to perform or performance of unlicensed electrical services;

(9) approve per diem and expenses deemed necessary for its members as provided in subdivision 3;

(10) approve license reciprocity agreements;

(11) select from its members individuals to serve on any other state advisory council, board, or committee; and

(12) recommend the fees for licenses and certifications.

Except for the powers granted to the Plumbing Board, Board of Electricity, and the Board of High Pressure Piping Systems, the commissioner of labor and industry shall administer and enforce the provisions of this chapter and any rules promulgated pursuant thereto.

(b) The board shall comply with section 15.0597, subdivisions 2 and 4.

(c) The commissioner shall coordinate the board's rulemaking and recommendations with the recommendations and rulemaking conducted by all of the other boards created pursuant to chapter 326B. The commissioner shall provide staff support to the board. The

support includes professional, legal, technical, and clerical staff necessary to perform rulemaking and other duties assigned to the board. The commissioner of labor and industry shall supply necessary office space and supplies to assist the board in its duties

Subd. 3. **Compensation.** (a) Members of the board may be compensated at the rate of $55 a day spent on board activities, when authorized by the board, plus expenses in the same manner and amount as authorized by the commissioner's plan adopted under section 43A.18, subdivision 2. Members who, as a result of time spent attending board meetings, incur child care expenses that would not otherwise have been incurred, may be reimbursed for those expenses upon board authorization.

(b) Members who are state employees or employees of the political subdivisions of the state must not receive the daily payment for activities that occur during working hours for which they are compensated by the state or political subdivision. However, a state or political subdivision employee may receive the daily payment if the employee uses vacation time or compensatory time accumulated in accordance with a collective bargaining agreement or compensation plan for board activities. Members who are state employees or employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source. Members who are state employees or employees of political subdivisions of the state may be reimbursed for child care expenses only for time spent on board activities that are outside their working hours.

(c) The board shall adopt internal standards prescribing what constitutes a day spent on board activities for purposes of making daily payments under this subdivision.

Subd. 4. **Removal; vacancies.** (a) An appointed member of the board may be removed by the governor at any time (1) for cause, after notice and hearing, or (2) after missing three consecutive meetings. The chair of the board shall inform the governor of an appointed member missing the three consecutive meetings. After the second consecutive missed meeting and before the next meeting, the secretary of the board shall notify the appointed member in writing that the member may be removed for missing the next meeting. In the case of a vacancy on the board, the governor shall, with the advice and consent of the Senate, appoint a person to fill the vacancy for the remainder of the unexpired term.

(b) Vacancies shall be filled pursuant to section 15.097, subdivisions 5 and 6.

Subd. 5. **Membership vacancies within three months of appointment.** Notwithstanding any law to the contrary, when a membership on the board becomes vacant within three months after being filled through the appointments process, the

governor may, upon notification to the Office of Secretary of State, choose a new member from the applications on hand and need not repeat the process.

Subd. 6. **Officers, quorum, voting.** (a) The board shall elect annually from its members a chair, vice-chair, and secretary. A quorum of the board shall consist of a majority of members of the board qualified to vote on the matter in question. All questions concerning the manner in which a meeting is conducted or called that is not covered by statute shall be determined by Robert's Rules of Order (revised) unless otherwise specified by the bylaws.

(b) Each electrical code amendment considered by the board that receives an affirmative two-thirds or more majority vote of all of the voting members of the board shall be included in the next electrical code rulemaking proceeding initiated by the board. If an electrical code amendment considered, or reconsidered, by the board receives less than a two-thirds majority vote of all of the voting members of the board, the electrical code amendment shall not be included in the next electrical code rulemaking proceeding initiated by the board.

(c) The board may reconsider electrical code amendments during an active electrical code rulemaking proceeding in which the amendment previously failed to receive a two-thirds majority vote or more of all of the voting members of the board only if new or updated information that affects the electrical code amendment is presented to the board. The board may also reconsider failed electrical code amendments in subsequent electrical code rulemaking proceedings.

(d) Each proposed rule and rule amendment considered by the board pursuant to the rulemaking authority specified in subdivision 2, paragraph (a), clauses (5) and (6), that receives an affirmative majority vote of all of the voting members of the board shall be included in the next rulemaking proceeding initiated by the board. If a proposed rule or rule amendment considered, or reconsidered, by the board receives less than an affirmative majority vote of all of the voting members of the board, the proposed rule or rule amendment shall not be included in the next rulemaking proceeding initiated by the board.

(e) The board may reconsider proposed rule or rule amendment during an active rulemaking proceeding in which the amendment previously failed to receive an affirmative majority vote of all of the voting members of the board only if new or updated information that affects the proposed rule or rule amendment is presented to the board. The board may also reconsider failed proposed rule or rule amendment in subsequent rulemaking proceedings.

Subd. 7. **Board meetings.** (a) The board shall hold meetings at such times as the board shall specify. Notice and conduct of all meetings shall be pursuant to chapter 13D and in a manner as the bylaws may provide.

(b) If compliance with section 13D.02 is impractical, the board may conduct a meeting of its members by telephone or other electronic means so long as the following conditions are met:

(1) all members of the board participating in the meeting, wherever their physical location, can hear one another and can hear all discussion and testimony;

(2) members of the public present at the regular meeting location of the board can hear clearly all discussion and testimony and all votes of members of the board and, if needed, receive those services required by sections 15.44 and 15.441;

(3) at least one member of the board is physically present at the regular meeting location; and

(4) all votes are conducted by roll call, so each member's vote on each issue can be identified and recorded.

Each member of the board participating in a meeting by telephone or other electronic means is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the board, to the extent practical, shall allow a person to monitor the meeting electronically from a remote location. The board may require the person making such a connection to pay for documented costs that the board incurs as a result of the additional connection.

If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the board shall provide notice of the regular meeting location, of the fact that some members may participate by telephone or other electronic means, and that a person may monitor the meeting electronically from a remote location. Any person monitoring the meeting electronically from a remote location may be required to pay documented costs incurred by the board as a result of the additional connection. The timing and method of providing notice is governed by section 13D.04.

Subd. 8. **Complaints.** (a) The board shall promptly forward to the commissioner the substance of any complaint or communication it receives, whether in writing or oral, that alleges or implies a violation of a statute, rule, or order that the commissioner has the authority to enforce pertaining to the license or registration of any person authorized by the department to provide electrical work, the performance or offering to perform electrical work requiring licensure or registration, or electrical code compliance. Each

complaint or communication that is forwarded to the commissioner shall be submitted on a form provided by the commissioner.

(b) The commissioner shall advise the board of the status of the complaint within 90 days after the board's written submission is received, or within 90 days after the board is provided with a written request for additional information or documentation from the commissioner or the commissioner's designee, whichever is later. The commissioner shall advise the board of the disposition of a complaint referred by the board within 180 days after the board's written submission is received. The commissioner shall annually report to the board a summary of the actions taken in response to complaints referred by the board.

Subd. 9. **Data Practices Act.** The board is subject to chapter 13, the Minnesota Government Data Practices Act, and shall protect from unlawful disclosure data classified as not public.

Subd. 10. **Official records.** The board shall make and preserve all records necessary to a full and accurate knowledge of its official activities in accordance with section 15.17.

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

Sec. 20. Minnesota Statutes 2006, section 326.242, is amended to read:

326.242 LICENSES.

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

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

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

Subd. 2. **Journeyman electrician.** (a) Except as otherwise provided by law, no ~~person~~ individual shall ~~install, alter, repair, or supervise the installing, altering, or repairing of electrical wiring, apparatus, or equipment for light, heat, power, or other purposes~~ perform and supervise any electrical work except for planning or laying out of electrical work unless:

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

(2) the electrical work is:

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

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

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

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

Subd. 3. **Class A installer.** Notwithstanding the provisions of subdivisions 1, 2, and 6, any ~~person~~ individual holding a Class A installer license may lay out and install and supervise the laying out and installing of electrical wiring, apparatus, or equipment for

major electrical home appliances on the load side of the main service on farmsteads and in any town or municipality with fewer than 1,500 inhabitants, which is not contiguous to a city of the first class and does not contain an established business of a contractor. As of December 1, 2007, no new Class A installer licenses shall be issued. An individual who holds a Class A installer license as of December 1, 2007, may retain and renew the license and exercise the privileges it grants.

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

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

Subd. 3c. **Bond.** Every Class A and Class B installer, as a condition of licensure, shall give bond to the state in the sum of $1,000 conditioned upon the faithful and lawful performance of all work contracted for or entered upon by the installer within the state of Minnesota, and such bond shall be for the benefit of persons injured or suffering financial loss by reason of failure of such performance. Such bond shall be in lieu of all other license bonds to any political subdivision of the state. Such bond shall be written by a corporate surety licensed to do business in the state of Minnesota.

Subd. 3d. **Power limited technician.** (a) Except as otherwise provided by law, no ~~person~~ individual shall install, alter, repair, plan, lay out, or supervise the installing, altering, ~~or~~ repairing, planning, or laying out of electrical wiring, apparatus, or equipment for technology circuits or systems unless:

(1) the ~~person~~ individual is licensed by the ~~board~~ commissioner as a power limited technician; and

(2) the electrical work is:

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

(ii) performed under the direct supervision of a master electrician or power limited technician also employed by the ~~person's~~ individual's employer on technology circuits, systems, apparatus, equipment, or facilities that are owned or leased by the employer and that are located within the limits of property operated, maintained, and either owned or leased~~, operated, and maintained~~ by the employer.

(b) An applicant for a power limited technician's license shall (1) be a graduate of a four-year electrical course ~~in~~ offered by an accredited college or university; or (2) have had at least 36 months' experience, acceptable to the board, in planning for, laying out, supervising, ~~and~~ installing, altering, and repairing wiring, apparatus, or equipment for power limited systems, provided however, that the board may by rule provide for the allowance of up to 12 months (2,000 hours) of experience credit for successful completion of a two-year post high school electrical course or other technical training approved by the board.

~~(c) The board may initially set experience requirements without rulemaking, but must adopt rules before July 1, 2004.~~

~~(d)~~ (c) Licensees must attain ~~eight~~ 16 hours of continuing education acceptable to the board every renewal period.

~~(e) A person who has submitted an application by June 30, 2003, to take the alarm and communications examination administered by the board, and who has achieved a minimal score of 70 percent on the examination by September 30, 2003, may obtain a power limited technician license without further examination by submitting an application and a license fee of $30.~~

~~(f)~~ (d) A company holding an alarm and communication license as of June 30, 2003, may designate one ~~person~~ individual who may obtain a power limited technician license without passing an examination administered by the ~~board~~ commissioner by submitting an application and license fee of $30.

~~(g)~~ (e) A person who has submitted an application by ~~September 30, 2005~~ December 30, 2007, to take the power limited technician examination administered by the ~~board~~ department is not required to meet the qualifications set forth in paragraph (b).

~~Subd. 4. **Special electrician.** Notwithstanding the provisions of subdivisions 1, 2, 6, and 7, the board may by rule provide for the issuance of special electrician licenses empowering the licensee to engage in a limited class or classes of electrical work, which class or classes shall be specified on the license certificate. Each licensee shall have had at least two years of experience, acceptable to the board, in each such limited class of work for which the licensee is licensed.~~

Subd. 5. **Unlicensed ~~persons~~ individuals.** (a) An unlicensed ~~person~~ individual means an individual who has not been licensed by the department to perform specific electrical work. An unlicensed individual shall not perform electrical work required to be performed by a licensed individual unless the individual has first registered with the department as an unlicensed individual. Thereafter, an unlicensed individual shall not perform electrical work required to be performed by a licensed individual unless the work

is performed under the ~~personal~~ direct supervision of ~~a person~~ an individual actually licensed to perform such work ~~and~~. The licensed ~~electrician~~ individual and unlicensed ~~persons are~~ individual must be employed by the same employer. Licensed ~~persons~~ individuals shall not permit unlicensed ~~persons~~ individuals to perform electrical work except under the ~~personal~~ direct supervision of ~~a person~~ an individual actually licensed to perform such work. Unlicensed ~~persons~~ individuals shall not supervise the performance of electrical work or make assignments of electrical work to unlicensed ~~persons~~ individuals. Except for technology circuit or system work, licensed ~~persons~~ individuals shall supervise no more than two unlicensed ~~persons~~ individuals. For technology circuit or system work, licensed ~~persons~~ individuals shall supervise no more than three unlicensed ~~persons~~ individuals.

(b) Notwithstanding any other provision of this section, no ~~person~~ individual other than a master electrician or power limited technician shall plan or lay out electrical wiring, apparatus, or equipment for light, heat, power, or other purposes, except circuits or systems exempted from personal licensing by subdivision 12, paragraph (b).

(c) Contractors employing unlicensed ~~persons performing~~ individuals to perform electrical work shall maintain records establishing compliance with this subdivision~~,~~ ~~which~~ that shall ~~designate~~ identify all unlicensed ~~persons~~ individuals performing electrical work, except for ~~persons~~ individuals working on circuits or systems exempted from personal licensing by subdivision 12, paragraph (b), and shall permit the ~~board~~ department to examine and copy all such records ~~as provided for in section 326.244, subdivision 6~~.

(d) When a licensed individual supervises the electrical work of an unlicensed individual, the licensed individual is responsible for ensuring that the electrical work complies with the Minnesota Electrical Act and all rules adopted under the act.

Subd. 5a. **Registration of unlicensed individuals.** Unlicensed individuals performing electrical work for a contractor or employer shall register with the department in the manner prescribed by the commissioner. Experience credit for electrical work performed in Minnesota after January 1, 2008, by an applicant for a license identified in this section shall not be granted where the applicant has not registered with or is not licensed by the department.

Subd. 6. **Contractor's license required.** Except as otherwise provided by law, no ~~person~~ individual other than an employee, partner, or officer of a licensed contractor, as defined by section ~~326.01~~ 326B.31, subdivision ~~5~~ 12, shall ~~undertake~~ perform or offer to ~~undertake to plan for, lay out, supervise or install or to make additions, alterations, or repairs in the installation of electrical wiring, apparatus, and equipment for light, heat, power, and other purposes~~ perform electrical work with or without compensation unless

the ~~person~~ individual obtains a contractor's license. A contractor's license does not of itself qualify its holder to perform or supervise the electrical work authorized by holding any class of personal ~~electrical~~ license.

Subd. 6a. **Bond required.** As a condition of licensing, each contractor shall give and maintain bond to the state in the ~~penal~~ sum of ~~$5,000~~ $25,000 conditioned upon the faithful and lawful performance of all work ~~entered upon~~ contracted for or performed by the contractor within the state of Minnesota and such bond shall be for the benefit of persons injured or suffering financial loss by reason of failure of such performance. The bond shall be filed with the ~~board~~ commissioner and shall be in lieu of all other license bonds to any other political subdivision. Such bond shall be written by a corporate surety licensed to do business in the state of Minnesota.

Subd. 6b. **Insurance required.** Each contractor shall have and maintain in effect general liability insurance, which includes premises and operations insurance and products and completed operations insurance, with limits of at least $100,000 per occurrence, $300,000 aggregate limit for bodily injury, and property damage insurance with limits of at least ~~$25,000~~ $50,000 or a policy with a single limit for bodily injury and property damage of $300,000 per occurrence and $300,000 aggregate limits. Such insurance shall be written by an insurer licensed to do business in the state of Minnesota and each contractor shall maintain on file with the ~~board~~ commissioner a certificate evidencing such insurance which provides that such insurance shall not be canceled without the insurer first giving 15 days written notice to the ~~board~~ commissioner of such cancellation.

Subd. 6c. **Employment of master electrician or power limited technician.** (a) ~~No contractor shall engage in business of electrical contracting unless the contractor employs a licensed Class A master or Class B~~ Each contractor must designate a responsible master electrician~~,~~ or power limited technician, who shall be responsible for the performance of all electrical work in accordance with the requirements of sections ~~326.241 to 326.248~~ 326B.31 to 326B.399 or any rule or order adopted or issued under these sections. The classes of work ~~for which the~~ that a licensed contractor is authorized to perform shall be limited to ~~those for which such Class A master electrician, Class B master electrician, or power limited technician employed by the contractor~~ the classes of work that the responsible master electrician or power limited electrician is licensed to perform.

(b) When a contractor's license is held by an individual, sole proprietorship, partnership, limited liability company, or corporation and the individual, proprietor, one of the partners, one of the members, or an officer of the corporation, respectively, is not the responsible master electrician or power limited technician ~~of record~~, all requests for inspection shall be signed by the responsible master electrician or power limited technician

~~of record~~. ~~The designated responsible master electrician or power limited technician of record shall be employed by the individual, partnership, limited liability company, or corporation which is applying for a contractor's license and shall not be employed in any capacity as a licensed electrician or licensed technician by any other contractor or employer designated in subdivision 12.~~ If the contractor is an individual or a sole proprietorship, the responsible licensed individual must be the individual, proprietor, or managing employee. If the contractor is a partnership, the responsible licensed individual must be a general partner or managing employee. If the licensed contractor is a limited liability company, the responsible licensed individual must be a chief manager or managing employee. If the contractor is a corporation, the responsible licensed individual must be an officer or managing employee. If the responsible licensed individual is a managing employee, the responsible licensed individual must be actively engaged in performing electrical work on behalf of the contractor, and cannot be employed in any capacity as an electrician or technician by any other contractor or employer designated in subdivision 12. An individual may be the responsible licensed individual for only one contractor or employer.

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

Subd. 7. **Examination.** In addition to the other requirements ~~imposed herein~~ described in this section and except as ~~herein otherwise~~ provided in subdivision 11, as a precondition to issuance of a personal license, each applicant must pass a written or oral examination ~~given~~ developed and administered by the ~~board~~ commissioner to ~~insure~~ ensure the competence of each applicant for license. An oral examination shall be administered only to an applicant who furnishes a written statement from a certified teacher or other professional, trained in the area of reading disabilities stating that the applicant has a specific reading disability which would prevent the applicant from performing satisfactorily on a written test. The oral examination shall be structured so that an applicant who passes the examination will not impair the applicant's own safety or that of others while acting as a licensed ~~person~~ individual. No ~~person~~ individual failing an examination may retake it for six months thereafter, but within such six months the ~~person~~ individual may take an examination for a lesser grade of license. Any ~~licensee~~ individual failing to renew a personal license for two years or more after its expiration, and any licensee whose personal license is revoked under this chapter, shall be required to retake the examination before being issued a new license. An individual whose personal license is revoked under any other chapter is not required to retake the examination before being issued a new license, unless the personal license was revoked two years or more before the

commissioner received the completed application for a new license. A licensee whose personal license is suspended for any reason is not required to retake the examination before the personal license is reinstated, unless the personal license has not been reinstated within two years after the suspension began.

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

Subd. 8. **License and renewal fees; expiration.** ~~All licenses issued hereunder shall expire in a manner as provided by the board.~~ (a) Unless revoked or suspended under this chapter, all licenses issued or renewed under this section expire on the date specified in this subdivision. Master licenses expire March 1 of each odd-numbered year after issuance or renewal. Electrical contractor licenses expire March 1 of each even-numbered year after issuance or renewal. Technology system contractor licenses expire August 1 of each even-numbered year after issuance or renewal. All other personal licenses expire two years from the date of original issuance and every two years thereafter.

(b) Fees~~, as set by the board, shall be payable~~ for application and examination, and for the original issuance and each subsequent renewal ~~of the following~~, are:

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

~~Class A Master.~~

~~Class B Master.~~

~~Class A Journeyman, Class B Journeyman, Installer, Power Limited Technician, or Special Electrician.~~

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

Class A Master~~.~~ or master elevator constructor: $40 per year;

Class B Master~~.~~: $25 per year;

Power Limited Technician~~.~~: $15 per year;

Class A Journeyman, Class B Journeyman, Installer, ~~or Special~~ Elevator Constructor, Lineman, or Maintenance Electrician~~.~~: $15 per year;

~~Electrical~~ contractor~~.~~: $100 per year;

~~Technology Systems Contractor~~ Unlicensed individual registration: $15 per year.

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

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

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

(f) The fee for the issuance of each duplicate license is $15.

~~(3)~~ (g) An individual or contractor who fails to renew a license before 30 days after the expiration of the license must submit a late fee equal to one year's license fee in addition to the full renewal fee. Fees for renewed licenses are not prorated. An individual or contractor that fails to renew a license by the expiration date is unlicensed until the license is renewed.

~~Subd. 9. **Denial, suspension, and revocation of licenses.** The board may by order deny, suspend, revoke, or refuse to renew a license, or may censure a licensee if the board finds (1) in its discretion that the order is in the public interest and (2) that, based upon a preponderance of the evidence presented, the applicant or licensee:~~

~~(a) has filed an application for a license which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it is made, is false or misleading with respect to any material fact;~~

~~(b) has engaged in any fraudulent, deceptive, or dishonest act or practice;~~

~~(c) has been convicted within the past five years of a misdemeanor involving a violation of sections 326.241 to 326.248;~~

~~(d) has violated or failed to comply with sections 326.241 to 326.248 or any rule or order adopted or issued under these sections; or~~

~~(e) has, in the conduct of the applicant's or licensee's affairs, including, but not limited to, the performance of electrical work, been shown to be incompetent or untrustworthy.~~

~~If a licensee engages in conduct that is proven by a preponderance of the evidence to be a basis for discipline pursuant to paragraphs (a) to (e), the conduct shall constitute a violation of this subdivision. The board may take action under this subdivision or any other law authorizing action against a licensee regardless of whether the underlying conduct was willful.~~

~~The board may adopt rules further specifying and defining actions, conduct, and omissions that constitute fraudulent, deceptive, dishonest, or prohibited practices, and establishing standards of conduct for applicants and licensees.~~

~~Subd. 9a. **Civil penalties.** Whenever a preponderance of the evidence presented proves that a person has violated or failed to comply with sections 326.241 to 326.248 or any rule or order adopted or issued under these sections, the board may impose a civil penalty upon the person in an amount not to exceed $10,000 per violation.~~

~~Subd. 9b. **Orders for hearing.** The complaint committee may, on behalf of the board, issue an order requiring a licensee or an applicant for a license to appear at a hearing on the issue of whether the license should be revoked or suspended, the licensee censured, the application denied, or a civil penalty imposed. The order shall be calculated to give reasonable notice of the time and place for hearing, and shall state the reasons for the entry of the order. All hearings shall be conducted in accordance with chapter 14. After the hearing, the board shall enter an order making a disposition of the matter as the facts require. If the licensee or applicant fails to appear at a hearing of which that person has been duly notified, the person is in default and the proceeding may be determined against that person upon consideration of the order for hearing, the allegations of which may be deemed to be true.~~

~~Subd. 9c. **Temporary suspension.** (a) The complaint committee may, on behalf of the board and in the public interest, temporarily suspend a license pending final determination of an order for hearing. The complaint committee shall not issue a temporary suspension order until an investigation of the facts has been conducted pursuant to section 214.10 by the attorney general. The complaint committee shall issue a temporary suspension order only when the safety of life or property is threatened or to prevent the commission of fraudulent, deceptive, or dishonest acts against the public. Service of the temporary suspension order is effective if the order is served on the licensee or counsel of record personally or by first class mail to the most recent address provided to the board for the licensee or the counsel of record.~~

~~(b) If a license is suspended pending final determination of an order for hearing, a hearing on the merits shall be held within 45 days of the issuance of the order of temporary suspension. The administrative law judge shall issue a report within 30 days after closing of the contested case hearing record. The board shall issue a final order within 30 days after receipt of that report and any exceptions.~~

~~(c) If the licensee requests a hearing in writing within ten days of service of the order, the board shall hold a hearing before its own members on the sole issue of whether there is a reasonable basis to continue, modify, or vacate the temporary suspension. The~~

~~board shall hold the hearing within five working days of the licensee's request for hearing. Evidence presented by the complaint committee or licensee shall be in affidavit form only. The licensee or counsel of record for the licensee may appear for oral argument. Within five working days after the hearing, the board shall issue its order either continuing or vacating the temporary suspension.~~

~~Subd. 9d. **Cease and desist order.** (a) Whenever it appears to the complaint committee that any person has engaged or is about to engage in any act or practice constituting a violation of sections 326.241 to 326.248, any other law authorizing the issuance of a cease and desist order, or any rule or order adopted or issued under these sections, the complaint committee may, on behalf of the board, issue and cause to be served upon the person an order requiring the person to cease and desist from violating sections 326.241 to 326.248 or any rule or order adopted or issued under these sections. The complaint committee shall not issue a cease and desist order until an investigation of the facts has been conducted pursuant to section 214.10 by the attorney general. The order shall be calculated to give reasonable notice of the right of the person to request a hearing and shall state the reasons for the entry of the order. If no hearing is requested of the board within 15 days of service of the order, the order shall become final and shall remain in effect until it is modified or vacated by the board and shall not be reviewable by a court.~~

~~(b) A hearing shall be held not later than 30 days from the date of the board's receipt of a written hearing request, unless otherwise agreed by the person requesting the hearing and the complaint committee. Within 30 days of receipt of the administrative law judge's report and any exceptions, the board shall issue a final order modifying, vacating, or making permanent the cease and desist order as the facts require. The final order remains in effect until modified or vacated by the board.~~

~~Subd. 9e. **Costs of proceeding.** The board may impose a fee to reimburse the board for all or part of the cost of the proceedings resulting in disciplinary action or the imposition of civil penalties or the issuance of a cease and desist order. Such fees include, but are not limited to, the amount paid by the board for services from the office of administrative hearings, attorney fees, court reporters, witnesses, reproduction of records, board members' per diem compensation, board staff time, and expense incurred by board members and staff.~~

~~Subd. 9f. **District court action; injunctive relief and civil penalties.** (a) Whenever it appears to the board, or the complaint committee if authorized by the board, that any person has engaged or is about to engage in any act or practice constituting a violation of sections 326.241 to 326.248 or any rule or order adopted or issued under these sections, the board, or the complaint committee if authorized by the board, may bring an action~~

~~in the name of the board in the Ramsey County District Court or the district court of any other county in which venue is proper.~~

~~(b) The action may be brought to enjoin the acts or practices and to enforce compliance with sections 326.241 to 326.248, any other law authorizing a civil or injunctive action, or any rule or order adopted or issued under these sections and for a civil penalty not to exceed $10,000 for each separate violation of sections 326.241 to 326.248, any other law authorizing a civil or injunctive action, or any rule or order adopted or issued under these sections.~~

~~(c) A temporary restraining order and other temporary injunctive relief shall be granted in the proceeding whenever it appears that any person has engaged in or is about to engage in any act, conduct, or practice constituting violation of sections 326.241 to 326.248, any other law authorizing a civil or injunctive action, or any rule or order adopted or issued under these sections. The board shall not be required to show irreparable harm.~~

~~Subd. 9g. **Other remedies.** The issuance of a cease and desist order or injunctive relief under this section does not relieve a person from criminal prosecution by any competent authority or from disciplinary action by the board and does not prevent the board from exercising any other authority granted to it.~~

~~Subd. 9h. **Powers additional.** The powers contained in subdivisions 9 to 9g are in addition to all other powers of the board.~~

~~Subd. 9i. **Cooperation required.** A person who is the subject of an investigation, or who is questioned in connection with an investigation, by or on behalf of the board or its complaint committee shall cooperate fully with the investigation. Cooperation includes, but is not limited to:~~

~~(1) responding fully and promptly to questions raised by or on behalf of the board or its complaint committee relating to the subject of the investigation;~~

~~(2) providing copies of records in the person's possession related to the matter under investigation as requested by the board, its complaint committee, or the attorney general within the time limit set by the board, its complaint committee, or the attorney general;~~

~~(3) assisting the board, its complaint committee, or the attorney general in its investigation; and~~

~~(4) appearing at conferences or hearings scheduled by the board or its complaint committee.~~

~~Subd. 9j. **Disciplinary proceedings closed.** Proceedings held before the board or its complaint committee under chapter 214 or subdivisions 9 to 9d are exempt from the requirements of section 13D.01.~~

~~Subd. 9k. **Conflicts of law.** If there is a conflict between sections 326.241 to 326.248 and chapter 214, sections 326.241 to 326.248 shall control.~~

~~Subd. 10. **Continuation of business by estates.** Upon the death of a master who is a contractor, the board may permit the decedent's representative to carry on the business of the decedent for a period not in excess of six months, for the purpose of completing work under contract or otherwise to comply with sections 326.241 to 326.248. The representative shall give such bond as the board may require conditioned upon the faithful and lawful performance of such work and such bond shall be for the benefit of persons injured or suffering financial loss by reason of failure of such performance. Such bond shall be written by a corporate surety licensed to do business in the state of Minnesota. Such representative shall also comply with all public liability and property damage insurance requirements imposed by this chapter upon a licensed contractor.~~

Subd. 11. **Reciprocity.** ~~To the extent that any other state which provides for the licensing of electricians provides for similar action the board may grant licenses, without examination, of the same grade and class to an electrician who has been licensed by such other state for at least one year, upon payment by the applicant of the required fee and upon the board being furnished with proof that the required fee and upon the board being furnished with proof that the qualifications of the applicant are equal to the qualifications of holders of similar licenses in Minnesota.~~ The commissioner may enter into reciprocity agreements for personal licenses with another state if approved by the board. Once approved by the board, the commissioner may issue a personal license without requiring the applicant to pass an examination provided the applicant:

(a) submits an application under section 326.242;

(b) pays the fee required under section 326.242; and

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

Agreements are subject to the following:

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

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

(3) The applicant must have acquired the license in the qualifying state through an examination deemed equivalent to the same class of license examination in Minnesota. A lesser class of license may be granted where the applicant has acquired a greater

class of license in the qualifying state and the applicant otherwise meets the conditions of this subdivision.

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

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

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

Subd. 12. **Exemptions from licensing.** (a) An individual who is a maintenance electrician ~~who is supervised by the responsible master electrician for a contractor who has contracted with the maintenance electrician's employer to provide services for which a contractor's license is required or by a master electrician or an electrical engineer registered with the board and who is an employee of an employer and is engaged in the maintenance, and repair of electrical equipment, apparatus, and facilities owned or leased by the employer, and performed within the limits of property which is owned or leased and operated and maintained by said employer, shall~~ is not ~~be~~ required to hold or obtain a license under sections ~~326.241 to 326.248.~~ 326B.31 to 326B.399 if:

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

(2) the individual is supervised by:

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

(ii) a licensed master electrician, a licensed maintenance electrician, an electrical engineer, or, if the maintenance and repair work is limited to technology circuit and system work, a licensed power limited technician; and

(3) the individual's employer has filed with the commissioner a certificate of responsible person, signed by the responsible master electrician of the contractor, the licensed master electrician, the licensed maintenance electrician, the electrical engineer, or the licensed power limited technician, and stating that the person signing the certificate is responsible for ensuring that the maintenance and repair work performed by the employer's employees complies with the Minnesota Electrical Act and the rules adopted under that act.

(b) Employees of a licensed electrical or technology systems contractor or other employer where provided with supervision by a master electrician in accordance with subdivision 1, or power limited technician in accordance with subdivision 3d, paragraph (a), clause (1), are not required to hold a license under sections ~~326.241 to 326.248~~ 326B.31 to 326B.399 for the planning, laying out, installing, altering, and repairing of technology circuits or systems except planning, laying out, or installing:

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

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

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

(c) Companies and their employees that plan, lay out, install, alter, or repair class 2 and class 3 remote control wiring associated with plug or cord and plug connected appliances other than security or fire alarm systems installed in a residential dwelling are not required to hold a license under sections ~~326.241 to 326.248~~ 326B.31 to 326B.399.

(d) Heating, ventilating, air conditioning, and refrigeration contractors and their employees are not required to hold or obtain a license under sections ~~326.241 to 326.248~~ 326B.31 to 326B.399 when performing heating, ventilating, air conditioning, or refrigeration work as described in section 326.245.

(e) Employees of any ~~electric~~ electrical, communications, or railway utility, cable communications company as defined in section 238.02, or a telephone company as defined under section 237.01 or its employees, or of any independent contractor performing work on behalf of any such utility, cable communications company, or telephone company, shall not be required to hold a license under sections ~~326.241 to 326.248~~ 326B.31 to 326B.399:

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

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

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

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

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

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

(f) An owner shall not be required to hold or obtain a license under sections ~~326.241 to 326.248~~ 326B.31 to 326B.399.

EFFECTIVE DATE. This section is effective December 1, 2007, except that the amendments to subdivision 8 are effective July 1, 2007, and the amendments to subdivision 11 are effective retroactively from January 1, 2007.

Sec. 21. Minnesota Statutes 2006, section 326.243, is amended to read:

326.243 SAFETY STANDARDS.

All electrical wiring, apparatus and equipment for ~~electric~~ electrical light, heat and power, technology circuits or systems shall comply with the rules of the department ~~of Commerce or the Department of Labor and Industry, as applicable,~~ and the board and be installed in conformity with accepted standards of construction for safety to life and property. For the purposes of this chapter, the rules and safety standards stated at the time the work is done in the then most ~~recently published~~ current edition of the National Electrical Code as adopted by the National Fire Protection Association, Inc. and approved by the American National Standards Institute, and the National Electrical Safety Code as published by the Institute of Electrical and Electronics Engineers, Inc. and approved by the American National Standards Institute, shall be prima facie evidence of accepted standards of construction for safety to life and property; provided further, that in the event a Minnesota Building Code is formulated pursuant to section 16B.61, containing approved methods of electrical construction for safety to life and property, compliance with said methods of electrical construction of said Minnesota Building Code shall also constitute compliance with this section, and provided further, that nothing herein contained shall prohibit any political subdivision from making and enforcing more stringent requirements

than set forth herein and such requirements shall be complied with by all licensed electricians working within the jurisdiction of such political subdivisions.

Sec. 22. Minnesota Statutes 2006, section 326.244, subdivision 1a, is amended to read:

Subd. 1a. **Technology systems.** (a) The installation of the technology circuits or systems described in paragraph (b), except:

(1) minor work performed by a contractor;

(2) work performed by a heating, ventilating, or air conditioning contractor as described in section 326.245; and

(3) work performed by cable company employees when installing cable communications systems or telephone company employees when installing telephone systems,

must be inspected as provided in this section for compliance with the applicable provisions of the National Electrical Code and the applicable provisions of the National Electrical Safety Code, as those codes were approved by the American National Standards Institute.

(b) The inspection requirements in paragraph (a) apply to:

(1) ~~remote control circuits controlling~~ class 2 or class 3 remote control circuits that control circuits or systems other than class 2 or class 3 ~~and indoor lighting~~, except circuits that interconnect these systems exempted by section 326.242, subdivision 12, paragraph (b), other than fire alarm; class 2 or class 3 circuits in electrical cabinets, enclosures, or devices containing physically unprotected circuits other than class 2 or class 3; or technology circuits and systems in hazardous classified locations as covered by chapter 5 of the National Electrical Code;

(2) fire alarm systems, other than in one- or two-family dwellings, as defined in articles 100 and 760 of the National Electrical Code;

(3) technology circuits and systems contained within critical care areas of health care facilities as defined by the safety standards identified in section 326.243, including, but not limited to, anesthesia and resuscitative alarm and alerting systems, medical monitoring, and nurse call systems; ~~and~~

(4) physical security systems within detention facilities~~.~~; and

(5) circuitry and equipment for indoor lighting systems as defined in article 411 of the National Electrical Code.

(c) For the purposes of this subdivision "minor work" means the adjustment or repair and replacement of worn or defective parts of a technology circuit or system. Minor work may be inspected under this section at the request of the owner of the property or the person doing the work.

(d) Notwithstanding this subdivision, if an electrical inspector observes that a contractor, employer, or owner has not complied with accepted standards when the work was performed, as provided in the most recent editions of the National Electrical Code and the National Electrical Safety Code as approved by the American National Standards Institute, the inspector may order the contractor, employer, or owner who has performed the work to file a request for electrical inspection, pay an inspection fee, and make any necessary repairs to comply with applicable standards and require that the work be inspected.

Sec. 23. Minnesota Statutes 2006, section 326.244, is amended by adding a subdivision to read:

Subd. 1b. **Licenses; bond.** All inspectors shall hold licenses as master or journeyman electricians under this chapter. All inspectors under contract with the department to provide electrical inspection services shall give bond in the amount of $1,000, conditioned upon the faithful performance of their duties.

Sec. 24. Minnesota Statutes 2006, section 326.244, subdivision 2, is amended to read:

Subd. 2. **Procedure.** (a) At or before commencement of any installation required to be inspected by the ~~board~~ commissioner, the contractor, installer, special electrician, or owner making the installation shall submit to the ~~board~~ commissioner a request for inspection, in a form prescribed by the ~~board~~ commissioner, together with the fees required for the installation.

(b) The fees required are a handling fee and an inspection fee. The handling fee shall be set by the ~~board~~ commissioner in an amount sufficient to pay the cost of printing and handling the form requesting an inspection. The inspection fee shall be set by the ~~board~~ commissioner in an amount sufficient to pay the actual costs of the inspection and the ~~board's~~ commissioner's costs in administering the inspection. All fees shall be set pursuant to the procedure of sections 14.001 to 14.69.

(c) If the inspector finds that the installation is not in compliance with accepted standards of construction for safety to life and property as required by section 326.243, the inspector shall by written order condemn the installation or noncomplying portion thereof, or order service to the installation disconnected, and shall send a copy of the order to the ~~board~~ commissioner. If the installation or the noncomplying part will seriously and proximately endanger human life and property, the order of the inspector, when approved by the inspector's superior, shall require immediate condemnation or disconnection. In all other cases, the order of the inspector shall permit a reasonable opportunity for the

installation to be brought into compliance with accepted standards of construction for safety to life and property prior to the effective time established for condemnation or disconnection.

(d) Copies of each condemnation or disconnection order shall be served personally or by mail upon the property owner, and the contractor, installer, or special electrician making the installation, and other persons as the ~~board~~ commissioner by rule may direct. An aggrieved party may appeal any condemnation or disconnection order by filing with the ~~board~~ commissioner a notice of appeal within ten days after (1) service upon the aggrieved party of the condemnation or disconnection order, if this service is required, or (2) filing of the order with the ~~board~~ commissioner, whichever is later. The appeal shall proceed and the order of the inspector shall have the effect the order, by its terms, and the rules of the ~~board~~ commissioner provides. The ~~board~~ commissioner shall adopt rules providing procedures for the conduct of appeals, including provisions for the stay of enforcement of the order of the inspector pending such appeal when justified by the circumstances.

Sec. 25. Minnesota Statutes 2006, section 326.244, subdivision 3, is amended to read:

Subd. 3. **Duty of electrical utility.** No electrical installation subject to inspection by the ~~board~~ commissioner shall be newly connected or reconnected for use until there is filed with the electrical utility supplying power a certificate of the property owner or licensed electrician, directing the work that inspection has been requested and that the conditions of the installation are safe for energization, provided further, that in all cases where an order of condemnation or disconnection has been issued against the installation or any part thereof, prior to connection or reconnection there shall also first be filed with the electrical utility supplying the power a copy of an order of the inspector or the ~~board~~ commissioner dismissing such prior order of condemnation or disconnection or approving the installation as being in compliance with accepted standards of construction for safety to life and property. With respect to transient projects, the aforesaid certificate shall also contain a certification that the request for inspection has been or will be filed with the ~~board~~ commissioner so as to be received by it at least five days prior to the date and time energization of the installation by the utility is to occur, and that the request for inspection states such date and time, and it shall be the responsibility of the ~~board~~ commissioner to have inspection of such transient project occur prior to the date and time at which the request states energization is to occur.

Sec. 26. Minnesota Statutes 2006, section 326.244, subdivision 4, is amended to read:

Subd. 4. **Powers of political subdivisions.** Any political subdivision or the University of Minnesota may make provision for inspection of electrical installations within its jurisdiction, in which case it shall keep on file with the ~~board~~ commissioner copies of its current inspection ordinances and codes. No political subdivision or the University of Minnesota shall require any individual, partnership, corporation or other business association holding a license from the ~~board~~ commissioner under sections ~~326.241 to 326.248~~ 326B.31 to 326B.399 to pay any license or registration fee, provided however, that any such political subdivision or the University of Minnesota may provide by ordinance a requirement that each individual, partnership, corporation or other business association doing electrical work within the jurisdiction of such political subdivision or the University of Minnesota have on file with said political subdivision a copy of the current license issued by the ~~board~~ commissioner or such other evidence of such license as may be provided by the ~~board~~ commissioner.

Each electrical inspector of any political subdivision or the University of Minnesota shall be a licensed master or journeyman electrician under section 326.242, subdivision 1, paragraph (1), or 2, paragraph (b), and shall not otherwise engage or be employed in the sale, installing, altering, or repairing of electrical wiring, apparatus, or equipment for light, heat, power, and other purposes and shall have no financial interest in any concern engaged in any such business.

Sec. 27. Minnesota Statutes 2006, section 326.244, subdivision 5, is amended to read:

Subd. 5. **Exemptions from inspections.** Installations, materials, or equipment shall not be subject to inspection under sections ~~326.241 to 326.248~~ 326B.31 to 326B.399:

(1) when owned or leased, operated and maintained by any employer whose maintenance electricians are exempt from licensing under sections ~~326.241 to 326.248~~ 326B.31 to 326B.399, while performing electrical maintenance work only as defined by board rule;

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

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

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

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

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

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

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

(6) when the installation, material, and equipment is part of an elevator installation for which the elevator contractor, licensed under section 326.242, is required to obtain a permit from the authority having jurisdiction as provided by section 16B.747, and the inspection has been or will be performed by an elevator inspector certified ~~by the Department of Administration~~ and licensed by the ~~Board of Electricity~~ department. This exemption shall apply only to installations, material, and equipment permitted or required to be connected on the load side of the disconnecting means required for elevator equipment under National ~~Electric~~ Electrical Code Article 620, and elevator communications and alarm systems within the machine room, car, hoistway, or elevator lobby.

Sec. 28. Minnesota Statutes 2006, section 326.2441, is amended to read:

326.2441 INSPECTION FEE SCHEDULE.

Subdivision 1. **Schedule.** State electrical inspection fees shall be ~~paid according to~~ calculated in accordance with subdivisions 2 to ~~13~~ 15.

Subd. 2. **Fee for each separate inspection.** The minimum fee for each separate inspection of an installation, replacement, alteration, or repair is ~~$20.~~ $35. Except as otherwise provided in this section, the maximum number of separate inspections allowed without payment of an additional fee is the whole number resulting from dividing by 35 the total fee calculated in accordance with this section. Where additional separate inspections are necessary, additional fees are required to result in a value equal to the total number of separate inspections multiplied by 35. The fee for any inspections needed after a "final inspection" is performed shall be calculated without consideration of any fee paid before the final inspection.

Subd. 3. **Fee for services, generators, other power supply sources, or feeders to separate structures.** The inspection fee for the installation, addition, alteration, or repair of each service, change of service, temporary service, generator, other power supply source, or feeder to a separate structure is:

(1) 0 ampere to and including 400 ampere capacity, ~~$25~~ $35;

(2) 401 ampere to and including 800 ampere capacity, ~~$50~~ $60; and

(3) ampere capacity above 800, ~~$75~~ $100.

Where multiple disconnects are grouped at a single location and are supplied by a single set of supply conductors the cumulative rating of the overcurrent devices shall be used to determine the supply ampere capacity.

Subd. 4. **Fee for circuits, feeders, feeder taps, or sets of transformer secondary conductors.** The inspection fee for the installation, addition, alteration, or repair of each circuit, feeder, feeder tap, or set of transformer secondary conductors, including the equipment served, is:

(1) 0 ampere to and including 200 ampere capacity, ~~$5~~ $6; and

(2) ampere capacity above 200, ~~$10~~ $15.

Where existing feeders and circuits are reconnected to overcurrent devices installed as part of the replacement of an existing disconnect, switchboard, motor control center, or panelboard, the inspection fee for each circuit or feeder is $2.

Subd. 5. ~~**Limitations to fees of subdivisions 3 and 4**~~ **Inspection fee for dwellings.** (a) The inspection fee for a one-family dwelling and each dwelling unit of a two-family dwelling ~~with a supply of up to 500 amperes where a combination of ten or more sources of supply, feeders, or circuits are installed, added, altered, repaired, or extended is $80.~~ is the following:

(1) the fee for each service or other source of power as provided in subdivision 3;

(2) $100 for up to 30 feeders and circuits; and

(3) for each additional feeder or circuit, the fee as provided in subdivision 4.

This fee applies to each separate installation for new dwellings and ~~additions, alterations, or repairs to existing dwellings and includes not more than two inspections.~~ where 15 or more feeders or circuits are installed or extended in connection with any addition, alteration, or repair to existing dwellings. Where existing feeders and circuits are reconnected to overcurrent devices installed as part of the replacement of an existing panelboard, the fee for each reconnected feeder or circuit is $2. The maximum number of separate inspections shall be determined in accordance with subdivision 2. The fee for additional inspections or other installations is that specified in subdivisions 2 ~~to~~, 4, 6, and 8. The installer may submit fees for additional inspections when filing the

request for electrical inspection. The fee for each detached accessory structure directly associated with a dwelling unit shall be calculated in accordance with subdivisions 3 and 4. When included on the same request for electrical inspection form, inspection fees for detached accessory structures directly associated with the dwelling unit may be combined with the dwelling unit fees to determine the maximum number of separate inspections in accordance with subdivision 2.

(b) The inspection fee for each dwelling unit of a multifamily dwelling with three ~~to 12~~ or more dwelling units is ~~$50 and the fee for each additional dwelling unit is $25.~~ $70 for a combination of up to 20 feeders and circuits and $6 for each additional feeder or circuit. This fee applies to each separate installation for each new dwelling unit and where ten or more feeders or circuits are installed or extended in connection with any addition, alteration, or repair to existing dwelling units. Where existing feeders or circuits are reconnected to overcurrent devices installed as part of the replacement of an existing panelboard, the fee for each reconnected feeder or circuit is $2. The maximum number of separate inspections for each dwelling unit shall be determined in accordance with subdivision 2. The fee for additional inspections or for inspection of other installations is that specified in subdivisions 2, 4, 6, and 8. These fees include only inspection of the wiring within individual dwelling units and the final feeder to that unit~~. This limitation is subject to the following conditions:~~

~~(1)~~ where the multifamily dwelling is provided with common service equipment and each dwelling unit is supplied by a separate feeder or feeders extended from common service or distribution equipment. The fee for multifamily dwelling services or other power source supplies and all other circuits is that specified in subdivisions 2 to 4~~; and~~.

~~(2) this limitation applies only to new installations for multifamily dwellings where the majority of the individual dwelling units are available for inspection during each inspection trip.~~

(c) A separate request for electrical inspection form must be filed for each dwelling unit that is supplied with an individual set of service entrance conductors. These fees are the one-family dwelling rate specified in paragraph (a).

Subd. 6. **Additions to fees of subdivisions 3 to 5.** (a) The fee for the electrical supply for each manufactured home park lot is ~~$25~~ $35. This fee includes the service or feeder conductors up to and including the service equipment or disconnecting means. The fee for feeders and circuits that extend from the service or disconnecting means is that specified in subdivision 4.

(b) The fee for each recreational vehicle site electrical supply equipment is ~~$5~~ $6 for each circuit originating within the equipment. The fee for recreational vehicle park services, feeders, and circuits is that specified in subdivisions 3 and 4.

(c) The fee for each street, parking lot, or outdoor area lighting standard ~~is $1,~~ and ~~the fee for~~ each traffic signal standard is $5. Circuits originating within the standard or traffic signal controller shall not be used when ~~computing~~ calculating the fee for each standard.

(d) The fee for transformers for light, heat, and power is ~~$10~~ $15 for transformers rated up to ten kilovolt-amperes and ~~$20~~ $30 for transformers rated in excess of ten kilovolt-amperes. The previous sentence does not apply to Class 1 transformers or power supplies for Class 1 power-limited circuits or to Class 2 or Class 3 transformers or power supplies.

(e) The fee for transformers and electronic power supplies for electric signs and outline lighting is $5 per unit.

(f) The fee for ~~alarm, communication, remote control, and signaling~~ technology circuits or systems, and circuits of less than 50 volts, is ~~50~~ 75 cents for each system device or apparatus.

(g) The fee for each separate inspection of the bonding for a swimming pool, spa, fountain, an equipotential plane for an agricultural confinement area, or similar installation ~~shall be $20~~ is $35. Bonding conductors and connections require an inspection before being concealed.

(h) The fee for all wiring installed on center pivot irrigation booms is ~~$40~~ $35 plus $5 for each electrical drive unit.

(i) The fee for retrofit modifications to existing lighting fixtures is 25 cents per ~~lighting fixture~~ luminaire.

(j) When a separate inspection of a concrete-encased grounding electrode is performed, the fee is $35.

(k) The fees required by subdivisions 3 and 4 are doubled for installations over 600 volts.

Subd. 7. **Investigation fees: work without a request for electrical inspection.** (a) Whenever any work for which a request for electrical inspection is required ~~by the board~~ has begun without the request for electrical inspection form being filed with the ~~board~~ commissioner, a special investigation shall be made before a request for electrical inspection form is accepted ~~by the board~~.

(b) An investigation fee, in addition to the full fee required by subdivisions 1 to 6, shall be paid before an inspection is made. The investigation fee is two times the ~~hourly rate~~ minimum fee specified in subdivision ~~10~~ 2 or the inspection fee required

by subdivisions 1 to 6, whichever is greater, not to exceed $1,000. The payment of the investigation fee does not exempt any person from compliance with all other provisions of the ~~board~~ department rules or statutes nor from any penalty prescribed by law.

Subd. 8. **Reinspection fee.** Notwithstanding the provisions of subdivisions 2 and 5, when reinspection is necessary to determine whether unsafe conditions identified during a final inspection have been corrected and the conditions are not the subject of an appeal pending before the ~~board~~ commissioner or any court, a reinspection fee of ~~$20 may~~ $35 shall be assessed in writing by the inspector.

Subd. 9. **Supplemental fee.** When inspections scheduled by the installer are preempted, obstructed, prevented, or otherwise not able to be completed as scheduled due to circumstances beyond the control of the inspector, a supplemental inspection fee of ~~$20 may~~ $35 shall be assessed in writing by the inspector.

Subd. 10. **Special inspection.** For inspections not covered in this section, or for requested special inspections or services, the fee ~~shall be $30~~ is $80 per hour, including travel time, plus ~~31 cents~~ the standard mileage rate per mile traveled, plus the reasonable cost of equipment or material consumed. This provision is applicable to inspection of empty conduits and other jobs as may be determined by the ~~board~~ commissioner. This fee may also be assessed when installations are not accessible by roadway and require alternate forms of transportation~~.~~ or are located in the Northwest Angle, or when inspections are performed outside of Minnesota. For purposes of this subdivision, the standard mileage rate is the standard mileage rate effective at the time of travel, as established by the Internal Revenue Service for computing the deductible costs of operating an automobile for business expense purposes.

Subd. 11. **Inspection of transitory projects.** (a) For inspection of transitory projects including, but not limited to, festivals, fairs, carnivals, circuses, shows, production sites, and portable road construction plants, the inspection procedures and fees are as specified in paragraphs (b) to (i).

(b) The fee for inspection of each generator or other source of supply is that specified in subdivision 3. A like fee is required at each engagement or setup.

(c) In addition to the fee for generators or other sources of supply, there must be an inspection of all installed feeders, circuits, and equipment at each engagement or setup at the hourly rate specified in subdivision 10, with a ~~two-hour~~ one-hour minimum.

(d) An owner, operator, or appointed representative of a transitory enterprise including, but not limited to, festivals, fairs, carnivals, circuses, production companies, shows, portable road construction plants, and similar enterprises shall notify the ~~board~~ commissioner of its itinerary or schedule and make application for initial inspection a

minimum of 14 days before its first engagement or setup. An owner, operator, or appointed representative of a transitory enterprise who fails to notify the ~~board~~ commissioner 14 days before its first engagement or setup may be subject to the investigation fees specified in subdivision 7. The owner, operator, or appointed representative shall request inspection and pay the inspection fee for each subsequent engagement or setup at the time of the initial inspection. For subsequent engagements or setups not listed on the itinerary or schedule submitted to the ~~board~~ commissioner and where the ~~board~~ commissioner is not notified at least 48 hours in advance, a charge of $100 may be made in addition to all required fees.

(e) Amusement rides, devices, concessions, attractions, or other units must be inspected at their first appearance of the year. The inspection fee is ~~$20~~ $35 per unit with a supply of up to 60 amperes and ~~$30~~ $40 per unit with a supply above 60 amperes.

(f) An additional fee at the hourly rate specified in subdivision 10 must be charged for additional time spent by each inspector if equipment is not ready or available for inspection at the time and date specified on the application for initial inspection or the request for electrical inspection form.

(g) In addition to the fees specified in paragraphs (a) and (b), a fee of ~~two hours~~ one hour at the hourly rate specified in subdivision 10 must be charged for inspections required to be performed on Saturdays, Sundays, holidays, or after regular business hours.

(h) The fee for reinspection of corrections or supplemental inspections where an additional trip is necessary may be assessed as specified in subdivision 8.

(i) The ~~board may~~ commissioner shall retain the inspection fee when an owner, operator, or appointed representative of a transitory enterprise fails to notify the ~~board~~ commissioner at least 48 hours in advance of a scheduled inspection that is canceled.

Subd. 11a. **Negotiated fee.** When the fee calculated in accordance with subdivisions 2 to 11 results in a total fee that unreasonably exceeds the cost of inspection, the commissioner may negotiate a fee that more reasonably offsets the cost of inspection.

Subd. 12. **Handling fee.** The handling fee to pay the cost of printing and handling of the paper form requesting an electrical inspection is up to $1.

Subd. 13. **National Electrical Code used for interpretation of provisions.** For purposes of interpretation of this section and Minnesota Rules, chapter 3800, the most recently adopted edition of the National Electrical Code shall be prima facie evidence of the definitions, interpretations, and scope of words and terms used.

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

Sec. 29. Minnesota Statutes 2006, section 326.245, is amended to read:

326.245 MANUFACTURED ELECTRICAL PARTS; EXEMPTION.

Subdivision 1. **Manufacturers.** Electrical components, apparatus, or appliances being manufactured within the limits of property which is owned or leased by a manufacturer and such manufacturer's production employees are not covered by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399.

Subd. 2. **Electrical appliance units.** Installation, alteration, or repair of electrical appliance units are not covered by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399. For the purposes of this section, "electrical appliance units" means all electrical and fossil fuel appliances that use electricity including, but not limited to, furnaces, water heaters, stoves, clothes washers, dryers, and dishwashers. The installation of electrical wiring to an electrical appliance unit is covered by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399.

Subd. 3. **Other units.** Planning, laying out, and installation of heating, ventilating, air conditioning, or refrigeration units are not covered by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399. For purposes of this section, heating, ventilating, air conditioning, or refrigeration units include, but are not limited to, air conditioning units, air conditioning evaporators, air conditioning condensers, air conditioning and refrigeration chillers, boilers, furnaces, air handling units, rooftop units, humidifiers, ice makers, and supermarket, ice arena, and bar/restaurant equipment. The installation of electrical wiring to the unit is covered by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399.

Subd. 4. **Other equipment.** Planning, laying out, alteration, replacement, or repair of heating, ventilating, air conditioning, or refrigeration equipment, and associated devices, controls, and wiring including wiring in or on the equipment, are not covered by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399 when the work is performed by an employee of a heating, ventilating, air conditioning, or refrigeration contractor provided that the employee performing the work has received a certificate of completion from a heating, ventilating, air conditioning, or refrigeration apprenticeship program approved by the state of Minnesota or any class of personal ~~electrical~~ license issued by the ~~board~~ commissioner. Employees registered in an approved heating, ventilating, air conditioning, or refrigeration program may design, plan, alter, replace, or repair heating, ventilating, air conditioning, or refrigeration equipment, devices, and controls including wiring in or on the equipment, under the direction of an employee who has a certificate of completion from an approved program or any class of personal ~~electrical~~ license issued by the ~~board~~ commissioner. The installation of electrical wiring to the unit is covered by sections ~~326.241 to 326.248~~ 326B.31 to 326B.399.

Sec. 30. Minnesota Statutes 2006, section 326.248, is amended to read:

326.248 CITATION.

Sections ~~326.241 to 326.248~~ 326B.31 to 326B.399 shall be known as the Minnesota Electrical Act.

Sec. 31. **[326B.31] DEFINITIONS.**

Subdivision 1. **Scope.** For purposes of sections 326B.31 to 326B.399, the terms defined in this section have the meanings given them.

Subd. 2. **Class A electrical contractor.** "Class A electrical contractor" means a licensed contractor whose responsible licensed individual is a licensed Class A master electrician.

Subd. 7. **Class B electrical contractor.** "Class B electrical contractor" means a licensed contractor whose responsible licensed individual is a licensed Class B master electrician.

Subd. 23. **Personal license.** "Personal license" means any license issued by the commissioner under section 326B.33 or the rules adopted under section 326B.33, except a contractor's license.

Subd. 27. **Responsible licensed individual.** A contractor's "responsible licensed individual" means the licensed Class A master electrician, Class B master electrician, master elevator constructor, or power limited technician designated in writing by the contractor in the contractor's license application, or in another manner acceptable to the commissioner, as the individual responsible for the contractor's compliance with sections 326B.31 to 326B.399 and all rules and orders adopted or issued under these sections. The terms "licensed responsible individual" and "licensed responsible master electrician or power limited technician" are synonymous.

Subd. 32. **Technology system contractor.** "Technology system contractor" means a licensed contractor whose responsible licensed individual is a licensed power limited technician.

Sec. 32. **REVISOR'S INSTRUCTION.**

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

Column A	Column B
326.01, subd. 2	326B.31, subd. 6
326.01, subd. 3	326B.31, subd. 5

326.01, subd. 4	326B.31, subd. 28
326.01, subd. 5	326B.31, subd. 12
326.01, subd. 6	326B.31, subd. 10
326.01, subd. 6a	326B.31, subd. 9
326.01, subd. 6b	326B.31, subd. 4
326.01, subd. 6c	326B.31, subd. 8
326.01, subd. 6e	326B.31, subd. 22
326.01, subd. 6f	326B.31, subd. 15
326.01, subd. 6g	326B.31, subd. 14
326.01, subd. 6i	326B.31, subd. 13
326.01, subd. 6j	326B.31, subd. 26
326.01, subd. 6k	326B.31, subd. 24
326.01, subd. 6l	326B.31, subd. 31
326.01, subd. 6m	326B.31, subd. 25
326.2415	326B.32
326.242	326B.33
326.2421	326B.34
326.243	326B.35
326.244	326B.36
326.2441	326B.37
326.245	326B.38
326.247	326B.39
326.248	326B.399

Sec. 33. **REPEALER.**

Minnesota Statutes 2006, sections 326.01, subdivision 4; 326.241; and 326.247, are repealed.

ARTICLE 6
PLUMBING

Section 1. Minnesota Statutes 2006, section 325E.37, subdivision 6, is amended to read:

Subd. 6. **Scope; limitations.** (a) This section applies to a sales representative who, during some part of the period of the sales representative agreement:

(1) is a resident of Minnesota or maintains that person's principal place of business in Minnesota; or

(2) whose geographical territory specified in the sales representative agreement includes part or all of Minnesota.

(b) To be effective, any demand for arbitration under subdivision 5 must be made in writing and delivered to the principal on or before one year after the effective date of the termination of the agreement.

(c) A provision in any contract between a sales representative dealing in plumbing equipment or supplies and a principal purporting to waive any provision of this act, whether by express waiver or by a provision stipulating that the contract is subject to the laws of another state, shall be void.

Sec. 2. Minnesota Statutes 2006, section 326.01, subdivision 7, is amended to read:

Subd. 7. **Journeyman plumber.** A "journeyman plumber" is ~~any person~~ an individual, other than a master plumber, who, as a principal occupation, is engaged as an employee of, or is otherwise working under the direction of, a master plumber in the practical installation of plumbing.

Sec. 3. Minnesota Statutes 2006, section 326.01, subdivision 8, is amended to read:

Subd. 8. **Master plumber.** A "master plumber" is ~~any person~~ an individual who is skilled in the planning, superintending, and the practical installation of plumbing ~~and~~, who is otherwise lawfully qualified to contract for plumbing and installations and to conduct the business of plumbing and who is familiar with the laws and rules governing the same.

Sec. 4. Minnesota Statutes 2006, section 326.37, is amended to read:

326.37 RULES; AGREEMENTS WITH MUNICIPALITIES; CAPACITY STANDARDS; LICENSE EXEMPTION.

Subdivision 1. **Rules.** The ~~state commissioner of health~~ Plumbing Board may, by rule, prescribe minimum standards which shall be uniform~~;~~ and which ~~standards~~ shall ~~thereafter~~ be effective for all new plumbing installations, including additions, extensions, alterations, and replacements connected with any water or sewage disposal system owned or operated by or for any municipality, institution, factory, office building, hotel, apartment building, or any other place of business regardless of location or the population of the city or town in which the installation is to be located. Notwithstanding the provisions of Minnesota Rules, part 4715.3130, as they apply to review of plans and specifications, the commissioner may allow plumbing construction, alteration, or extension to proceed without approval of the plans or specifications by the commissioner.

The commissioner shall administer the provisions of sections ~~326.37~~ 326.361 to ~~326.45~~ 326.44 and for such purposes may employ plumbing inspectors and other assistants.

Subd. 1a. **Agreements with municipalities.** The commissioner may enter into an agreement with a municipality, in which the municipality agrees to perform plan and specification reviews required to be performed by the commissioner under Minnesota Rules, part 4715.3130, if:

(a) the municipality has adopted:

(1) the plumbing code;

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

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

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

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

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

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

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

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

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

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

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

(1) licensed master plumbers;

(2) licensed professional engineers; or

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

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

(h) individuals who will conduct the plumbing inspections for the municipality are licensed master or journeyman plumbers, or inspectors meeting the competency requirements established in rules adopted under section 16B.655;

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

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

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

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

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

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

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

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

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

(1) hospitals, nursing homes, supervised living facilities, and similar health-care-related facilities regulated by the Minnesota Department of Health;

(2) buildings owned by the federal or state government; and

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

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

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

Subd. 1b. **Existing agreements with municipalities.** Any agreement between the commissioner and a municipality in which the municipality has agreed to perform plan and specification reviews required to be performed by the commissioner under Minnesota Rules, part 4715.3130, that is in effect on the effective date of subdivision 1a, shall remain in effect and shall not be required to be in compliance with subdivision 1a. If any agreement to perform plan and specification reviews required to be performed by the commissioner under Minnesota Rules, part 4715.3130, in effect on the effective date of subdivision 1a is later terminated by operation of the terms of the agreement or by either the commissioner or the municipality, or expires, then any new agreement between the commissioner and the municipality to perform plan and specification reviews required to be performed by the commissioner under Minnesota Rules, part 4715.3130, shall comply with subdivision 1a.

Subd. 2. **Standards for capacity.** ~~By January 1, 1993,~~ All new floor-mounted water closets in areas under jurisdiction of the ~~State~~ plumbing code may not have a flush volume of more than 1.6 gallons. The water closets must meet the standards ~~of the commissioner and~~ in the plumbing code and the standards of the American National Standards Institute.

Subd. 3. **Exemption.** No license or registration authorized by ~~this section~~ sections 326.361 to 326.44 shall be required of any ~~contractor or employee~~ individual engaged in or employed by a person engaged in the work or business of pipe laying outside of buildings if such ~~person~~ individual or employer is engaged in a business or trade which has traditionally performed such work within the state prior to January 1, 1994.

Subd. 4. **Air admittance valves and water-free urinals prohibited.** (a) Mechanical devices and fittings with internal moving parts are prohibited from installation in plumbing venting systems.

(b) All urinals covered under the jurisdiction of the state plumbing code must have a water flush device with a volume of not more than one gallon per use.

Sec. 5. **[326.3705] PLUMBING BOARD.**

Subdivision 1. **Composition.** (a) The plumbing board shall consist of 14 members. Twelve members shall be appointed by the governor with the advice and consent of the senate and shall be voting members. Appointments of members by the governor shall be made in accordance with section 15.066. If the senate votes to refuse to consent to an appointment of a member made by the governor, the governor shall appoint a new member with the advice and consent of the senate. One member shall be the commissioner of labor and industry or the commissioner of labor and industry's designee, who shall be a voting member. One member shall be the commissioner of health or the commissioner of health's designee, who shall not be a voting member. Of the 12 appointed members, the composition shall be as follows:

(1) two members shall be municipal plumbing inspectors, one from the metropolitan area and one from greater Minnesota;

(2) one member shall be a licensed professional engineer specializing in plumbing designs or systems;

(3) two members shall be commercial/industrial plumbing contractors, one from the metropolitan area and one from greater Minnesota;

(4) one member shall be a residential plumbing contractor;

(5) two members shall be commercial/industrial journeymen, one from the metropolitan area and one from greater Minnesota;

(6) one member shall be a residential plumbing journeyman;

(7) one member shall be a water conditioning contractor;

(8) one member shall be a municipal public water supply system operator or superintendent; and

(9) one member shall be a public member as defined by section 214.02.

One of the municipal plumbing inspectors shall be appointed for an initial term to end on December 31, 2010. The other municipal plumbing inspector shall be appointed for an initial term to end on December 31, 2011. The professional engineer shall be appointed for an initial term to end on December 31, 2011. One of the commercial/industrial plumbing contractors shall be appointed for an initial term to end on December 31, 2010. The other commercial/industrial plumbing contractor shall be appointed for an initial term to end on December 31, 2011. The residential plumbing contractor shall be appointed for an initial term to end on December 31, 2010. One of the commercial/industrial plumbing journeymen shall be appointed for an initial term to end on December 31, 2011. The other commercial/industrial plumbing journeyman shall be appointed for an initial term to end on December 31, 2010. The residential plumbing journeyman shall be appointed

for an initial term to end on December 31, 2011. The water conditioning contractor shall be appointed for an initial term to end on December 31, 2011. The municipal public water supply system operator or superintendent shall be appointed for an initial term to end on December 31, 2010. The public member shall be appointed for a term to end December 31, 2010.

(b) The licensed professional engineer must possess a current Minnesota professional engineering license and maintain the license for the duration of their term. All other appointed members, except for the water conditioning contractor and the municipal public water supply system operator or superintendent, must possess a current plumbing license issued by the Department of Labor and Industry and maintain that license for the duration of their term. The water conditioning contractor must be licensed as a water conditioning contractor by the Department of Labor and Industry and maintain the license for the duration of the term on the board. All appointed members must be residents of Minnesota at the time of and throughout the member's appointment. The term of any appointed member that does not maintain membership qualification status shall end on the date of the status change and the governor shall appoint a new member. It is the responsibility of the member to notify the board of the member's status change.

(c) For appointed members, except the initial terms designated in paragraph (a), each term shall be three years with the terms ending on December 31. Members appointed by the governor shall be limited to three consecutive terms. The governor shall, all or in part, reappoint the current members or appoint replacement members with the advice and consent of the senate. Midterm vacancies shall be filled for the remaining portion of the term. Vacancies occurring with less than six months time remaining in the term shall be filled for the existing term and the following three-year term. Members may serve until their successors are appointed but in no case later than July 1 in a year in which the term expires unless reappointed.

Subd. 2. **Powers; duties; administrative support.** (a) The board shall have the power to:

(1) elect its chair, vice-chair, and secretary;

(2) adopt bylaws that specify the duties of its officers, the meeting dates of the board, and containing such other provisions as may be useful and necessary for the efficient conduct of the business of the board;

(3) adopt the plumbing code that must be followed in this state and any plumbing code amendments thereto. The board shall adopt the plumbing code and any amendments thereto pursuant to chapter 14 and as provided in subdivision 6, paragraphs (b), (c), and (d);

(4) review requests for final interpretations and issue final interpretations as provided in section 16B.63, subdivision 5;

(5) except for rules regulating continuing education, adopt rules that regulate the licensure or registration of plumbing contractors, journeymen, apprentices, master plumbers, restricted master plumbers, and restricted journeymen and other persons engaged in the design, installation, and alteration of plumbing systems, except for those individuals licensed under sections 326.02, subdivisions 2 and 3. The board shall adopt these rules pursuant to chapter 14 and as provided in subdivision 6, paragraphs (e) and (f);

(6) advise the commissioner regarding educational requirements for plumbing inspectors;

(7) refer complaints or other communications to the commissioner, whether oral or written, as provided in subdivision 7, that alleges or implies a violation of a statute, rule, or order that the commissioner has the authority to enforce pertaining to code compliance, licensure, or an offering to perform or performance of unlicensed plumbing services;

(8) approve per diem and expenses deemed necessary for its members as provided in subdivision 3;

(9) approve license reciprocity agreements;

(10) select from its members individuals to serve on any other state advisory council, board, or committee; and

(11) recommend the fees for licenses and certifications.

Except for the powers granted to the Plumbing Board, the Board of Electricity, and the Board of High Pressure Piping Systems, the commissioner of labor and industry shall administer and enforce the provisions of this chapter and any rules promulgated pursuant thereto.

(b) The board shall comply with section 15.0597, subdivisions 2 and 4.

(c) The commissioner shall coordinate the board's rulemaking and recommendations with the recommendations and rulemaking conducted by the other boards created pursuant to chapter 326B. The commissioner shall provide staff support to the board. The support includes professional, legal, technical, and clerical staff necessary to perform rulemaking and other duties assigned to the board. The commissioner of labor and industry shall supply necessary office space and supplies to assist the board in its duties.

Subd. 3. **Compensation.** (a) Members of the board may be compensated at a rate of $55 a day spent on board activities, when authorized by the board, plus expenses in the same manner and amount as authorized by the commissioner's plan adopted under section 43A.18, subdivision 2. Members who, as a result of time spent attending board

meetings, incur child care expenses that would not otherwise have been incurred, may be reimbursed for those expenses upon board authorization.

(b) Members who are state employees or employees of the political subdivisions of the state must not receive the daily payment for activities that occur during working hours for which they are compensated by the state or political subdivision. However, a state or political subdivision employee may receive the daily payment if the employee uses vacation time or compensatory time accumulated in accordance with a collective bargaining agreement or compensation plan for board activities. Members who are state employees or employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source. Members who are state employees or employees of political subdivisions of the state may be reimbursed for child care expenses only for time spent on board activities that are outside their working hours.

(c) The board shall adopt internal standards prescribing what constitutes a day spent on board activities for purposes of making daily payments under this subdivision.

Subd. 4. **Removal; vacancies.** (a) An appointed member of the board may be removed by the governor at any time (1) for cause, after notice and hearing, or (2) after missing three consecutive meetings. The chair of the board shall inform the governor of an appointed member missing the three consecutive meetings. After the second consecutive missed meeting and before the next meeting, the secretary of the board shall notify the appointed member in writing that the member may be removed for missing the next meeting. In the case of a vacancy on the board, the governor shall, with the advice and consent of the senate, appoint a person to fill the vacancy for the remainder of the unexpired term.

(b) Vacancies shall be filled pursuant to section 15.0597, subdivisions 5 and 6.

Subd. 5. **Membership vacancies within three months of appointment.** Notwithstanding any law to the contrary, when a membership on the board becomes vacant within three months after being filled through the appointments process, the governor may, upon notification to the office of secretary of state, choose a new member from the applications on hand and need not repeat the process.

Subd. 6. **Officers, quorum, voting.** (a) The board shall elect annually from its members a chair, vice-chair, and secretary. A quorum of the board shall consist of a majority of members of the board qualified to vote on the matter in question. All questions concerning the manner in which a meeting is conducted or called that is not covered by statute shall be determined by Robert's Rules of Order (revised) unless otherwise specified by the bylaws.

(b) Except as provided in paragraph (c), each plumbing code amendment considered by the board that receives an affirmative two-thirds or more majority vote of all of the voting members of the board shall be included in the next plumbing code rulemaking proceeding initiated by the board. If a plumbing code amendment considered, or reconsidered, by the board receives less than a two-thirds majority vote of all the voting members of the board, the plumbing code amendment shall not be included in the next plumbing code rulemaking proceeding initiated by the board.

(c) If the plumbing code amendment considered by the board is to replace the Minnesota Plumbing Code with a model plumbing code, then the amendment may only be included in the next plumbing code rulemaking proceeding if it receives an affirmative two-thirds or more majority vote of all the voting members of the board.

(d) The board may reconsider plumbing code amendments during an active plumbing code rulemaking proceeding in which the amendment previously failed to receive a two-thirds majority vote or more of all the voting members of the board only if new or updated information that affects the plumbing code amendment is presented to the board. The board may also reconsider failed plumbing code amendments in subsequent plumbing code rulemaking proceedings.

(e) Each proposed rule and rule amendment considered by the board pursuant to the rulemaking authority specified in subdivision 2, paragraph (a), clause (5), that receives an affirmative majority vote of all the voting members of the board shall be included in the next rulemaking proceeding initiated by the board. If a proposed rule or rule amendment considered, or reconsidered, by the board receives less than an affirmative majority vote of all the voting members of the board, the proposed rule or rule amendment shall not be included in the next rulemaking proceeding initiated by the board.

(f) The board may reconsider proposed rules or rule amendments during an active rulemaking proceeding in which the amendment previously failed to receive an affirmative majority vote of all the voting members of the board only if new or updated information that affects the proposed rule or rule amendment is presented to the board. The board may also reconsider failed proposed rules or rule amendments in subsequent rulemaking proceedings.

Subd. 6a. **Board meetings.** (a) The board shall hold meetings at such times as the board shall specify. Notice and conduct of all meetings shall be pursuant to chapter 13D and in such a manner as the bylaws may provide.

(b) If compliance with section 13D.02 is impractical, the board may conduct a meeting of its members by telephone or other electronic means so long as the following conditions are met:

(1) all members of the board participating in the meeting, wherever their physical location, can hear one another and can hear all discussion and testimony;

(2) members of the public present at the regular meeting location of the board can hear clearly all discussion and testimony and all votes of members of the board and, if needed, receive those services required by sections 15.44 and 15.441;

(3) at least one member of the board is physically present at the regular meeting location; and

(4) all votes are conducted by roll call, so each member's vote on each issue can be identified and recorded.

Each member of the board participating in a meeting by telephone or other electronic means is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the board, to the extent practical, shall allow a person to monitor the meeting electronically from a remote location. The board may require the person making such a connection to pay for documented costs that the board incurs as a result of the additional connection.

If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the board shall provide notice of the regular meeting location, of the fact that some members may participate by telephone or other electronic means, and that a person may monitor the meeting electronically from a remote location. Any person monitoring the meeting electronically from a remote location may be required to pay documented costs incurred by the board as a result of the additional connection. The timing and method of providing notice is governed by section 13D.04.

Subd. 7. **Complaints.** (a) The board shall promptly forward to the commissioner the substance of any complaint or communication it receives, whether written or oral, that alleges or implies a violation of a statute, rule, or order that the commissioner has the authority to enforce pertaining to the license or registration of any person authorized by the department to provide plumbing services, the performance or offering to perform plumbing services requiring licensure by an unlicensed person, or plumbing code compliance. Each complaint or communication that is forwarded to the commissioner shall be submitted on a form provided by the commissioner.

(b) The commissioner shall advise the board of the status of the complaint within 90 days after the board's written submission is received, or within 90 days after the board is provided with a written request for additional information or documentation from the commissioner or the commissioner's designee, whichever is later. The commissioner shall

advise the board of the disposition of a complaint referred by the board within 180 days after the board's written submission is received. The commissioner shall annually report to the board a summary of the actions taken in response to complaints referred by the board.

Subd. 8. **Data Practices Act.** The board is subject to chapter 13, the Minnesota Government Data Practices Act, and shall protect from unlawful disclosure data classified as not public.

Subd. 9. **Official records.** The board shall make and preserve all records necessary to a full and accurate knowledge of its official activities in accordance with section 15.17.

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

Sec. 6. Minnesota Statutes 2006, section 326.38, is amended to read:

326.38 LOCAL REGULATIONS.

~~Any city having a system of waterworks or sewerage, or any town in which reside over 5,000 people exclusive of any statutory cities located therein, or the metropolitan airports commission,~~ Any of the following entities may, by ordinance, adopt local regulations providing for plumbing permits, ~~bonds,~~ approval of plans and specifications, and inspections of plumbing, which regulations are not in conflict with the plumbing ~~standards on the same subject prescribed by the state commissioner of health.~~ code: any city having a system of waterworks or sewerage, regardless of population; any town having a population of 5,000 or more according to the last federal census, exclusive of any statutory cities located therein; and the Metropolitan Airports Commission. No ~~city or such town~~ such entity shall prohibit plumbers licensed by the ~~state~~ commissioner ~~of health~~ from engaging in or working at the business of plumbing, except cities and statutory cities which, prior to April 21, 1933, by ordinance required the licensing of plumbers. No such entity shall require any person who engages in the business of plumbing to post a bond as a prerequisite for engaging in the business of plumbing, except the bond to the state required under section 326.40 and except any performance bond required under a contract with the person for the performance of plumbing work for the entity. No such entity shall require any person who engages in the business of plumbing to maintain public liability insurance as a prerequisite for engaging in the business of plumbing, except the insurance required under section 326.40 and except any public liability insurance required under a contract with the person for the performance of plumbing work for the entity. No city or town may require a license for persons performing building sewer or water service installation who have completed pipe laying training as prescribed by the commissioner of labor and industry. Any city by ordinance may prescribe regulations, reasonable

standards, and inspections and grant permits to any person~~, firm, or corporation~~ engaged in the business of installing water softeners, who is not licensed as a master plumber or journeyman plumber by the ~~state~~ commissioner ~~of health~~, to connect water softening and water filtering equipment to private residence water distribution systems, where provision has been previously made therefor and openings left for that purpose or by use of cold water connections to a domestic water heater; where it is not necessary to rearrange, make any extension or alteration of, or addition to any pipe, fixture or plumbing connected with the water system except to connect the water softener, and provided the connections so made comply with minimum standards prescribed by the ~~state commissioner of health~~ Plumbing Board.

Sec. 7. Minnesota Statutes 2006, section 326.39, is amended to read:

326.39 VIOLATIONS TO BE REPORTED TO ~~STATE~~ COMMISSIONER ~~OF HEALTH~~.

Such local authority as may be designated by any such ordinance for the issuance of such plumbing permits and approval of such plans shall report to the ~~state~~ commissioner ~~of health~~ persistent or willful violation of the same and any incompetence of a licensed plumber observed by the local authority.

Sec. 8. Minnesota Statutes 2006, section 326.40, is amended to read:

326.40 LICENSING, BOND AND INSURANCE.

Subdivision 1. **License required~~; master and journeyman plumbers~~.** ~~In any city now or hereafter having 5,000 or more population, according to the last federal census, and having a system of waterworks or sewerage,~~ (a) No person~~, firm, or corporation~~ shall engage in or work at the business of a master plumber ~~or~~, restricted master plumber, journeyman plumber, and restricted journeyman plumber unless licensed to do so by the state commissioner ~~of health~~. A license is not required for individuals performing building sewer or water service installation who have completed pipe laying training as prescribed by the commissioner of labor and industry. A master plumber may also work as a journeyman plumber, a restricted journeyman plumber, and a restricted master plumber. A journeyman plumber may also work as a restricted journeyman plumber. Anyone not so licensed may do plumbing work which complies with the provisions of the minimum ~~standard~~ standards prescribed by the ~~state commissioner of health~~ Plumbing Board on premises or that part of premises owned and actually occupied by the worker as a residence, unless otherwise forbidden to do so by a local ordinance.

~~In any such city~~ (b) No person~~, firm, or corporation~~ shall engage in the business of planning, superintending, or installing plumbing ~~nor~~ or shall install plumbing in connection with the dealing in and selling of plumbing material and supplies unless at all times a licensed master plumber, or in cities and towns with a population of fewer than 5,000 according to the federal census, a restricted master plumber, who shall be responsible for proper installation, is in charge of the plumbing work of the person, firm, or corporation.

~~The Department of Health shall prescribe rules, not inconsistent herewith, for the examination and licensing of plumbers.~~

Subd. 2. **Bond; insurance.** Any person contracting to do plumbing work must give bond to the state in the amount of $25,000 for all work entered into within the state. The bond shall be for the benefit of persons injured or suffering financial loss by reason of failure to comply with the requirements of the State Plumbing Code. ~~A~~ The bond ~~given to the state~~ shall be filed with the commissioner ~~of health~~ and ~~shall be in lieu of all other bonds to any political subdivision required for plumbing work. The bond~~ shall be written by a corporate surety licensed to do business in the state.

In addition, each applicant for a master plumber license or renewal thereof, ~~may~~ shall provide evidence of public liability insurance, including products liability insurance with limits of at least $50,000 per person and $100,000 per occurrence and property damage insurance with limits of at least $10,000. The insurance shall be written by an insurer licensed to do business in the state of Minnesota and each licensed master plumber shall maintain on file with the ~~state~~ commissioner ~~of health~~ a certificate evidencing the insurance providing that the insurance shall not be canceled without the insurer first giving 15 days written notice to the commissioner. The term of the insurance shall be concurrent with the term of the license. ~~The certificate shall be in lieu of all other certificates required by any political subdivision for licensing purposes.~~

Subd. 3. **Bond and insurance exemption.** If a master plumber ~~who is an employee of a master plumber or who is an employee engaged within the limits of property owned, leased and operated, or maintained by the employer, in the maintenance and repair of plumbing equipment, apparatus, or facilities owned or leased by the employer,~~ who is in compliance with the bond and insurance requirements of subdivision 2 employs another master plumber, the employee master plumber shall not be required to meet the bond and insurance requirements of subdivision 2. A master plumber who is an employee working on the maintenance and repair of plumbing equipment, apparatus, or facilities owned or leased by their employer and which is within the limits of property owned or leased, and operated or maintained by their employer, shall not be required to meet the bond and insurance requirements of subdivision 2.

~~Subd. 4. **Alternative compliance.** Compliance with the local bond requirements of a locale within which work is to be performed shall be deemed to satisfy the bond and insurance requirements of subdivision 2, provided the local ordinance requires at least a $25,000 bond.~~

Subd. 5. **Fee.** ~~The state commissioner of health may charge~~ Each person giving bond to the state under subdivision 2 shall pay the department an annual bond ~~filing~~ registration fee ~~commensurate with the cost of administering the bond and insurance requirements of subdivision 2~~ of $40.

EFFECTIVE DATE. This section is effective December 1, 2007, except that the amendments to subdivision 5 are effective July 1, 2007.

Sec. 9. Minnesota Statutes 2006, section 326.401, is amended to read:

326.401 PLUMBER'S APPRENTICES.

Subdivision 1. **Registration.** ~~A~~ All plumber's ~~apprentice~~ apprentices must be registered. To be a registered plumber's apprentice, an individual must either:

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

(2) be an unlicensed individual registered with the commissioner ~~of health on a registration application form supplied by the commissioner showing the date of beginning training, age, schooling, previous experience, employer, and other information required by the commissioner.~~ under subdivision 3. A plumber's apprentice is authorized to assist in the installation of plumbing only while under the direct supervision of a master, restricted master, journeyman, or restricted journeyman plumber. The master, restricted master, journeyman, or restricted journeyman plumber is responsible for ensuring that all plumbing work performed by the plumber's apprentice complies with the plumbing code.

Subd. 2. **Journeyman exam.** A plumber's apprentice who has completed four years of practical plumbing experience is eligible to take the journeyman plumbing examination. Up to 24 months of practical plumbing experience prior to ~~registration as an apprentice~~ becoming a plumber's apprentice may be applied to the four-year experience requirement. However, none of this practical plumbing experience may be applied if the ~~person~~ individual did not have any practical plumbing experience in the 12-month period immediately prior to ~~registration~~ becoming a plumber's apprentice. The ~~commissioner~~ Plumbing Board may adopt rules to evaluate whether the ~~person's~~ individual's past practical plumbing experience is applicable in preparing for the journeyman's examination.

If two years after completing the training the ~~person~~ individual has not taken the examination, the four years of experience shall be forfeited.

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

Subd. 3. **Registration, rules, applications, renewals, and fees.** ~~The Department of Health may assess fees to pay for the administration of the apprentice registration program.~~ An unlicensed individual may register by completing and submitting to the commissioner a registration form provided by the commissioner. A completed registration form must state the date the individual began training, the individual's age, schooling, previous experience, and employer, and other information required by the commissioner. The board may prescribe rules, not inconsistent with this section, for the registration of unlicensed individuals. Each applicant for initial registration as a plumber's apprentice shall pay the department an application fee of $25. Applications for initial registration may be submitted at any time. Registration must be renewed annually and shall be for the period from July 1 of each year to June 30 of the following year. Applications for renewal registration must be received by the commissioner by June 30 of each registration period on forms provided by the commissioner, and must be accompanied by a fee of $25. An application for renewal registration received on or after July 1 in any year but no more than three months after expiration of the previously issued registration must pay the past due renewal fee plus a late fee of $25. No applications for renewal registration will be accepted more than three months after expiration of the previously issued registration.

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

Sec. 10. **[326.402] RESTRICTED PLUMBER LICENSE.**

Subdivision 1. **Licensure.** The commissioner of labor and industry shall grant a restricted journeyman or restricted master plumber license to an individual if:

(1) the individual completes an application with information required by the commissioner of labor and industry;

(2) the completed application is accompanied by a fee of $30;

(3) the commissioner of labor and industry receives the completed application and fee before January 1, 2008;

(4) the completed application demonstrates that the applicant has had at least two years for a restricted journeyman plumber license or four years for a restricted master plumber license of practical plumbing experience in the plumbing trade prior to the application; and

(5) during the entire time for which the applicant is claiming experience in contracting for plumbing work under clause (4), the applicant was in compliance with all applicable bond requirements of section 326.40.

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

Subd. 3. **Application period.** Applications for restricted master plumber and restricted journeyman plumber licenses must be submitted to the commissioner prior to January 1, 2008.

Subd. 4. **Renewal; use period for license.** A restricted master plumber and restricted journeyman plumber license must be renewed annually for as long as that licensee engages in the plumbing trade. Failure to renew a restricted master plumber and restricted journeyman plumber license within 12 months after the expiration date will result in permanent forfeiture of the restricted master plumber and restricted journeyman plumber license.

Subd. 5. **Prohibition of transference.** A restricted master plumber and restricted journeyman plumber license may not be transferred or sold to any other person.

Subd. 6. **Bond; insurance.** A restricted master or a restricted journeyman plumber licensee is subject to the bond and insurance requirements of section 326.40, subdivision 2, unless the exemption provided by section 326.40, subdivision 3, applies.

Subd. 7. **Fee.** The annual fee for the restricted master plumber and restricted journeyman plumber licenses is the same fee as for a master or journeyman plumber license, respectively.

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

Sec. 11. Minnesota Statutes 2006, section 326.405, is amended to read:

326.405 RECIPROCITY WITH OTHER STATES.

~~The commissioner of health may license without examination, upon payment of the required fee, nonresident applicants who are licensed under the laws of a state having standards for licensing plumbers which the commissioner determines are substantially equivalent to the standards of this state if the other state grants similar privileges to Minnesota residents duly licensed in this state.~~ The commissioner may enter into reciprocity agreements for personal licenses with another state if approved by the board. Once approved by the board, the commissioner may issue a plumber's license without requiring the applicant to pass an examination provided the applicant:

(a) submits an application under section 326.42;

(b) pays the fee required under section 326.42; and

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

Agreements are subject to the following:

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

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

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

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

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

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

Sec. 12. Minnesota Statutes 2006, section 326.42, is amended to read:

326.42 APPLICATIONS, FEES.

Subdivision 1. **Application.** Applications for plumber's license shall be made to the ~~state~~ commissioner ~~of health~~, with fee. Unless the applicant is entitled to a renewal, the applicant shall be licensed by the ~~state~~ commissioner ~~of health~~ only after passing a satisfactory examination developed and administered by the ~~examiners~~ commissioner, based upon rules adopted by the Plumbing Board, showing fitness. Examination fees for both journeyman and master plumbers shall be ~~in an amount prescribed by the state commissioner of health pursuant to section 144.122~~ $50 for each examination. Upon being notified ~~that~~ of having successfully passed the examination for original license the applicant shall submit an application, with the license fee herein provided. ~~License fees shall be in an amount prescribed by the state commissioner of health pursuant to~~

~~section 144.122. Licenses shall expire and be renewed as prescribed by the commissioner pursuant to section 144.122.~~ The license fee for each initial and renewal master plumber's license shall be $120. The license fee for each initial and renewal journeyman plumber's license shall be $55. The commissioner may by rule prescribe for the expiration and renewal of licenses. Any licensee who does not renew a license within two years after the license expires is no longer eligible for renewal. Such an individual must retake and pass the examination before a new license will be issued. A journeyman or master plumber who submits a license renewal application after the time specified in rule but within two years after the license expired must pay all past due renewal fees plus a late fee of $25.

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

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

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

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

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

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

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

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

(2) building sewer service only, $150;

(3) building water service only, $150;

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

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

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

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

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

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

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

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

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

(11) revision to previously reviewed or incomplete plans:

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

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

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

Subd. 3. **Inspection fees.** The commissioner shall charge the following fees for inspections under sections 326.361 to 326.44:

Residential inspection fee (each visit)	$50
Public, commercial, and industrial inspections	Inspection fee
25 or fewer drainage fixture units	$300
26 to 50 drainage fixture units	$900
51 to 150 drainage fixture units	$1,200
151 to 249 drainage fixture units	$1,500
250 or more drainage fixture units	$1,800
Callback fee (each visit)	$100

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

Sec. 13. **[326B.41] PURPOSE.**

The purpose of sections 326B.41 to 326B.49 is to promote the public health and safety through properly designed, acceptably installed, and adequately maintained plumbing systems.

Sec. 14. **[326B.42] DEFINITIONS.**

Subdivision 1. **Words, terms, and phrases.** For purposes of sections 326B.41 to 326B.49, the terms defined in this section have the meanings given to them.

Subd. 2. **Direct supervision.** The term "direct supervision," with respect to direct supervision of a plumber's apprentice by a master, restricted master, journeyman, or restricted journeyman plumber, means that:

(1) at all times while the plumber's apprentice is performing plumbing work, the supervising plumber is present at the location where the plumber's apprentice is working;

(2) the supervising plumber is physically present and immediately available to the plumber's apprentice at all times for assistance and direction;

(3) any form of electronic supervision does not meet the requirement of physically present;

(4) the supervising plumber actually reviews the plumbing work performed by the plumber's apprentice before the plumbing is operated; and

(5) the supervising plumber is able to and does determine that all plumbing work performed by the plumber's apprentice is performed in compliance with the plumbing code.

Subd. 3. **Municipality.** The term "municipality" shall have the meaning given to it in section 16B.60, subdivision 3.

Subd. 4. **Plumbing code.** "Plumbing code" means Minnesota Rules, chapter 4715.

Sec. 15. **REVISOR'S INSTRUCTION.**

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

Column A	Column B
326.01, subd. 7	326B.42, subd. 3
326.01, subd. 8	326B.42, subd. 4
326.01, subd. 9	326B.42, subd. 7
326.37	326B.43
326.38	326B.44
326.39	326B.45
326.40	326B.46
326.401	326B.47
326.405	326B.48
326.42	326B.49

Sec. 16. **REPEALER.**

Minnesota Statutes 2006, section 326.01, subdivision 9, is repealed.

ARTICLE 7
WATER CONDITIONING CONTRACTORS AND INSTALLERS

Section 1. Minnesota Statutes 2006, section 326.57, subdivision 1, is amended to read:

Subdivision 1. **Rulemaking by commissioner ~~of health~~.** The ~~state~~ commissioner ~~of health~~ shall, by rule, prescribe minimum standards which shall be uniform, and which standards shall thereafter be effective for all new water conditioning servicing

and water conditioning installations, including additions, extensions, alterations, and replacements connected with any water or sewage disposal system owned or operated by or for any municipality, institution, factory, office building, hotel, apartment building or any other place of business, regardless of location or the population of the city, county or town in which located. ~~Such rules, upon approval of the attorney general and their legal publication, shall have the force of law, and the violation of any part thereof shall constitute a misdemeanor and may be enjoined by the attorney general.~~

Sec. 2. Minnesota Statutes 2006, section 326.58, is amended to read:

326.58 LOCAL REGULATIONS.

Any city or town with a population of 5,000 or more ~~persons~~ according to the last federal census may, by ordinance, adopt local regulations providing for water conditioning permits, bonds, approval of plans, and inspections of water conditioning installations and servicing, which regulations shall not be in conflict with the water conditioning standards on the same subject prescribed by the ~~state~~ commissioner ~~of health~~. No such city or town shall prohibit water conditioning contractors or installers licensed by the ~~state~~ commissioner ~~of health~~ from engaging in or working at the business.

Sec. 3. Minnesota Statutes 2006, section 326.59, is amended to read:

326.59 VIOLATIONS TO BE REPORTED TO ~~STATE~~ COMMISSIONER ~~OF HEALTH~~.

Such local authority as may be designated by any such ordinance for the issuance of such water conditioning installation and servicing permits and approval of such plans shall report to the ~~state~~ commissioner ~~of health~~ persistent or willful violations of the same and any incompetence of a licensed water conditioning contractor or licensed water conditioning installer observed by the local authority.

Sec. 4. Minnesota Statutes 2006, section 326.60, is amended to read:

326.60 LICENSING IN CERTAIN CITIES; QUALIFICATIONS; RULES.

Subdivision 1. **Licensing in certain cities.** In any city or town ~~now or hereafter~~ having a population of 5,000 or more according to the last federal census, no person~~, firm, or corporation~~ shall engage in or work at the business of water conditioning installation or servicing after January 1, 1970, unless ~~(a)~~ (1) at all times ~~a person~~ an individual licensed as a water conditioning contractor by the ~~state~~ commissioner ~~of health~~ shall be responsible for the proper water conditioning installation and servicing work of such person~~, firm, or~~

~~corporation~~, and ~~(b)~~ (2) all installations, other than exchanges of portable equipment, are ~~actually made~~ performed by a licensed water conditioning contractor or licensed water conditioning installer. ~~Anyone~~ Any individual not so licensed may ~~do~~ perform water conditioning work ~~which~~ that complies with ~~the provisions of~~ the minimum standard prescribed by the ~~state~~ commissioner ~~of health~~ on premises or that part of premises owned and ~~actually~~ occupied by the worker as a residence, unless otherwise ~~forbidden to do so~~ prohibited by a local ordinance.

Subd. 2. **Qualifications for licensing.** A water conditioning contractor license shall be issued only to ~~a person~~ an individual who has demonstrated skill in planning, superintending, and servicing water conditioning installations. A water conditioning installer license shall only be issued to ~~a person~~ an individual other than a water conditioning contractor who has demonstrated practical knowledge of water conditioning installation.

Subd. 3. **Rules.** The ~~state~~ commissioner ~~of health~~ shall:

~~(a)~~ (1) prescribe rules, not inconsistent herewith, for the licensing of water conditioning contractors and installers;

~~(b)~~ (2) license water conditioning contractors and installers;

~~(c)~~ (3) prescribe rules not inconsistent herewith for the examining of water conditioning contractors and installers prior to first granting a license as a water conditioning contractor or water conditioning installer; and

~~(d)~~ (4) collect an examination fee from each examinee for a license as a water conditioning contractor and ~~a~~ an examination fee from each examinee for a license as a water conditioning installer in an amount ~~prescribed by the state commissioner of health pursuant to~~ set forth in section ~~144.122~~ 326.62. A water conditioning installer must successfully pass the examination for water conditioning contractors before being licensed as a water conditioning contractor.

Sec. 5. Minnesota Statutes 2006, section 326.601, is amended to read:

326.601 ALTERNATIVE STATE BONDING AND INSURANCE REGULATION.

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

(b) Each bond given to the state under this subdivision shall be in the total ~~penal~~ sum of $3,000 conditioned upon the faithful and lawful performance of all water conditioning contracting or installing work done within the state. The bond shall be for the benefit of persons suffering injuries or damages due to the work. The bond shall be filed with the commissioner ~~of health~~ and shall be written by a corporate surety licensed to do business in this state. ~~No applicant for a water conditioning contractor or installer license who maintains the bond under this subdivision shall be otherwise required to meet the bond requirements of any political subdivision.~~ The bond must remain in effect at all times while the application is pending and while the license is in effect.

Subd. 2. **Insurance.** (a) Each applicant for a water conditioning contractor or installer license or renewal thereof ~~may, in lieu of all other insurance requirements of any political subdivision for said licensing purposes, maintain the insurance specified by this subdivision.~~ who is required by any political subdivision to maintain insurance to obtain or maintain the license may comply with any political subdivision's insurance requirement by maintaining the insurance described in paragraph (b). No applicant for a water conditioning contractor or installer license who maintains the insurance described in paragraph (b) shall be otherwise required to meet the insurance requirements of any political subdivision.

(b) The insurance shall provide coverage, including products liability coverage, for all damages in connection with licensed work for which the licensee is liable, with personal damage limits of at least $50,000 per person and $100,000 per occurrence and property damage insurance with limits of at least $10,000. The insurance shall be written by an insurer licensed to do business in this state and ~~each licensed water conditioning contractor or installer shall maintain on file with the commissioner of health~~ a certificate evidencing the insurance shall be filed with the commissioner. The insurance must remain in effect at all times while the application is pending and while the license is in effect. The insurance shall not be canceled without the insurer first giving 15 days' written notice to the commissioner.

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

Subd. 4. **Fee.** The commissioner ~~of health may establish by rule an additional fee commensurate with the cost of administering the bond and insurance requirements~~

~~of subdivisions 1 and 2, which may be charged~~ shall collect a $40 bond registration fee from each applicant for issuance or renewal of a water conditioning contractor or installer license who elects to proceed under subdivisions 1 and 2.

EFFECTIVE DATE. This section is effective December 1, 2007, except that the amendments to subdivision 4 are effective July 1, 2007.

Sec. 6. Minnesota Statutes 2006, section 326.61, subdivision 1, is amended to read:

Subdivision 1. **Water conditioning installation.** "Water conditioning installation" ~~as used in sections 326.57 to 326.65~~ means the installation of appliances, appurtenances, and fixtures designed to treat water so as to alter, modify, add or remove mineral, chemical or bacterial content, said installation to be made in a water distribution system serving a single family residential unit, which has been initially established by a licensed plumber, and does not involve a direct connection without an air gap to a soil or waste pipe.

Sec. 7. Minnesota Statutes 2006, section 326.61, subdivision 2, is amended to read:

Subd. 2. **Water conditioning servicing.** "Water conditioning servicing" ~~as used in sections 326.57 to 326.65~~ means the servicing (including servicing prior to installation) of a water conditioning installation.

Sec. 8. Minnesota Statutes 2006, section 326.61, subdivision 3, is amended to read:

Subd. 3. **Rules.** In order to provide effective protection of the public health, the ~~state~~ commissioner ~~of health~~ may by rule prescribe limitations on the nature of alteration to, extension of, or connection with, the said water distribution system initially established by a licensed plumber which may be performed by a person licensed hereunder, and may by rule in appropriate instances require filing of plans, blueprints and specifications prior to commencement of installation. ~~Such rules, upon approval of the attorney general and their legal publication, shall have the force of law, and the violation of any part thereof shall constitute a misdemeanor.~~ The installation of water heaters shall not constitute water conditioning installation and consequently such work shall be accomplished in accordance with the provisions of sections ~~326.37~~ 326.361 to ~~326.45~~ 326.44.

Sec. 9. Minnesota Statutes 2006, section 326.61, subdivision 4, is amended to read:

Subd. 4. **Single family residential unit.** "Single family residential unit" ~~as used in sections 326.57 to 326.65~~ means a building or portion thereof which is arranged, designed, used or intended to be used for residential occupancy by one family, but not including a motel, hotel or rooming house.

Sec. 10. Minnesota Statutes 2006, section 326.62, is amended to read:

326.62 ~~APPLICATIONS;~~ FEES.

~~Applications for water conditioning contractor's or installer's licenses shall be made to the state commissioner of health with the fee prescribed by the commissioner pursuant to section 144.122. Licenses shall expire and be renewed as prescribed by the commissioner pursuant to section 144.122.~~ Unless examination fees have been set by a contract under section 326B.05, examination fees for both water conditioning contractors and water conditioning installers shall be $50 for each examination. Each water conditioning contractor and installer license shall expire on December 31 of the year for which it was issued. The license fee for each initial water conditioning contractor's license shall be $70, except that the license fee shall be $35 if the application is submitted during the last three months of the calendar year. The license fee for each renewal water conditioning contractor's license shall be $70. The license fee for each initial water conditioning installer license shall be $35, except that the license fee shall be $17.50 if the application is submitted during the last three months of the calendar year. The license fee for each renewal water conditioning installer license shall be $35. The commissioner may by rule prescribe for the expiration and renewal of licenses. Any licensee who does not renew a license within two years after the license expires is no longer eligible for renewal. Such an individual must retake and pass the examination before a new license will be issued. A water conditioning contractor or water conditioning installer who submits a license renewal application after the time specified in rule but within two years after the license expired must pay all past due renewal fees plus a late fee of $25.

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

Sec. 11. Minnesota Statutes 2006, section 326.65, is amended to read:

326.65 STATE LICENSE; EXAMINATION; APPLICATION; EXEMPTION.

The provisions of sections 326.57 to 326.65 ~~which~~ that require ~~the obtaining of~~ licenses to engage in the work or business of water conditioning installation, and the provisions ~~which~~ that provide for the examination of applicants for such licenses, shall only apply to work accomplished in cities or towns having populations of 5,000 or more according to the last federal census, and shall not apply to master plumbers and journeymen plumbers licensed under the provisions of sections ~~326.37~~ 326.361 to ~~326.45~~ 326.44.

Sec. 12. **[326B.50] DEFINITIONS.**

Subdivision 1. **Words, terms, and phrases.** For the purposes of sections 326B.50 to 326B.59, the terms defined in this section have the meanings given them.

Sec. 13. **REVISOR'S INSTRUCTION.**

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

Column A	Column B
326.57	326B.52
326.58	326B.53
326.59	326B.54
326.60	326B.55
326.601	326B.56
326.61, subd. 1	326B.50, subd. 3
326.61, subd. 2	326B.50, subd. 4
326.61, subd. 3	326B.57
326.61, subd. 4	326B.50, subd. 2
326.62	326B.58
326.65	326B.59

ARTICLE 8
RESIDENTIAL BUILDING CONTRACTOR AND REMODELER STATUTES

Section 1. Minnesota Statutes 2006, section 325E.58, is amended to read:

325E.58 SIGN CONTRACTOR; BOND.

(a) A sign contractor may post a compliance bond with the commissioner, conditioned that the sign contractor shall faithfully perform duties and comply with laws, ordinances, rules, and contracts entered into for the installation of signs. The bond must be renewed annually and maintained for so long as determined by the commissioner. The aggregate liability of the surety on the bond to any and all persons, regardless of the number of claims made against the bond, may not exceed the annual amount of the bond. The bond may be canceled as to future liability by the surety upon 30 days' written notice mailed to the commissioner by United States mail.

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

(c) For purposes of this section, "sign" means a device, structure, fixture, or placard using graphics, symbols, or written copy that is erected on the premises of an

establishment including the name of the establishment or identifying the merchandise, services, activities, or entertainment available on the premises.

Sec. 2. Minnesota Statutes 2006, section 326.83, subdivision 6, is amended to read:

Subd. 6. **Lessee.** "Lessee" means one who rents or leases residential real estate pursuant to a written lease agreement of at least one year's duration.

Sec. 3. Minnesota Statutes 2006, section 326.83, subdivision 7, is amended to read:

Subd. 7. **Licensee.** "Licensee" means a residential building contractor, residential remodeler, manufactured home installer, or residential roofer licensed under sections 326.83 to ~~326.991~~ 326.98.

Sec. 4. Minnesota Statutes 2006, section 326.83, subdivision 11, is amended to read:

Subd. 11. **Owner.** ~~Except in section 326.91, subdivision 1, "owner" means a person who has any legal or equitable interest in real property. For purposes of sections 326.83 to 326.991, "owner" does not include a residential building contractor or residential remodeler who constructs or improves its own property for purposes of speculation. A residential building contractor or residential remodeler will be presumed to be building or improving for purposes of speculation if it constructs or improves more than one property within any 24-month period.~~ "Owner," when used in connection with real property, means a person who has any legal or equitable interest in the real property.

Sec. 5. Minnesota Statutes 2006, section 326.83, subdivision 18, is amended to read:

Subd. 18. **Residential roofer.** "Residential roofer" means a person in the business of contracting, or offering to contract with an owner, to complete work on residential real estate in roof coverings, roof sheathing, roof weatherproofing and insulation, and repair of roof systems, but not construction of new roof systems.

Sec. 6. Minnesota Statutes 2006, section 326.83, subdivision 19, is amended to read:

Subd. 19. **Special skill.** "Special skill" means one of the following eight categories:

(a) **Excavation.** Excavation includes work in any of the following areas:

(1) excavation;

(2) trenching;

(3) grading; and

(4) site grading.

(b) **Masonry and concrete.** Masonry and concrete includes work in any of the following areas:

(1) drain systems;

(2) poured walls;

(3) slabs and poured-in-place footings;

(4) masonry walls;

(5) masonry fireplaces;

(6) masonry veneer; and

(7) water resistance and waterproofing.

(c) **Carpentry.** Carpentry includes work in any of the following areas:

(1) rough framing;

(2) finish carpentry;

(3) doors, windows, and skylights;

(4) porches and decks, excluding footings;

(5) wood foundations; and

(6) drywall installation, excluding taping and finishing.

(d) **Interior finishing.** Interior finishing includes work in any of the following areas:

(1) floor covering;

(2) wood floors;

(3) cabinet and counter top installation;

(4) insulation and vapor barriers;

(5) interior or exterior painting;

(6) ceramic, marble, and quarry tile;

(7) ornamental guardrail and installation of prefabricated stairs; and

(8) wallpapering.

(e) **Exterior finishing.** Exterior finishing includes work in any of the following areas:

(1) siding;

(2) soffit, fascia, and trim;

(3) exterior plaster and stucco;

(4) painting; and

(5) rain carrying systems, including gutters and down spouts.

(f) **Drywall and plaster.** Drywall and plaster includes work in any of the following areas:

(1) installation;

(2) taping;

(3) finishing;

(4) interior plaster;

(5) painting; and

(6) wallpapering.

(g) **Residential roofing.** Residential roofing includes work in any of the following areas:

(1) roof coverings;

(2) roof sheathing;

(3) roof weatherproofing and insulation; and

(4) repair of roof support system, but not construction of new roof support system.

(h) **General installation specialties.** Installation includes work in any of the following areas:

(1) garage doors and openers;

(2) pools, spas, and hot tubs;

(3) fireplaces and wood stoves;

(4) asphalt paving and seal coating; and

(5) ~~exterior plaster and stucco; and~~

~~(6)~~ ornamental guardrail and prefabricated stairs.

Sec. 7. Minnesota Statutes 2006, section 326.83, subdivision 20, is amended to read:

Subd. 20. **Specialty contractor.** "Specialty contractor" means a person in the business of contracting or offering to contract to build or improve residential real estate by providing only one special skill as defined in this section.

Sec. 8. Minnesota Statutes 2006, section 326.84, is amended to read:

326.84 LICENSING REQUIREMENTS.

Subdivision 1. **Persons required to be licensed.** A person who meets the definition of a residential building contractor as defined in section 326.83, subdivision 15, must be licensed as a residential building contractor by the commissioner. A person who meets the definition of a residential remodeler as defined in section 326.83, subdivision ~~16, or a residential building contractor as defined in section 326.83, subdivision 15, must be licensed as a residential building contractor or residential remodeler.~~ 16, must be licensed by the commissioner as a residential remodeler or residential building contractor. A person who meets the definition of a residential roofer as defined in section 5 must be licensed by the commissioner as a residential roofer, residential building contractor, or residential remodeler. A person who meets the definition of a manufactured home

installer as defined in section 327.31, subdivision 6, must be licensed as a manufactured home installer by the commissioner.

Subd. 1a. **Persons who may be licensed.** A person who meets the definition of a specialty contractor as defined in section 326.83, subdivision ~~20~~ 19, may be licensed by the commissioner as a residential building contractor or residential remodeler ~~unless required to be licensed by the state as a specialty contractor~~.

Subd. 1b. **Prohibition.** Except as provided in subdivision 3, no persons required to be licensed by subdivision 1 may act or hold themselves out as a residential building ~~contractors or~~ contractor, residential ~~remodelers~~ remodeler, residential roofer, or manufactured home installer for compensation without a ~~valid~~ license issued by the commissioner.

Subd. 1c. **Licensing criteria.** The examination and education requirements for licensure under sections 326.84 to ~~326.991~~ 326.98 must be fulfilled by a qualifying person designated by the potential licensee. If the qualifying person is a managing employee, the qualifying person must be an employee who is regularly employed by the licensee and is actively engaged in the business of residential contracting or residential remodeling on behalf of the licensee. For a sole proprietorship, the qualifying person must be the proprietor or managing employee. For a partnership, the qualifying person must be a general partner or managing employee. For a limited liability company, the qualifying person must be a chief manager or managing employee. For a corporation, the qualifying person must be ~~a chief executive officer~~ an owner, officer, or managing employee. A qualifying person for a corporation or limited liability company may act as ~~a~~ the qualifying person for ~~one additional corporation if one of the following conditions exists:~~

~~(1) there is a common ownership of at least 25 percent of each licensed corporation for which the person acts in a qualifying capacity; or~~

~~(2) one corporation is a subsidiary of another corporation for which the same person acts in a qualifying capacity. "Subsidiary," as used in this section, means a corporation of which at least 25 percent is owned by the parent corporation.~~ more than one corporation or limited liability company if there is common ownership of at least 25 percent among each of the licensed corporations or limited liability companies for which the person acts in the capacity of qualifying person.

Subd. 1d. **Required information.** (a) Each licensee or applicant for licensure shall provide to the commissioner a current street address and telephone number where the licensee resides, and a street address and telephone number where the licensee's business is physically located. A post office box address is not sufficient to satisfy this requirement.

Each licensee or applicant for licensure must notify the commissioner in writing of any change in the required information within 15 days of the change.

(b) Each licensee or applicant for licensure must notify the commissioner in writing upon any change in control, ownership, officers or directors, personal name, business name, license name, or qualifying person, within 15 days of the change.

(c) Each licensee or applicant for licensure must notify the commissioner in writing if the licensee or applicant for licensure is found to be a judgment debtor based upon conduct requiring licensure pursuant to sections 326.83 to 326.98 within 15 days of the finding.

(d) Each licensee or applicant for licensure must notify the commissioner in writing within 15 days of filing a petition for bankruptcy.

(e) Each licensee or applicant for licensure must notify the commissioner in writing within ten days if the licensee or applicant for licensure has been found guilty of a felony, gross misdemeanor, misdemeanor, or any comparable offense related to residential contracting, including convictions of fraud, misrepresentation, misuse of funds, theft, criminal sexual conduct, assault, burglary, conversion of funds, or theft of proceeds in this or any other state or any other United States jurisdiction.

Subd. 3. **Exemptions.** The license requirement does not apply to:

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

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

(3) an owner ~~or owners~~ of residential real estate who ~~build or improve~~ builds or improves any structure on residential real estate ~~and who do the work themselves or jointly with the owner's own~~, if the building or improving is performed by the owner's bona fide employees or by individual owners personally. This exemption does not apply to ~~a person who engages in a pattern of building or improving real estate for purposes of resale. Such a pattern is presumed to exist if the person constructs or improves more than one property within any 24-month period;~~ an owner who constructs or improves property for purposes of speculation if the building or improving is performed by the owner's bona fide employees or by individual owners personally. A residential building contractor or residential remodeler will be presumed to be building or improving for purposes of speculation if the contractor or remodeler constructs or improves more than one property within any 24-month period.

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

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

(6) a mechanical contractor;

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

(8) specialty contractors who provide only one special skill as defined in section 326.83;

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

~~(10) manufactured housing installers; and~~

~~(11)~~ (10) Habitat for Humanity and Builders Outreach Foundation, and their individual volunteers when engaged in activities on their behalf.

To qualify for the exemption in clause (5), a person must obtain a certificate of exemption from ~~licensing~~ licensure from the commissioner.

A certificate of exemption will be issued upon the applicant's filing with the commissioner, an affidavit stating that the applicant does not expect to exceed $15,000 in gross annual receipts derived from ~~contracting activities during the calendar year for which the exemption is requested~~ performing services which require licensure under this section.

To renew the exemption in clause (5), the applicant must file an affidavit stating that the applicant did not exceed $15,000 in gross annual receipts during the past calendar year~~, and the applicant does not expect to exceed $15,000 in gross annual receipts during the calendar year for which the exemption is requested~~.

If a person, operating under the exemption in clause (5), exceeds $15,000 in gross receipts during any calendar year, the person must immediately surrender the exemption certificate and apply for the appropriate license. The person must remain licensed until such time as the person's gross annual receipts during a calendar year fall below $15,000. The person may then apply for ~~this~~ an exemption for the next calendar year.

Sec. 9. Minnesota Statutes 2006, section 326.841, is amended to read:

326.841 MANUFACTURED HOME INSTALLERS.

(a) Manufactured home installers are subject to all of the requirements of sections 326.83 to 326.98, except for the following:

~~(1) manufactured home installers are not members of the advisory council under section 326.85;~~

~~(2)~~ (1) manufactured home installers are not subject to the continuing education requirements of section 326.87, but are subject to the continuing education requirements established in rules adopted under section 327B.10;

~~(3)~~ (2) the examination requirement of section 326.89, subdivision 3, for manufactured home installers shall be satisfied by successful completion of a written examination ~~designed~~ administered and developed specifically for the examination of manufactured home installers. The examination must be ~~designed~~ administered and developed by the commissioner ~~in conjunction with the state building code division~~. The commissioner and ~~State Building Code Division~~ the state building official shall seek advice on the grading, monitoring, and updating of examinations from the Minnesota Manufactured Housing Association;

~~(4) the amount of the bond required by section 326.94 shall be $2,500 for manufactured home installers;~~

~~(5)~~ (3) a local government unit may not place a surcharge on a license fee, and may not charge a separate fee to installers;

~~(6)~~ (4) a dealer or distributor who does not install or repair manufactured homes is exempt from licensure under sections 326.83 to 326.98; ~~and~~

~~(7)~~ (5) the exemption under section 326.84, subdivision 3, clause (5), does not apply~~.~~; and

(6) manufactured home installers are not subject to the contractor recovery fund in section 326.975.

(b) The commissioner may waive all or part of the requirements for licensure as a manufactured home installer for any individual who holds an unexpired license or certificate issued by any other state or other United States jurisdiction if the licensing requirements of that jurisdiction meet or exceed the corresponding licensing requirements of the department.

Sec. 10. Minnesota Statutes 2006, section 326.842, is amended to read:

326.842 RESIDENTIAL ROOFERS.

Residential roofers are subject to all of the requirements of sections 326.83 to 326.98 ~~and 326.991~~, except the recovery fund in section 326.975.

Sec. 11. Minnesota Statutes 2006, section 326.86, is amended to read:

326.86 FEES.

Subdivision 1. **Licensing fee.** The licensing fee for persons licensed pursuant to sections 326.83 to ~~326.991~~ 326.98 is $100 per year.

Subd. 2. **Local surcharge.** A local government unit may place a surcharge in an amount no greater than $5 on each land use, zoning, or building permit that requires a licensed residential building contractor, residential remodeler, ~~or specialty contractor~~ residential roofer, or manufactured home installer for the purpose of license verification. The local government may verify a license by telephone ~~or~~, facsimile ~~machine~~ or electronic communication. A local government unit shall not issue a land use, zoning, or building permit unless the required license has been verified and is current.

EFFECTIVE DATE. The amendments to subdivision 1 are effective July 1, 2007. The amendments to subdivision 2 are effective December 1, 2007.

Sec. 12. Minnesota Statutes 2006, section 326.87, is amended to read:

326.87 CONTINUING EDUCATION.

Subdivision 1. **Standards.** The commissioner~~, in consultation with the council,~~ may by rule adopt standards for continuing education requirements and course and instructor approval. The standards must include requirements for continuing education in the implementation of energy codes applicable to buildings and other building codes designed to conserve energy. ~~Except for the course content, the standards must be consistent with the standards established for real estate agents and other professions licensed by the Department of Commerce. At a minimum, the content of one hour of any required continuing education must contain information on lead abatement rules and safe lead abatement procedures.~~

Subd. 2. **Hours.** A qualifying person of a licensee must provide proof of completion of seven hours of continuing education per year in the regulated industry in which the licensee is licensed. ~~To the extent the commissioner considers it appropriate, courses or parts of courses may be considered to satisfy both continuing education requirements under this section and continuing real estate education requirements.~~

Credit may not be earned if the licensee has previously obtained credit for the same course as either a student or instructor during the same licensing period.

Subd. 3. **Accessibility.** To the extent possible, the commissioner shall ensure that continuing education courses are offered throughout the state and are easily accessible to all licensees.

Subd. 4. **Renewal of ~~accreditation~~ approval.** The commissioner is authorized to establish a procedure for renewal of course ~~accreditation~~ approval.

Subd. 5. **Content.** (a) Continuing education consists of approved courses that impart appropriate and related knowledge in the regulated industries pursuant to sections

326.83 to 326.98. The burden of demonstrating that courses impart appropriate and related knowledge is upon the person seeking approval or credit.

(b) Course examinations will not be required for continuing education courses unless they are required by the sponsor.

(c) Textbooks are not required to be used for continuing education courses. If textbooks are not used, the coordinator must provide students with a syllabus containing, at a minimum, the course title, the times and dates of the course offering, the names and addresses or telephone numbers of the course coordinator and instructor, and a detailed outline of the subject materials to be covered. Any written or printed material given to students must be of readable quality and contain accurate and current information.

(d) Upon completion of an approved course, licensees shall earn one hour of continuing education credit for each hour approved by the commissioner. Each continuing education course must be attended in its entirety in order to receive credit for the number of approved hours. Courses may be approved for full or partial credit, and for more than one regulated industry.

Continuing education credit in an approved course shall be awarded to presenting instructors on the basis of one credit for each hour of preparation for the initial presentation, which may not exceed three hours total credit for each approved course. Continuing education credit may not be earned if the licensee has previously obtained credit for the same course as a licensee or as an instructor within the three years immediately prior.

(e) The following courses will not be approved for credit:

(1) courses designed solely to prepare students for a license examination;

(2) courses in mechanical office or business skills, including typing, speed reading, or other machines or equipment. Computer courses are allowed, if appropriate and related to the regulated industry of the licensee;

(3) courses in sales promotion, including meetings held in conjunction with the general business of the licensee;

(4) courses in motivation, salesmanship, psychology, time management, or communication; or

(5) courses that are primarily intended to impart knowledge of specific products of specific companies, if the use of the product or products relates to the sales promotion or marketing of one or more of the products discussed.

Subd. 6. **Course approval.** (a) Courses must be approved by the commissioner in advance and will be approved on the basis of the applicant's compliance with the provisions of this section relating to continuing education in the regulated industries. The

commissioner shall make the final determination as to the approval and assignment of credit hours for courses. Courses must be at least one hour in length.

Individuals requesting credit for continuing education courses that have not been previously approved shall, on a form prescribed by the commissioner, submit an application for approval of continuing education credit accompanied by a nonrefundable fee of $10 for each course to be reviewed. To be approved, courses must be in compliance with the provisions of this section governing the types of courses that will and will not be approved.

Approval will not be granted for time spent on meals or other unrelated activities. Breaks may not be accumulated in order to dismiss the class early. Classes shall not be offered by a provider to any one student for longer than eight hours in one day, excluding meal breaks.

(b) Application for course approval must be submitted 30 days before the course offering.

(c) Approval must be granted for a subsequent offering of identical continuing education courses without requiring a new application if a notice of the subsequent offering is filed with the commissioner at least 30 days in advance of the date the course is to be held. The commissioner shall deny future offerings of courses if they are found not to be in compliance with the laws relating to course approval.

Subd. 7. **Courses open to all.** All course offerings must be open to any interested individuals. Access may be restricted by the sponsor based on class size only. Courses must not be approved if attendance is restricted to any particular group of people, except for company-sponsored courses allowed by applicable law.

Subd. 8. **Course coordinator.** (a) Each course of study shall have at least one coordinator, approved by the commissioner, who is responsible for supervising the program and ensuring compliance with all relevant law. Sponsors may engage an additional approved coordinator in order to assist the coordinator or to act as a substitute for the coordinator in the event of an emergency or illness.

(b) The commissioner shall approve as a coordinator a person meeting one or more of the following criteria:

(1) at least three years of full-time experience in the administration of an education program during the five-year period immediately before the date of application;

(2) a degree in education plus two years' experience during the immediately preceding five-year period in one of the regulated industries for which courses are being approved; or

(3) a minimum of five years' experience within the previous six years in the regulated industry for which courses are held.

Subd. 9. **Responsibilities.** A coordinator is responsible for:

(1) ensuring compliance with all laws and rules relating to continuing educational offerings governed by the commissioner;

(2) ensuring that students are provided with current and accurate information relating to the laws and rules governing their licensed activity;

(3) supervising and evaluating courses and instructors. Supervision includes ensuring that all areas of the curriculum are addressed without redundancy and that continuity is present throughout the entire course;

(4) ensuring that instructors are qualified to teach the course offering;

(5) furnishing the commissioner, upon request, with copies of course and instructor evaluations and qualifications of instructors. Evaluations must be completed by students at the time the course is offered and by coordinators within five days after the course offering;

(6) investigating complaints related to course offerings or instructors. A copy of the written complaint must be sent to the commissioner within ten days of receipt of the complaint and a copy of the complaint resolution must be sent not more than ten days after resolution is reached;

(7) maintaining accurate records relating to course offerings, instructors, tests taken by students if required, and student attendance for a period of three years from the date on which the course was completed. These records must be made available to the commissioner upon request. In the event that a sponsor ceases operation for any reason, the coordinator is responsible for maintaining the records or providing a custodian for the records acceptable to the commissioner. The coordinator must notify the commissioner of the name and address of that person. In order to be acceptable to the commissioner, custodians must agree to make copies of acknowledgments available to students at a reasonable fee. Under no circumstances will the commissioner act as custodian of the records;

(8) ensuring that the coordinator is available to instructors and students throughout course offerings and providing to the students and instructor the name of the coordinator and a telephone number at which the coordinator can be reached;

(9) attending workshops or instructional programs as reasonably required by the commissioner;

(10) providing course completion certificates within ten days of, but not before, completion of the entire course. Course completion certificates must be completed in their entirety. Course completion certificates must contain the following statement: "If

you have any comments about this course offering, please mail them to the Minnesota Department of Labor and Industry." The current address of the department must be included. A coordinator may require payment of the course tuition as a condition for receiving the course completion certificate; and

(11) notifying the commissioner in writing within ten days of any change in the information in an application for approval on file with the commissioner.

Subd. 10. **Instructors.** (a) Each continuing education course shall have an instructor who is qualified by education, training, or experience to ensure competent instruction. Failure to have only qualified instructors teach at an approved course offering will result in loss of course approval. Coordinators are responsible to ensure that an instructor is qualified to teach the course offering.

(b) Qualified continuing education instructors must have one of the following qualifications:

(1) a four-year degree in any area plus two years' practical experience in the subject area being taught;

(2) five years' practical experience in the subject area being taught; or

(3) a college or graduate degree in the subject area being taught.

(c) Approved instructors are responsible for:

(1) compliance with all laws and rules relating to continuing education;

(2) providing students with current and accurate information;

(3) maintaining an atmosphere conducive to learning in the classroom;

(4) verifying attendance of students, and certifying course completion;

(5) providing assistance to students and responding to questions relating to course materials; and

(6) attending the workshops or instructional programs that are required by the commissioner.

Subd. 11. **Prohibited practices for coordinators and instructors.** (a) In connection with an approved continuing education course, coordinators and instructors shall not:

(1) recommend or promote the services or practices of a particular business;

(2) encourage or recruit individuals to engage the services of, or become associated with, a particular business;

(3) use materials, clothing, or other evidences of affiliation with a particular entity;

(4) require students to participate in other programs or services offered by the instructor, coordinator, or sponsor;

(5) attempt, either directly or indirectly, to discover questions or answers on an examination for a license;

(6) disseminate to any other person specific questions, problems, or information known or believed to be included in licensing examinations;

(7) misrepresent any information submitted to the commissioner;

(8) fail to cover, or ensure coverage of, all points, issues, and concepts contained in the course outline approved by the commissioner during the approved instruction; or

(9) issue inaccurate course completion certificates.

(b) Coordinators shall notify the commissioner within ten days of a felony or gross misdemeanor conviction or of disciplinary action taken against an occupational or professional license held by the coordinator or an instructor teaching an approved course. The notification shall be grounds for the commissioner to withdraw the approval of the coordinator and to disallow the use of the instructor.

Subd. 12. **Fees.** Fees for an approved course of study and related materials must be clearly identified to students. In the event that a course is canceled for any reason, all fees must be returned within 15 days from the date of cancellation. In the event that a course is postponed for any reason, students shall be given the choice of attending the course at a later date or having their fees refunded in full within 15 days from the date of postponement. If a student is unable to attend a course or cancels the registration in a course, sponsor policies regarding refunds shall govern.

Subd. 13. **Facilities.** Each course of study must be conducted in a classroom or other facility that is adequate to comfortably accommodate the instructors and the number of students enrolled. The sponsor may limit the number of students enrolled in a course. Approved courses may be held on the premises of a company doing business in the regulated area only when the company is sponsoring the course offering, or where product application is appropriate and related.

Subd. 14. **Supplementary materials.** An adequate supply of supplementary materials to be used or distributed in connection with an approved course must be available at the time and place of the course offering in order to ensure that each student receives all of the necessary materials. Outlines and any other materials that are reproduced must be of readable quality.

Subd. 15. **Advertising courses.** (a) Paragraphs (b) to (g) govern the advertising of continuing education courses.

(b) Advertising must be truthful and not deceptive or misleading. Courses may not be advertised in any manner as approved unless approval has been granted in writing by the commissioner.

(c) No advertisement, pamphlet, circular, or other similar materials pertaining to an approved offering may be circulated or distributed in this state, unless the following statement is prominently displayed:

"This course has been approved by the Minnesota Department of Labor and Industry for ..... (approved number of hours) hours for continuing ..... (relevant industry) education."

(d) Advertising of approved courses must be clearly distinguishable from the advertisement of other nonapproved courses and services.

(e) Continuing education courses may not be advertised before approval unless the course is described in the advertising as "approval pending" and an application for approval has been timely submitted to the commissioner and a denial has not been received.

(f) The number of hours for which a course has been approved must be prominently displayed on an advertisement for the course. If the course offering is longer than the number of hours of credit to be given, it must be clear that credit is not earned for the entire course.

(g) The course approval number must not be included in any advertisement.

Subd. 16. **Notice to students.** At the beginning of each approved offering, the following notice must be handed out in printed form or must be read to students:

"This educational offering is recognized by the Minnesota Department of Labor and Industry as satisfying ..... (insert number of hours approved) hours of credit toward continuing ..... (insert appropriate industry) education requirements."

Subd. 17. **Audits.** The commissioner reserves the right to audit subject offerings with or without notice to the sponsor.

Subd. 18. **Falsification of reports.** A licensee, its qualified person, or an applicant found to have falsified an education report to the commissioner shall be considered to have violated the laws relating to the industry for which the person has a license and shall be subject to censure, limitation, condition, suspension, or revocation of the license or denial of the application for licensure.

The commissioner reserves the right to audit a licensee's continuing education records.

Subd. 19. **Waivers and extensions.** If a licensee provides documentation to the commissioner that the licensee or its qualifying person is unable, and will continue to be unable, to attend actual classroom course work because of a physical disability, medical condition, or similar reason, attendance at continuing education courses shall be waived for a period not to exceed one year. The commissioner shall require that the licensee or its qualifying person satisfactorily complete a self-study program to include reading a

sufficient number of textbooks, or listening to a sufficient number of tapes, related to the regulated industry, as would be necessary for the licensee to satisfy continuing educational credit hour needs. The commissioner shall award the licensee credit hours for a self-study program by determining how many credit hours would be granted to a classroom course involving the same material and giving the licensee the same number of credit hours under this part. The licensee may apply each year for a new waiver upon the same terms and conditions as were necessary to secure the original waiver, and must demonstrate that in subsequent years, the licensee was unable to complete actual classroom course work. The commissioner may request documentation of the condition upon which the request for waiver is based as is necessary to satisfy the commissioner of the existence of the condition and that the condition does preclude attendance at continuing education courses.

Upon written proof demonstrating a medical hardship, the commissioner shall extend, for up to 90 days, the time period during which the continuing education must be successfully completed. Loss of income from either attendance at courses or cancellation of a license is not a bona fide financial hardship. Requests for extensions must be submitted to the commissioner in writing no later than 60 days before the education is due and must include an explanation with verification of the hardship, plus verification of enrollment at an approved course of study on or before the extension period expires.

Subd. 20. **Reporting requirements.** Required continuing education must be reported in a manner prescribed by the commissioner. Licensees are responsible for maintaining copies of course completion certificates.

Subd. 21. **Residential building contractor, residential remodeler, and residential roofer education.** (a) Each licensee must, during the licensee's first complete continuing education reporting period, complete and report one hour of continuing education relating to lead abatement rules in safe lead abatement procedures.

(b) Each licensee must, during each continuing education reporting period, complete and report one hour of continuing education relating to energy codes for buildings and other building codes designed to conserve energy.

Subd. 22. **Continuing education approval.** (a) Continuing education courses must be approved in advance by the commissioner of labor and industry. "Sponsor" means any person or entity offering approved education.

(b) For coordinators with an initial approval date before August 1, 2005, approval will expire on December 31, 2005. For courses with an initial approval date on or before December 31, 2000, approval will expire on April 30, 2006. For courses with an initial approval date after January 1, 2001, but before August 1, 2005, approval will expire on April 30, 2007.

Subd. 23. **Continuing education fees.** The following fees shall be paid to the commissioner:

(1) initial course approval, $10 for each hour or faction of one hour of continuing education course approval sought. Initial course approval expires on the last day of the 24th month after the course is approved;

(2) renewal of course approval, $10 per course. Renewal of course approval expires on the last day of the 24th month after the course is renewed;

(3) initial coordinator approval, $100. Initial coordinator approval expires on the last day of the 24th month after the coordinator is approved; and

(4) renewal of coordinator approval, $10. Renewal of coordinator approval expires on the last day of the 24th month after the coordinator is renewed.

Subd. 24. **Refunds.** All fees paid to the commissioner under this section are nonrefundable, except that an overpayment of a fee shall be returned upon proper application.

Sec. 13. Minnesota Statutes 2006, section 326.88, is amended to read:

326.88 LOSS OF QUALIFYING PERSON.

Upon the departure or disqualification of a licensee's qualifying person because of death, disability, retirement, position change, or other reason, the licensee must notify the commissioner within 15 business days. The licensee shall have 120 days from the departure of the qualifying person to obtain a new qualifying person. Failure to secure a new qualifying person within 120 days will, with or without notice, result in the automatic termination of the license.

Sec. 14. Minnesota Statutes 2006, section 326.89, is amended to read:

326.89 APPLICATION AND EXAMINATION.

Subdivision 1. **Form.** An applicant for a license under sections 326.83 to 326.98 must submit an application ~~to the commissioner~~, under oath and accompanied by the license fee required by section 326.86, on a form prescribed by the commissioner. Within 30 business days of receiving all required information, the commissioner must act on the license request. If one of the categories in the application does not apply, the applicant must identify the category and state the reason the category does not apply. The commissioner may refuse to issue a license if the application is not complete or contains unsatisfactory information.

Subd. 2. **Contents.** ~~The~~ Each application must include the following information regarding the applicant:

(1) Minnesota workers' compensation insurance certificate;

(2) employment insurance account number;

(3) certificate of liability insurance;

(4) type of license requested;

(5) name ~~and~~, current address ~~of the applicant:~~, and telephone number where the applicant resides;

~~(i)~~ (6) name and address of the applicant's qualifying person, if other than applicant; and

~~(ii)~~ (7) if the applicant is a sole proprietorship, the name and address of the sole proprietor; if the applicant is a partnership, the name and address of each partner; if the applicant is a limited liability company, the name and address of each governor and manager; if the applicant is a corporation, the name and address of each of the corporate officers, directors, and all shareholders holding more than ten percent of the outstanding stock in the corporation;

(8) name and address of the applicant's agent in this state authorized to receive service of process, and a consent to service of process as required by section 326.93;

(9) current street address and telephone number where the business is physically located;

~~(6)~~ (10) whether the applicant, any employee, or qualifying person has ever been licensed in this or any other state and has had a professional or vocational license reprimanded, censured, limited, conditioned, refused, suspended, or revoked, or has been the subject of any administrative action;

~~(7)~~ (11) whether the applicant, qualifying person, or any of the applicant's corporate or partnership directors, limited liability company governors, officers, limited or general partners, managers, all shareholders holding more than ten percent of the share of the corporation that have been issued, or all members holding more than ten percent of the voting power of the membership interests that have been issued, has been convicted of a crime that either related directly to the business for which the license is sought or involved fraud, misrepresentation, or misuse of funds; has suffered a judgment in a civil action involving fraud, misrepresentation, construction defect, negligence, ~~or~~ breach of contract, or conversion of funds within the ten years prior to the submission of the application; or has had any government license or permit reprimanded, censured, limited, conditioned, suspended, or revoked as a result of an action brought by a federal, state, or local governmental unit or agency in this or any other state;

~~(8)~~ (12) the applicant's and qualifying person's business history for the past five years and whether the applicant, ~~any~~ a managing employee, or qualifying person has ever

filed for bankruptcy or protection from creditors or has any unsatisfied judgments against the applicant, employee, or qualifying person;

~~(9)~~ (13) where the applicant is a firm, partnership, sole proprietorship, limited liability company, corporation, or association, whether there has been a sale or transfer of the business or other change in ownership, control, or name in the last five years and the details thereof, and the names and addresses of all prior, predecessor, subsidiary, affiliated, parent, or related entities, and whether each such entity, or its owners, officers, directors, members or shareholders holding more than ten percent of the stock, or an employee has ever taken or been subject to an action that is subject to clause ~~(6), (7), or (8)~~ (10), (11), or (12) in the last ten years; and

~~(10)~~ (14) whether the qualifying person is the qualifying person for more than one licensee.

For purposes of this subdivision, "applicant" includes employees who exercise management or policy control over the residential contracting ~~and remodeling~~, residential remodeling, residential roofing, or manufactured home installation activities in the state of Minnesota, including affiliates, partners, directors, governors, officers, limited or general partners, managers, all shareholders holding more than ten percent of the shares that have been issued, a shareholder holding more than ten percent of the voting power of the shares that have been issued, or all members holding more than ten percent of the membership interests that have been issued or more than ten percent of the voting power of the membership interests that have been issued.

The commissioner may require further information as the commissioner deems appropriate to administer the provisions and further the purposes of this chapter.

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

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

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

(b) Each examination must be designed for the specified type of license requested. ~~The council shall advise the commissioner on the grading, monitoring, and updating of examinations.~~

(c) ~~A person's~~ An individual's passing examination results expire two years from the examination date. ~~A person~~ An individual who passes the examination but does not choose to apply to act as a qualifying person for a licensee within two years from the examination date, must, upon application provide:

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

(2) proof that the person has fulfilled the continuing education requirements in section 326.87 in the manner required for a qualifying person of a licensee for each license period after the expiration of the examination results.

~~Subd. 4. **Competency skills.** The commissioner shall, in consultation with the council, determine the competency skills and installation knowledge required for the licensing of specialty contractors.~~

Subd. 5. **Exemption.** A general retailer whose primary business is not being a residential building contractor, residential remodeler, ~~or specialty contractor~~ residential roofer, or manufactured home installer, and who has completed a ~~comparable~~ license examination meeting or exceeding Minnesota's examination requirements in another state is exempt from ~~subdivisions~~ subdivision 3 ~~and 4~~ and sections 326.87 and 326.88.

Subd. 6. **Additional licensing requirements.** As an alternative to denying an application for licensure pursuant to section 326.91, subdivision 1, the commissioner may, as a condition of licensure and based upon information received pursuant to section 326.89, subdivision 2, clauses (6) to (8), or a finding pursuant to section 326.91, subdivision 1, clauses (1) to (9), impose additional insurance, bonding, reporting, record keeping, and other requirements on the applicant as are reasonable to protect the public.

Subd. 7. **License.** A nonresident of Minnesota may be licensed as a residential building contractor, residential remodeler, residential roofer, or manufactured home installer upon compliance with all the provisions of sections 326.83 to 326.98.

Sec. 15. Minnesota Statutes 2006, section 326.90, subdivision 1, is amended to read:

Subdivision 1. **Local license prohibited.** Except as provided in sections 326.90, subdivision 2, ~~and 326.991,~~ a political subdivision may not require a person licensed under sections 326.83 to ~~326.991~~ 326.98 to also be licensed or pay a registration or other fee related to licensure under any ordinance, law, rule, or regulation of the political subdivision. This section does not prohibit charges for building permits or other charges not directly related to licensure.

Sec. 16. Minnesota Statutes 2006, section 326.91, subdivision 1, is amended to read:

Subdivision 1. ~~Cause~~ **Grounds.** ~~The commissioner may by order deny, suspend, or revoke any license or may censure a licensee, and may impose a civil penalty as provided for in section 45.027, subdivision 6, if the commissioner finds that the order is in the public interest, and that the applicant, licensee, or affiliate of an applicant or licensee, or other agent, owner, partner, director, governor, shareholder, member, officer, qualifying person, or managing employee of the applicant or licensee or any person occupying a similar status or performing similar functions:~~ In addition to the grounds set forth in section 326B.082, subdivision 11, the commissioner may deny, suspend, limit, place conditions on, or revoke a license or certificate of exemption, or may censure the person holding the license or certificate of exemption, if the applicant, licensee, certificate of exemption holder, qualifying person, or affiliate of an applicant, licensee, or certificate of exemption holder, or other agent owner has:

(1) has filed an application for ~~a license~~ licensure or a certificate of exemption which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it is made, is false or misleading with respect to any material fact;

(2) has engaged in a fraudulent, deceptive, or dishonest practice;

(3) is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the business;

(4) has failed to reasonably supervise employees, agents, subcontractors, or salespersons, or has performed negligently or in breach of contract, so as to cause injury or harm to the public;

(5) has violated or failed to comply with any provision of sections 326.83 to 326.98 ~~or~~, any rule or order under sections 326.83 to 326.98 or any other law, rule, or order related to the duties and responsibilities entrusted to the commissioner;

~~(6) has been shown to be incompetent, untrustworthy, or financially irresponsible;~~

~~(7)~~ (6) has been convicted of a violation of the State Building Code or~~, in jurisdictions that do not enforce the State Building Code,~~ has refused to comply with a notice of violation or stop order issued by a certified building official, or in local jurisdictions that have not adopted the State Building Code has refused to correct a violation of the State Building Code when the violation has been ~~certified~~ documented or a notice of violation or stop order issued by a ~~Minnesota licensed structural engineer~~ certified building official has been received;

~~(8)~~ (7) has failed to use the proceeds of any payment made to the licensee for the construction of, or any improvement to, residential real estate, as defined in section 326.83,

subdivision 17, for the payment of labor, skill, material, and machinery contributed to the construction or improvement, knowing that the cost of any labor performed, or skill, material, or machinery furnished for the improvement remains unpaid;

~~(9)~~ (8) has not furnished to the person making payment either a valid lien waiver as to any unpaid labor performed, or skill, material, or machinery furnished for an improvement, or a payment bond in the basic amount of the contract price for the improvement conditioned for the prompt payment to any person or persons entitled to payment;

~~(10) has engaged in conduct which was the basis for a contractor's recovery fund payment pursuant to section 326.975, which payment has not been reimbursed;~~ (9) has engaged in an act or practice that results in compensation to an aggrieved owner or lessee from the contractor recovery fund pursuant to section 36B.825, unless:

(i) the applicant or licensee has repaid the fund twice the amount paid from the fund, plus interest at the rate of 12 percent per year; and

(ii) the applicant or licensee has obtained a surety bond in the amount of at least $40,000, issued by an insurer authorized to transact business in this state.

~~(11)~~ (10) has engaged in bad faith, unreasonable delays, or frivolous claims in defense of a civil lawsuit or arbitration arising out of their activities as a licensee or certificate of exemption holder under this chapter;

~~(12)~~ (11) has had a judgment entered against them for failure to make payments to employees ~~or~~, subcontractors, or suppliers, that the licensee has failed to satisfy and all appeals of the judgment have been exhausted or the period for appeal has expired;

~~(13)~~ (12) if unlicensed, has obtained a building permit by the fraudulent use of a fictitious license number or the license number of another, or, if licensed, has knowingly allowed an unlicensed person to use the licensee's license number for the purpose of fraudulently obtaining a building permit; or has applied for or obtained a building permit for an unlicensed person.

~~(14)~~ (13) has made use of a forged ~~mechanics'~~ mechanic's lien ~~waivers~~ waiver under chapter 514~~.~~;

(14) has provided false, misleading or incomplete information to the commissioner or has refused to allow a reasonable inspection of records or premises;

(15) has engaged in an act or practice whether or not the act or practice directly involves the business for which the person is licensed, that demonstrates that the applicant or licensee is untrustworthy, financially irresponsible, or otherwise incompetent or unqualified to act under the license granted by the commissioner; or

(16) has failed to comply with requests for information, documents, or other requests from the department within the time specified in the request or, if no time is specified, within 30 days of the mailing of the request by the department.

Sec. 17. Minnesota Statutes 2006, section 326.92, is amended to read:

326.92 PENALTIES.

~~Subdivision 1. **Misdemeanor.** A person required to be licensed under sections 326.83 to 326.991 who performs unlicensed work is guilty of a misdemeanor.~~

Subd. 1a. **Gross misdemeanor.** ~~A person required to be licensed under sections 326.84 to 326.991 who violates an order under subdivision 3~~ An individual who violates an order of the commissioner or is the manager, officer, or director of a person who violates an order issued by the commissioner is guilty of a gross misdemeanor.

Subd. 2. **Lien rights.** An unlicensed person who knowingly violates sections 326.83 to 326.98 has no right to claim a lien under section 514.01 and the lien is void. Nothing in this section affects the lien rights of material suppliers and licensed contractors to the extent provided by law.

~~Subd. 3. **Commissioner action.** The commissioner may bring actions, including cease and desist actions, against any person licensed or required to be licensed under sections 326.83 to 326.991 to protect the public health, safety, and welfare.~~

Sec. 18. Minnesota Statutes 2006, section 326.921, is amended to read:

326.921 BUILDING PERMIT CONDITIONED ON LICENSURE; NOTICE OF PERMIT APPLICATION.

Subdivision 1. **Building permit.** A political subdivision shall not issue a building permit to an unlicensed person who is required to be licensed under sections 326.83 to ~~326.991~~ 326.98. A political subdivision that issues zoning or land use permits in lieu of a building permit shall not issue those permits to an unlicensed person who is required to be licensed under sections 326.83 to ~~326.991~~ 326.98. The political subdivision shall report the person applying for the permit to the commissioner who may bring an action against the person.

Subd. 2. **Notice of building permit application.** A political subdivision shall notify the department when an application for building permit involving the construction of new residential real estate has been received from an unlicensed person by submitting a copy of the application to the department within two business days of receipt of the application. The political subdivision may submit a copy of the building permit application by facsimile, United States mail, or electronic communication.

Sec. 19. Minnesota Statutes 2006, section 326.93, is amended to read:

326.93 SERVICE OF PROCESS~~; NONRESIDENT LICENSING~~.

~~Subdivision 1. **License.** A nonresident of Minnesota may be licensed as a residential building contractor or residential remodeler upon compliance with all the provisions of sections 326.83 to 326.991.~~

~~Subd. 2. **Service of process.** Service of process upon a person performing work in the state of a type that would require a license under sections 326.83 to 326.98 may be made as provided in section 45.028.~~

Subd. 3. **Procedure.** Every applicant for licensure or certificate of exemption under sections 326.83 to 326.98 shall irrevocably consent to the appointment of the commissioner and successors in office to be the applicant's agent to receive service of any lawful process in any noncriminal suit, action, or proceeding against the applicant or a successor, executor, or administrator which arises under section 326.83 to 326.98 or any rule or order thereunder after the consent has been filed, with the same force and validity as if served personally on the person filing the consent. Service under this section shall be made in compliance with subdivision 5.

Subd. 4. **Service on commissioner.** (a) When a person, including any nonresident of this state, engages in conduct prohibited or made actionable by sections 326.83 to 326.98, or any rule or order under those sections, and the person has not consented to service of process under subdivision 3, that conduct is equivalent to an appointment of the commissioner and successors in office as the person's agent to receive service of process in any noncriminal suit, action, or proceeding against the person that is based on that conduct and is brought under sections 326.83 to 326.98, or any rule or order under those sections, with the same force and validity as if served personally on the person consenting to the appointment of the commissioner and successors in office. Service under this section shall be made in compliance with subdivision 5.

(b) Subdivision 5 applies in all other cases in which a person, including a nonresident of this state, has filed a consent to service of process. This paragraph supersedes any inconsistent provision of law.

(c) Subdivision 5 applies in all cases in which service of process is allowed to be made on the commissioner.

(d) Subdivision 5 applies to any document served by the commissioner or the department under section 326B.08.

Subd. 5. **How made.** Service of process under this section may be made by leaving a copy of the process in the office of the commissioner, or by sending a copy of the process to the commissioner by certified mail, and is not effective unless:

(1) the plaintiff, who may be the commissioner in an action or proceeding instituted by the commissioner, sends notice of the service and a copy of the process by certified mail to the defendant or respondent at the last known address; and

(2) the plaintiff's affidavit of compliance is filed in the action or proceeding on or before the return day of the process, if any, or within further time as the court allows.

Sec. 20. Minnesota Statutes 2006, section 326.94, is amended to read:

326.94 BOND; INSURANCE.

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

(b) A licensed residential roofer must post a bond of at least ~~$5,000~~ $15,000.

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

Bonds issued under sections 326.83 to 326.98 are not state bonds or contracts for purposes of sections 8.05 and 16C.05, subdivision 2.

Subd. 2. **Insurance.** Licensees must have public liability insurance with limits of at least ~~$100,000~~ $300,000 per occurrence, which must include at least $10,000 property damage coverage. The insurance must be written by an insurer licensed to do business in this state. The commissioner may increase the minimum amount of insurance required for any licensee or class of licensees if the commissioner considers it to be in the public interest and necessary to protect the interests of Minnesota consumers.

Sec. 21. Minnesota Statutes 2006, section 326.95, subdivision 2, is amended to read:

Subd. 2. **Advertising.** The license number of a licensee must appear in any advertising by that licensee including but not limited to signs, vehicles, business cards, published display ads, flyers, ~~and~~ brochures, Web sites, and Internet ads.

Sec. 22. Minnesota Statutes 2006, section 326.96, is amended to read:

326.96 PUBLIC EDUCATION.

The commissioner may develop materials and programs to educate the public concerning ~~licensing~~ licensure requirements ~~and methods~~. The commissioner may develop materials for reporting unlicensed contracting activity. The commissioner shall provide information in other languages.

Sec. 23. Minnesota Statutes 2006, section 326.97, is amended to read:

326.97 LICENSE RENEWAL.

Subdivision 1. **Renewal.** ~~Licensees~~ A licensee whose ~~applications have~~ fully completed renewal application has been properly and timely filed and who ~~have~~ has not received a notice of denial of renewal ~~are~~ is considered to have been approved for renewal and may continue to transact business whether or not the renewed license has been received. Applications are timely if received ~~or postmarked~~ by March 1 of the renewal year. Applications must be made on a form approved by the commissioner. An application for renewal that does not contain all of the information requested is an incomplete application and will not be processed.

Subd. 1a. **Annual renewal.** Any license issued or renewed after August 1, 1993, must be renewed annually.

Subd. 2. **Failure to ~~apply~~ renew.** A person who has failed to make a timely application for renewal of a license ~~by March 31 of the renewal year~~ is unlicensed at 11:59:59 p.m. central time on March 31 of the renewal year and remains unlicensed until ~~the~~ a renewed license has been issued by the commissioner and is received by the applicant.

Subd. 3. **Expiration.** All licenses expire at 11:59:59 p.m. central time on March 31 of the renewal year if not properly renewed.

Sec. 24. **[326B.801] SCOPE.**

Except as otherwise provided by law, the provisions of sections 326B.801 to 326B.825 apply to residential contractors, residential remodelers, residential roofers, and manufactured home installers.

Sec. 25. **[326B.809] WRITTEN CONTRACT REQUIRED.**

(a) All agreements including proposals, estimates, bids, quotations, contracts, purchase orders, and change orders between a licensee and a customer for the performance of a licensee's services must be in writing and must contain the following:

(1) a detailed summary of the services to be performed;

(2) a description of the specific materials to be used or a list of standard features to be included; and

(3) the total contract price or a description of the basis on which the price will be calculated.

(b) All agreements shall be signed and dated by the licensee and customer.

(c) The licensee shall provide to the customer, at no charge, a signed and dated document at the time that the licensee and customer sign and date the document. Documents include agreements and mechanic's lien waivers.

Sec. 26. **[326B.814] REHABILITATION OF CRIMINAL OFFENDERS.**

Chapter 364 does not apply to an applicant for a license or to a licensee where the underlying conduct on which the conviction is based would be grounds for denial, censure, suspension, or revocation of the license.

Sec. 27. **[326B.82] DEFINITIONS.**

Subdivision 1. **Words, terms, and phrases.** For the purposes of section 326.87, the terms defined in this section have the meanings given them, unless the context clearly indicates otherwise.

Subd. 2. **Appropriate and related knowledge.** "Appropriate and related knowledge" means facts, information, or principles that are clearly relevant to the licensee in performing responsibilities under a license issued by the commissioner. These facts, information, or principles must convey substantive and procedural knowledge as it relates to postlicensing issues and must be relevant to the technical aspects of a particular area of continuing education.

Subd. 3. **Classroom hour.** "Classroom hour" means a 50-minute hour.

Subd. 4. **Coordinator.** "Coordinator" means an individual who is responsible for monitoring approved educational offerings.

Subd. 5. **Instructor.** "Instructor" means an individual lecturing in an approved educational offering.

Subd. 6. **Licensee.** "Licensee" means a person licensed by the Minnesota Department of Labor and Industry for whom an examination is required before licensure.

Subd. 7. **Medical hardship.** "Medical hardship" includes a documented physical disability or medical condition.

Subd. 8. **Overpayment.** "Overpayment" means any payment of money in excess of a statutory fee.

Subd. 9. **Regulated industries.** "Regulated industries" means residential contracting, residential remodeling, or residential roofing. Each of these is a regulated industry.

Subd. 10. **Sponsor.** "Sponsor" means any person or entity offering or providing approved continuing education.

Sec. 28. **[326B.89] CONTRACTOR RECOVERY FUND.**

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

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

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

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

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

Subd. 2. **Generally.** The contractor recovery fund is created in the state treasury and shall be administered by the commissioner for the purposes described in this section. Any interest or profit accruing from investment of money in the fund shall be credited to the contractor recovery fund.

Subd. 3. **Fund fees.** In addition to any other fees, a person who applies for or renews a license under sections 326.83 to 326.98 shall pay a fee to the fund. The person shall pay, in addition to the appropriate application or renewal fee, the following additional fee that shall be deposited in the fund. The amount of the fee shall be based on the person's gross annual receipts for the person's most recent fiscal year preceding the application or renewal, on the following scale:

Fee	Gross Annual Receipts
$160	under $1,000,000
$210	$1,000,000 to $5,000,000
$260	over $5,000,000

Subd. 4. **Purpose of fund.** The purpose of this fund is to:

(1) compensate owners or lessees of residential real estate who meet the requirements of this section;

(2) reimburse the department for all legal and administrative expenses, disbursements, and costs, including staffing costs, incurred in administering and defending the fund;

(3) pay for educational or research projects in the field of residential contracting to further the purposes of sections 326B.801 to 326B.825; and

(4) provide information to the public on residential contracting issues.

Subd. 5. **Payment limitations.** Except as otherwise provided in this section, the commissioner shall not pay compensation from the fund to an owner or a lessee in an amount greater than $75,000. Except as otherwise provided in this section, the commissioner shall not pay compensation from the fund to owners and lessees in an amount that totals more than $150,000 per licensee. The commissioner shall not pay compensation from the fund for a final judgment based on a cause of action that arose before the commissioner's receipt of the licensee's fee required by subdivision 3.

Subd. 6. **Verified application.** To be eligible for compensation from the fund, an owner or lessee shall serve on the commissioner a verified application for compensation on a form approved by the commissioner. The application shall verify the following information:

(1) the specific grounds upon which the owner or lessee seeks to recover from the fund:

(2) that the owner or the lessee has obtained a final judgment in a court of competent jurisdiction against a licensee licensed under section 326B.803;

(3) that the final judgment was obtained against the licensee on the grounds of fraudulent, deceptive, or dishonest practices, conversion of funds, or failure of performance that arose directly out of a transaction that occurred when the licensee was licensed and performing any of the special skills enumerated under section 326B.802, subdivision 19;

(4) the amount of the owner's or the lessee's actual and direct out-of-pocket loss on the owner's residential real estate, on residential real estate leased by the lessee, or on new residential real estate that has never been occupied or that was occupied by the licensee for less than one year prior to purchase by the owner;

(5) that the residential real estate is located in Minnesota;

(6) that the owner or the lessee is not the spouse of the licensee or the personal representative of the licensee;

(7) the amount of the final judgment, any amount paid in satisfaction of the final judgment, and the amount owing on the final judgment as of the date of the verified application; and

(8) that the verified application is being served within two years after the judgment became final.

The owner's and the lessee's actual and direct out-of-pocket loss shall not include attorney fees, interest on the loss, and interest on the final judgment obtained as a result of

the loss. An owner or lessee may serve a verified application regardless of whether the final judgment has been discharged by a bankruptcy court. A judgment issued by a court is final if all proceedings on the judgment have either been pursued and concluded or been forgone, including all reviews and appeals. For purposes of this section, owners who are joint tenants or tenants in common are deemed to be a single owner. For purposes of this section, owners and lessees eligible for payment of compensation from the fund shall not include government agencies, political subdivisions, financial institutions, and any other entity that purchases, guarantees, or insures a loan secured by real estate.

Subd. 7. **Commissioner review.** The commissioner shall within 120 days after receipt of the verified application:

(1) enter into an agreement with an owner or a lessee that resolves the verified application for compensation from the fund; or

(2) issue an order to the owner or the lessee accepting, modifying, or denying the verified application for compensation from the fund.

Upon receipt of an order issued under clause (2), the owner or the lessee shall have 30 days to serve upon the commissioner a written request for a hearing. If the owner or the lessee does not serve upon the commissioner a timely written request for hearing, the order issued under clause (2) shall become a final order of the commissioner that may not be reviewed by any court or agency. The commissioner shall order compensation from the fund only if the owner or the lessee has filed a verified application that complies with subdivision 6 and if the commissioner determines based on review of the application that compensation should be paid from the fund. The commissioner shall not be bound by any prior settlement, compromise, or stipulation between the owner or the lessee and the licensee.

Subd. 8. **Administrative hearing.** If an owner or a lessee timely serves a request for hearing under subdivision 7, the commissioner shall request that an administrative law judge be assigned and that a hearing be conducted under the contested case provisions of chapter 14 within 30 days after the service of the request for hearing upon the commissioner. Upon petition of the commissioner, the administrative law judge shall continue the hearing up to 60 days and upon a showing of good cause may continue the hearing for such additional period as the administrative law judge deems appropriate. At the hearing the owner or the lessee shall have the burden of proving by substantial evidence under subdivision 6, clauses (1) to (8). The administrative law judge shall issue findings of fact, conclusions of law, and order. If the administrative law judge finds that compensation should be paid to the owner or the lessee, the administrative law judge shall order the commissioner to make payment from the fund of the amount it finds to be

payable pursuant to the provisions of and in accordance with the limitations contained in this section. The order of the administrative law judge shall constitute the final decision of the agency in the contested case. Judicial review of the administrative law judge's findings of fact, conclusions of law, and order shall be in accordance with sections 14.63 to 14.69.

Subd. 9. **Satisfaction of applications for compensation.** The commissioner shall pay compensation from the fund to an owner or a lessee pursuant to the terms of an agreement that has been entered into under subdivision 7, clause (1), or pursuant to a final order that has been issued under subdivision 7, clause (2), or subdivision 8 by December 1 of the fiscal year following the fiscal year during which the agreement was entered into or during which the order became final, subject to the limitations of this section. At the end of each fiscal year the commissioner shall calculate the amount of compensation to be paid from the fund pursuant to agreements that have been entered into under subdivision 7, clause (1), and final orders that have been issued under subdivision 7, clause (2), or subdivision 8. If the calculated amount exceeds the amount available for payment, then the commissioner shall allocate the amount available among the owners and the lessees in the ratio that the amount agreed to or ordered to be paid to each owner or lessee bears to the amount calculated. The commissioner shall mail notice of the allocation to all owners and lessees not less than 45 days following the end of the fiscal year. Any compensation paid by the commissioner in accordance with this subdivision shall be deemed to satisfy and extinguish any right to compensation from the fund based upon the verified application of the owner or lessee.

Subd. 10. **Right of subrogation.** If the commissioner pays compensation from the fund to an owner or a lessee pursuant to an agreement under subdivision 7, clause (1), or a final order issued under subdivision 7, clause (2), or subdivision 8, then the commissioner shall be subrogated to all of the rights, title, and interest in the owner's or lessee's final judgment in the amount of compensation paid from the fund and the owner or the lessee shall assign to the commissioner all rights, title, and interest in the final judgment in the amount of compensation paid. The commissioner shall deposit in the fund money recovered under this subdivision.

Subd. 11. **Effect of section on commissioner's authority.** Nothing contained in this section shall limit the authority of the commissioner to take disciplinary action against a licensee under the provisions of this chapter. A licensee's repayment in full of obligations to the fund shall not nullify or modify the effect of any other disciplinary proceeding brought under the provisions of this chapter.

Subd. 12. **Limitation.** Nothing may obligate the fund to compensate:

(1) insurers or sureties under subrogation or similar theories; or

(2) owner of residential property for final judgments against a prior owner of the residential property unless the claim is brought and judgment is rendered for breach of the statutory warranty set forth in chapter 327A.

Subd. 13. **Condominiums or townhouses.** For purposes of this section, the owner or the lessee of a condominium or townhouse is considered an owner or a lessee of residential property regardless of the number of residential units per building.

Subd. 14. **Accelerated compensation.** Payments made from the fund to compensate owners and lessees that do not exceed the jurisdiction limits for conciliation court matters as specified in section 491A.01 may be paid on an accelerated basis if all of the following requirements have been satisfied:

(a) The owner or the lessee has served upon the commissioner a verified application for compensation that complies with the requirements set out in subdivision 6 and the commissioner determines based on review of the application that compensation should be paid from the fund. The commissioner shall calculate the actual and direct out-of-pocket loss in the transaction, minus attorney fees, interest on the loss and on the judgment obtained as a result of the loss, and any satisfaction of the judgment, and make payment to the owner or the lessee up to the conciliation court jurisdiction limits within 15 days after the owner or lessee serves the verified application.

(b) The commissioner may pay compensation to owners or lessees that totals not more than $50,000 per licensee per fiscal year under this accelerated process. The commissioner may prorate the amount of compensation paid to owners or lessees under this subdivision if applications submitted by owners and lessees seek compensation in excess of $50,000 against a licensee. Any unpaid portion of a verified application that has been prorated under this subdivision shall be satisfied in the manner set forth in subdivision 9.

Subd. 15. **Appropriation.** Money in the fund is appropriated to the commissioner for the purposes of this section.

Subd. 16. **Additional assessment.** If the balance in the fund is at any time less than the commissioner determines is necessary to carry out the purposes of this section, every licensee, when renewing a license, shall pay, in addition to the annual renewal fee and the fee set forth in subdivision 3 an assessment not to exceed $100. The commissioner shall set the amount of assessment based on a reasonable determination of the amount that is necessary to restore a balance in the fund adequate to carry out the purposes of this section.

EFFECTIVE DATE. This section is effective December 1, 2007, except that subdivisions 1, 3, and 15 are effective July 1, 2007.

Sec. 29. Minnesota Statutes 2006, section 541.051, is amended to read:

541.051 LIMITATION OF ACTION FOR DAMAGES BASED ON SERVICES OR CONSTRUCTION TO IMPROVE REAL PROPERTY.

Subdivision 1. **Limitation; service or construction of real property; improvements.** (a) Except where fraud is involved, no action by any person in contract, tort, or otherwise to recover damages for any injury to property, real or personal, or for bodily injury or wrongful death, arising out of the defective and unsafe condition of an improvement to real property, ~~nor any action for contribution or indemnity for damages sustained on account of the injury,~~ shall be brought against any person performing or furnishing the design, planning, supervision, materials, or observation of construction or construction of the improvement to real property or against the owner of the real property more than two years after discovery of the injury ~~or, in the case of an action for contribution or indemnity, accrual of the cause of action~~, nor~~,~~ in any event shall such a cause of action accrue more than ten years after substantial completion of the construction. Date of substantial completion shall be determined by the date when construction is sufficiently completed so that the owner or the owner's representative can occupy or use the improvement for the intended purpose.

(b) Notwithstanding paragraph (a), an action for contribution or indemnity arising out of the defective and unsafe condition of an improvement to real property may be brought no later than two years after the cause of action for contribution or indemnity has accrued, regardless of whether it accrued before or after the ten-year period referenced in paragraph (a).

~~(b)~~ (c) For purposes of paragraph (a), a cause of action accrues upon discovery of the injury ~~or~~, provided that in the case of an action for contribution or indemnity under paragraph (b), ~~upon~~ a cause of action accrues upon the earlier of commencement of the action against the party seeking contribution or indemnity, or payment of a final judgment, arbitration award, or settlement arising out of the defective and unsafe condition.

~~(c)~~ (d) Nothing in this section shall apply to actions for damages resulting from negligence in the maintenance, operation or inspection of the real property improvement against the owner or other person in possession.

~~(d)~~ (e) The limitations prescribed in this section do not apply to the manufacturer or supplier of any equipment or machinery installed upon real property.

Subd. 2. **Action allowed; limitation.** Notwithstanding the provisions of subdivision 1, paragraph (a), in the case of ~~an~~ a cause of action which accrues during the ninth or tenth year after substantial completion of the construction, an action to recover damages may be brought within two years after the date on which the cause of action accrued, but in no

event may such an action be brought more than 12 years after substantial completion of the construction. Nothing in this subdivision shall limit the time for bringing an action for contribution or indemnity.

Subd. 3. **Not construed.** Nothing in this section shall be construed as extending the period prescribed by the laws of this state for the bringing of any action.

Subd. 4. **Applicability.** For the purposes of actions based on breach of the statutory warranties set forth in section 327A.02, or to actions based on breach of an express written warranty, such actions shall be brought within two years of the discovery of the breach. In the case of an action under section 327A.05, which accrues during the ninth or tenth year after the warranty date, as defined in section 327A.01, subdivision 8, an action may be brought within two years of the discovery of the breach, but in no event may an action under section 327A.05 be brought more than 12 years after the effective warranty date. An action for contribution or indemnity arising out of actions described in this subdivision may be brought no later than two years after the earlier of commencement of the action against the party seeking contribution or indemnity, or payment of a final judgment, arbitration award, or settlement arising out of the breach.

EFFECTIVE DATE. This section is effective retroactive to June 30, 2006.

Sec. 30. **REVISOR'S INSTRUCTION.**

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

Column A	Column B
325E.58	326B.865
326.83	326B.802
326.84	326B.805
326.841	327B.041
326.842	326B.81
326.86	326B.815
326.87	326B.82
326.88	326B.825
326.89	326B.83
326.90	326B.835
326.91	326B.84
326.92	326B.845
326.921	326B.85
326.93	326B.855
326.94	326B.86

326.95	326B.87
326.951	326B.875
326.96	326B.88
326.97	326B.885

ARTICLE 9
BOILERS; PRESSURE VESSELS; BOATS

Section 1. Minnesota Statutes 2006, section 183.38, is amended to read:

183.38 BOILER INSPECTOR; INSPECTIONS; EXAMINATIONS; LICENSES.

Subdivision 1. **All boilers inspected.** The ~~Division of Boiler Inspection~~ commissioner shall inspect all boilers and pressure vessels in use not expressly excepted from such inspection by law. ~~Immediately~~ Upon inspection the ~~Division of Boiler Inspection~~ commissioner shall issue a certificate of inspection therefor or a certificate condemning the boiler or pressure vessel and shall seal it. Forms for these licenses and certificates shall be prepared and furnished by the commissioner. The ~~Division of Boiler Inspection~~ commissioner shall examine all applicants for engineer's licenses. The ~~chief of the Division of Boiler Inspection~~ commissioner shall issue such license to an applicant as the examination shall show the applicant is entitled to receive.

Subd. 2. **Inspector's examination.** For the purpose of examining applicants for ~~license~~ a National Board of Boiler and Pressure Vessel Inspectors commission, the ~~chief of the Division of Boiler Inspection or the deputy chief~~ commissioner shall fix and determine a time and place for the examinations, and give notice to all applicants of the time and place. The ~~chief or the deputy chief~~ commissioner shall grant and sign such license certificates as applicants are entitled to receive upon examination. Applicants may be examined and issued certificates of competency as inspectors of boilers and pressure vessels.

Sec. 2. Minnesota Statutes 2006, section 183.39, subdivision 1, is amended to read:

Subdivision 1. **Inspector requirements.** Each boiler inspector shall be ~~a person of good moral character, shall be~~ licensed in this state as a chief grade A engineer, and must hold a national board commission as a boiler inspector within 12 months of being employed as a boiler inspector by the department. An inspector shall not be interested in the manufacture or sale of boilers or steam machinery or in any patented article required or generally used in the construction of engines or boilers or their appurtenances.

Sec. 3. Minnesota Statutes 2006, section 183.411, subdivision 2, is amended to read:

Subd. 2. **Inspection.** When used for display and demonstration purposes, steam farm traction engines, portable and stationary show engines and portable and stationary show boilers shall be inspected every two years according to law.

(a) Show boilers or engines not certified in Minnesota shall be inspected thoroughly by a boiler inspector certified to inspect boilers in Minnesota, using inspection standards in paragraph (b), before being certified for use in Minnesota.

(b) Standards for inspection of show boilers shall be those established by the National Board Inspection Code ANSI/NB23 and by the rules adopted by the department ~~of Labor and Industry, Division of Boiler Inspection,~~ and as follows:

(1) the boiler shall be subjected to the appropriate method of nondestructive examination, at the owner's expense, as deemed necessary by the boiler inspector to determine soundness and safety of the boiler;

(2) the boiler shall be tested by ultrasonic examination for metal thickness (for purposes of calculating the maximum allowable working pressure the thinnest reading shall be used and a safety factor of six shall be used in calculating maximum allowable working pressure on all non-ASME-code hobby and show boilers); and

(3) repairs and alterations made to show boilers must be made pursuant to section 183.466.

(c) Further each such object shall successfully complete an inspection of:

(1) the fusible plug;

(2) the safety valve, which must be of ~~American Society of Mechanical Engineers'~~ ASME approved design and set at the maximum allowable working pressure and sealed in an appropriate manner not allowing tampering with the valve setting without destroying the seal; and

(3) the boiler power piping.

Any longitudinal cracks found in riveted longitudinal seams requires that the vessel be sealed and not approved for use in Minnesota. If the boiler or show engine is jacketed, the jacket must be removed prior to inspection.

Sec. 4. Minnesota Statutes 2006, section 183.42, is amended to read:

183.42 INSPECTION AND REGISTRATION.

Subdivision 1. **Inspection.** Every owner, lessee, or other person having charge of boilers or pressure vessels subject to inspection under this chapter shall cause them to be inspected by the ~~Division of Boiler Inspection~~ department. Except as provided in sections 183.411 and 183.45, boilers subject to inspection under this chapter must be inspected at

least annually and pressure vessels inspected at least every two years ~~except as provided under section 183.45~~. The commissioner shall assess a $250 penalty per applicable boiler or pressure vessel for failure to have the inspection required by this section and may seal the boiler or pressure vessel for refusal to allow an inspection as required by this section.

Subd. 2. **Registration.** Every owner, lessee, or other person having charge of boilers or pressure vessels subject to inspection under this chapter, except hobby boilers under section 183.411, shall register said objects with the ~~Division of Boiler Inspection~~ department. The registration shall be renewed annually and is applicable to each object separately. The fee for registration of a boiler or pressure vessel shall be pursuant to section 183.545, subdivision 10. The ~~Division of Boiler Inspection~~ department may issue a billing statement for each boiler and pressure vessel on record with the division, and may determine a monthly schedule of billings to be followed for owners, lessees, or other persons having charge of a boiler or pressure vessel subject to inspection under this chapter.

Subd. 3. **Certificate of registration.** The ~~Division of Boiler Inspection~~ department shall issue a certificate of registration that lists the registered boilers and pressure vessels at the location, expiration date of the certificate of registration, last inspection date of each registered boiler and pressure vessel, and maximum allowable working pressure for each registered boiler and pressure vessel. The commissioner may make an electronic certificate of registration available to be printed by the owner, lessee, or other person having charge of the registered boiler or pressure vessel.

Sec. 5. Minnesota Statutes 2006, section 183.45, is amended to read:

183.45 INSPECTION.

Subdivision 1. **Inspection requirements.** All boilers and steam generators must be inspected by the ~~Division of Boiler Inspection~~ department before they are used and all boilers must be inspected at least once each year thereafter except as provided under subdivision 2 or section 183.411. Inspectors may subject all boilers to hydrostatic pressure or hammer test, and shall ascertain by a thorough internal and external examination that they are well made and of good and suitable material; that the openings for the passage of water and steam, respectively, and all pipes and tubes exposed to heat, are of proper dimensions and free from obstructions; that the flues are circular in form; that the arrangements for delivering the feed water are such that the boilers cannot be injured thereby; and that such boilers and their connections may be safely used without danger to life or property. Inspectors shall ascertain that the safety valves are of suitable dimensions, sufficient in number, and properly arranged, and that the safety valves are so adjusted as to allow no greater pressure in the boilers than the amount prescribed by the inspector's

certificate; that there is a sufficient number of gauge cocks, properly inserted, to indicate the amount of water, and suitable gauges that will correctly record the pressure; and that the fusible metals are properly inserted where required so as to fuse by the heat of the furnace whenever the water in the boiler falls below its prescribed limit; and that provisions are made for an ample supply of water to feed the boilers at all times; and that means for blowing out are provided, so as to thoroughly remove the mud and sediment from all parts when under pressure.

Subd. 2. **Qualifying boiler.** (a) "Qualifying boiler" means a boiler of 200,000 pounds per hour or more capacity which has an internal continuous water treatment program approved by the department and which the ~~chief boiler inspector~~ commissioner has determined to be in compliance with paragraph (c).

(b) A qualifying boiler must be inspected at least once every 24 months internally and externally while not under pressure and at least once every 18 months externally while under pressure. If the inspector considers it necessary to conduct a hydrostatic test to determine the safety of a boiler, the test must be conducted under the direction of the owner, contractor, or user of the equipment under the supervision of an inspector.

(c) The owner of a qualifying boiler must keep accurate records showing the date and actual time the boiler is out of service, the reason or reasons therefor, and the chemical physical laboratory analysis of samples of the boiler water taken at regular intervals of not more than 48 hours of operation which adequately show the condition of the water, and any elements or characteristics of the water capable of producing corrosion or other deterioration of the boiler or its parts.

(d) If an inspector determines there are substantial deficiencies in equipment or in boiler water treatment operating procedures, inspections of a qualifying boiler may be required once every 12 months until the ~~chief boiler inspector~~ commissioner finds that the substantial deficiencies have been corrected.

Sec. 6. Minnesota Statutes 20064, section 183.46, is amended to read:

183.46 TESTS.

In subjecting both high and low pressure boilers and pressure vessels to the hydrostatic test, and to determine the safe allowable working pressure, the inspector shall use the latest approved formula of the ~~American Society of Mechanical Engineers~~ ASME Code or National Board Inspection Code, as applicable.

Sec. 7. Minnesota Statutes 2006, section 183.465, is amended to read:

183.465 STANDARDS OF INSPECTION.

The engineering standards of boilers and pressure vessels for use in this state shall be that established by the current edition of ~~the~~ and amendments to the ASME Code or the National Board Inspection Code, as applicable, for construction, operation and care of, in-service inspection and testing, and controls and safety devices~~ codes of the American Society of Mechanical Engineers and amendments thereto~~, and by the rules~~ of the Division of Boiler Inspection~~ adopted by the department ~~of Labor and Industry~~.

Sec. 8. Minnesota Statutes 2006, section 183.466, is amended to read:

183.466 STANDARDS OF REPAIRS.

The rules for repair of boilers and pressure vessels for use in this state shall be those established by the National Board of Boiler and Pressure Vessel Inspectors inspection code and the rules ~~of the Division of Boiler Inspection~~ adopted by the department ~~of Labor and Industry~~.

Sec. 9. Minnesota Statutes 2006, section 183.48, is amended to read:

183.48 SPECIAL EXAMINATION.

~~At any time the inspector deems it necessary an examination shall be made of any~~ If an inspector examines a boiler or pressure vessel ~~which there is reason to believe has become~~ and determines that the boiler or pressure vessel is unsafe, ~~and~~ the inspector shall notify the~~ owners or operators thereof~~ owner or operator of any defect ~~therein, and what repairs are necessary~~ in that boiler or pressure vessel. Such boiler or pressure vessel shall not thereafter be used until ~~so repaired~~ the defect is corrected. Boilers found to be operated by unlicensed or improperly licensed persons shall not be used until the operators are properly licensed. If circumstances warrant continued operation, approval may be given for continuing operation for a specific period of time, not to exceed 30 days, at the discretion of the boiler inspector.

Sec. 10. Minnesota Statutes 2006, section 183.501, is amended to read:

183.501 LICENSE REQUIREMENT.

(a) No ~~person~~ individual shall be entrusted with the operation of or operate any boiler, steam engine, or turbine who has not received a license of grade covering that boiler, steam engine or turbine. The license shall be renewed annually, except as provided in section 183.411. ~~When a violation of this section occurs the Division of Boiler Inspection may cause a complaint to be made for the prosecution of the offender and shall be entitled to sue for and obtain injunctive relief in the district courts for such violations.~~

(b) For purposes of this chapter, "operation" shall not include monitoring of an automatic boiler, either through on premises inspection of the boiler or by remote electronic surveillance, provided that no operations are performed upon the boiler other than emergency shut down in alarm situations.

(c) No individual under the influence of illegal drugs or alcohol shall be entrusted with the operation of or shall operate any boiler, steam engine, or turbine, or shall be entrusted with the monitoring of or shall monitor an automatic boiler.

Sec. 11. Minnesota Statutes 2006, section 183.505, is amended to read:

183.505 APPLICATIONS FOR LICENSES.

The ~~chief boiler inspector~~ commissioner shall prepare blank applications on which applications for ~~engineers'~~ licenses shall be made ~~under oath of the applicant~~. These blanks shall ~~be so formulated as to~~ elicit such information as is ~~desirable~~ needed to ~~enable the examiners to pass on~~ determine whether an applicant meets the qualifications ~~of applicants~~ required for the license.

Sec. 12. Minnesota Statutes 2006, section 183.51, is amended to read:

183.51 EXAMINATIONS; CLASSIFICATIONS; QUALIFICATIONS.

Subdivision 1. **Engineers, classes.** Engineers shall be divided into four classes:

(1) Chief engineers; Grade A, Grade B, and Grade C. (2) first class engineers; Grade A, Grade B, and Grade C. (3) second class engineers; Grade A, Grade B, and Grade C. (4) Special engineers.

Subd. 2. **Applications.** Any ~~person~~ individual who desires an engineer's license shall submit ~~a written~~ an application~~, on blanks furnished by the commissioner or designee~~ on a written or electronic form prescribed by the commissioner, at least 15 days before the requested exam date. The application ~~is valid for~~ permits the applicant to take the examination on one occasion within one year from the date the commissioner ~~or designee received~~ receives the application.

Subd. 2a. **Examinations.** Each applicant for a license must pass an examination ~~approved~~ developed and administered by the commissioner. The examinations shall be of sufficient scope to establish the competency of the applicant to operate a boiler of the applicable license class and grade.

Subd. 3. **High and low pressure boilers.** For the purposes of this section and section 183.50, high pressure boilers shall mean boilers operating at a steam or other vapor pressure in excess of 15 p.s.i.g., or a water or other liquid boiler in which the pressure exceeds 160 p.s.i.g. or a temperature of 250 degrees Fahrenheit.

Low pressure boilers shall mean boilers operating at a steam or other vapor pressure of 15 p.s.i.g. or less, or a water or other liquid boiler in which the pressure does not exceed 160 p.s.i.g. or a temperature of 250 degrees Fahrenheit.

Subd. 4. **Chief engineer, Grade A.** ~~A person~~ An individual seeking licensure as a chief engineer, Grade A, shall be at least 18 years of age and have experience which verifies that the ~~person~~ individual is competent to take charge of and be responsible for the safe operation and maintenance of all classes of boilers, steam engines, and turbines and their appurtenances; and, before receiving a license, the applicant shall take and subscribe an oath attesting to at least five years actual experience in operating such boilers, including at least two years experience in operating such engines or turbines.

Subd. 5. **Chief engineer, Grade B.** ~~A person~~ An individual seeking licensure as a chief engineer, Grade B, shall be at least 18 years of age and have habits and experience which justify the belief that the ~~person~~ individual is competent to take charge of and be responsible for the safe operation and maintenance of all classes of boilers and their appurtenances; and, before receiving a license, the applicant shall take and subscribe an oath attesting to at least five years actual experience in operating those boilers.

Subd. 6. **Chief engineer, Grade C.** ~~A person~~ An individual seeking licensure as a chief engineer, Grade C, shall be at least 18 years of age and have habits and experience which justify the belief that the ~~person~~ individual is competent to take charge of and be responsible for the safe operation and maintenance of all classes of low pressure boilers and their appurtenances, and before receiving a license, the applicant shall take and subscribe an oath attesting to at least five years of actual experience in operating such boilers.

Subd. 7. **First-class engineer, Grade A.** ~~A person~~ An individual seeking licensure as a first-class engineer, Grade A, shall be at least 18 years of age and have experience which verifies that the ~~person~~ individual is competent to take charge of and be responsible for the safe operation and maintenance of all classes of boilers, engines, and turbines and their appurtenances of not more than 300 horsepower or to operate as a shift engineer in a plant of unlimited horsepower. Before receiving a license, the applicant shall take and subscribe an oath attesting to at least three years actual experience in operating such boilers, including at least two years experience in operating such engines or turbines.

Subd. 8. **First-class engineer, Grade B.** ~~A person~~ An individual seeking licensure as a first-class engineer, Grade B, shall be at least 18 years of age and have habits and experience which justify the belief that the ~~person~~ individual is competent to take charge of and be responsible for the safe operation and maintenance of all classes of boilers of not more than 300 horsepower or to operate as a shift engineer in a plant of unlimited

horsepower. Before receiving a license the applicant shall take and subscribe an oath attesting to at least three years actual experience in operating such boilers.

Subd. 9. **First-class engineer, Grade C.** ~~A person~~ An individual seeking licensure as a first-class engineer, Grade C, shall be at least 18 years of age and have habits and experience which justify the belief that the ~~person~~ individual is competent to take charge of and be responsible for the safe operation and maintenance of all classes of low pressure boilers and their appurtenances of not more than 300 horsepower or to operate as a shift engineer in a low pressure plant of unlimited horsepower. Before receiving a license, the applicant shall take and subscribe an oath attesting to at least three years actual experience in operating such boilers.

Subd. 10. **Second-class engineer, Grade A.** ~~A person~~ An individual seeking licensure as a second-class engineer, Grade A, shall be at least 18 years of age and have experience which verifies that the ~~person~~ individual is competent to take charge of and be responsible for the safe operation and maintenance of all classes of boilers, engines, and turbines and their appurtenances of not more than 100 horsepower or to operate as a shift engineer in a plant of not more than 300 horsepower, or to assist the shift engineer, under direct supervision, in a plant of unlimited horsepower. Before receiving a license the applicant shall take and subscribe an oath attesting to at least one year of actual experience in operating such boilers, including at least one year of experience in operating such engines or turbines.

Subd. 11. **Second-class engineer, Grade B.** ~~A person~~ An individual seeking licensure as a second-class engineer, Grade B, shall be at least 18 years of age and have habits and experience which justify the belief that the ~~person~~ individual is competent to take charge of and be responsible for the safe operation and maintenance of all classes of boilers of not more than 100 horsepower or to operate as a shift engineer in a plant of not more than 300 horsepower or to assist the shift engineer, under direct supervision, in a plant of unlimited horsepower. Before receiving a license the applicant shall take and subscribe an oath attesting to at least one year of actual experience in operating such boilers.

Subd. 12. **Second-class engineer, Grade C.** ~~A person~~ An individual seeking licensure as a second-class engineer, Grade C, shall be at least 18 years of age and have habits and experience which justify the belief that the ~~person~~ individual is competent to take charge of and be responsible for the safe operation and maintenance of all classes of low pressure boilers and their appurtenances of not more than 100 horsepower or to operate as a shift engineer in a low pressure plant of not more than 300 horsepower, or to assist the shift engineer, under direct supervision, in a low pressure plant of unlimited

horsepower. Before receiving a license, the applicant shall take and subscribe an oath attesting to at least one year of actual experience in operating such boilers.

Subd. 13. **Special engineer.** ~~A person~~ An individual seeking licensure as a special engineer shall be at least 18 years of age and have habits and experience which justify the belief that the ~~person~~ individual is competent to take charge of and be responsible for the safe operation and maintenance of all classes of boilers and their appurtenances of not more than 30 horsepower or to operate as a shift engineer in a plant of not more than 100 horsepower, or to serve as an apprentice in any plant under the direct supervision of the properly licensed engineer.

Subd. 14. **Current boiler operators.** Any ~~person~~ individual operating a boiler other than a steam boiler on or before April 15, 1982 shall be qualified for application for the applicable class license upon presentation of an affidavit furnished by an inspector and sworn to by the ~~person's~~ individual's employer or a chief engineer. The applicant must have at least the number of years of actual experience specified for the class of license requested and pass the appropriate examination.

Subd. 15. **Rating horsepower.** For the purpose of rating boiler horsepower for engineer license classifications only: ten square feet of heating surface shall be considered equivalent to one boiler horsepower for conventional boilers and five square feet of heating surface equivalent to one boiler horsepower for steam coil type generators.

Sec. 13. Minnesota Statutes 2006, section 183.54, subdivision 1, is amended to read:

Subdivision 1. ~~**Safety**~~ **Inspection certificate.** After examination and tests~~, if a boiler inspector finds any boiler or pressure vessel safe and suitable for use, the inspector shall deliver to the chief boiler inspector a verified certificate in such form as prescribed by the chief boiler inspector containing a specification of the tests applied and the working pressure allowed. A copy of the certificate is delivered to the owner of the boiler or pressure vessel, who shall place and retain the same in a conspicuous place on or near the boiler or pressure vessel.~~ of the boiler or pressure vessel being inspected, the boiler inspector shall document the condition of the boiler or pressure vessel as required by the commissioner. The inspector shall issue an inspection certificate, as prescribed by the commissioner, to the owner or operator for the inspected boilers and pressure vessels found to be safe and suitable for use. The inspector shall immediately notify the owner or operator of any deficiencies found on the boilers and pressure vessels during the inspection on a form prescribed by the commissioner.

Sec. 14. Minnesota Statutes 2006, section 183.54, subdivision 3, is amended to read:

Subd. 3. **Failure to pay fee.** If the owner or lessee of any boiler or pressure vessel, which boiler or pressure vessel has been duly inspected, refuses to pay the required fee within 30 days from the date of the ~~inspection~~ invoice, the ~~chief boiler inspector, or deputy,~~ department may seal the boiler or pressure vessel until the fee is paid.

Sec. 15. Minnesota Statutes 2006, section 183.545, is amended by adding a subdivision to read:

Subd. 11. **Late fee.** The commissioner may assess a late fee of up to $100 for each invoice issued under subdivision 1, 3, or 3a that is not paid in full by the due date stated on the invoice.

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

Sec. 16. Minnesota Statutes 2006, section 183.56, is amended to read:

183.56 EXCEPTIONS.

The provisions of sections 183.38 to 183.62, shall not apply to:

(1) boilers in buildings occupied solely for residence purposes with accommodations for not more than five families;

(2) railroad locomotives operated by railroad companies for transportation purposes;

(3) air tanks installed on the right-of-way of railroads and used directly in the operation of trains;

(4) boilers and pressure vessels under the direct jurisdiction of the United States;

(5) unfired pressure vessels having an internal or external working pressure not exceeding 15 p.s.i.g. with no limit on size;

(6) pressure vessels used for storage of compressed air not exceeding five cubic feet in volume and equipped with an ~~American Society of Mechanical Engineers~~ ASME code stamped safety valve set at a maximum of 100 p.s.i.g.;

(7) pressure vessels having an inside diameter not exceeding six inches;

(8) every vessel that contains water under pressure, including those containing air that serves only as a cushion, whose design pressure does not exceed 300 p.s.i.g. and whose design temperature does not exceed 210 degrees Fahrenheit;

(9) boiler or pressure vessels located on farms used solely for agricultural or horticultural purposes; for purposes of this section, boilers used for mint oil extraction are considered used for agricultural or horticultural purposes, provided that the owner or lessee complies with the inspection requirements contained in section 183.42;

(10) tanks or cylinders used for storage or transfer of liquefied petroleum gases;

(11) unfired pressure vessels in petroleum refineries;

(12) an air tank or pressure vessel which is an integral part of a passenger motor bus, truck, or trailer;

(13) hot water heating and other hot liquid boilers not exceeding a heat input of 750,000 BTU per hour;

(14) hot water supply boilers (water heaters) not exceeding a heat input of 500,000 BTU per hour, a water temperature of 210 degrees Fahrenheit, a nominal water capacity of 120 gallons, or a pressure of 160 p.s.i.g.;

(15) a laundry and dry cleaning press not exceeding five cubic feet of steam volume;

(16) pressure vessels operated full of water or other liquid not materially more hazardous than water, if the vessel's contents' temperature does not exceed 140 degrees Fahrenheit or a pressure of 200 p.s.i.g.;

(17) steam powered turbines at paper-making facilities which are powered by steam generated by municipal steam district facilities at a remote location; and

(18) manually fired boilers for model locomotive, boat, tractor, stationary engine, or antique motor vehicles constructed or maintained only as a hobby for exhibition, educational or historical purposes and not for commercial use, if the boilers have an inside diameter of 12 inches or less, or a grate area of two square feet or less, and are equipped with an ~~American Society of Mechanical Engineers~~ ASME stamped safety valve of adequate size, a water level indicator, and a pressure gauge.

An engineer's license is not required for hot water supply boilers.

An engineer's license is not required for boilers, steam cookers, steam kettles, steam sterilizers or other steam generators not exceeding 100,000 BTU per hour input, 25 kilowatt, 2-1/2 horsepower ~~or~~ and a pressure of 15 p.s.i.g.

Electric boilers not exceeding a maximum working pressure of 50 p.s.i.g., maximum of 30 kilowatt input or three horsepower rating shall be inspected as pressure vessels and shall not require an engineer license to operate.

Sec. 17. Minnesota Statutes 2006, section 183.57, subdivision 1, is amended to read:

Subdivision 1. **Report required.** Any insurance company insuring boilers and pressure vessels in this state shall file a report showing the most recent date of inspection, the name of the ~~person~~ individual making the inspection, the condition of the boiler or pressure vessel as disclosed by the inspection, whether the boiler was operated by a properly licensed engineer, whether a policy of insurance has been issued by the company with reference to the boiler or pressure vessel, and other information as directed by the ~~chief boiler inspector~~ commissioner. Within 21 days after the inspection, the insurance

company shall file the report with the ~~chief boiler inspector or designee~~ commissioner. The insurer shall provide a copy of the report to the person~~, firm, or corporation~~ owning or operating the inspected boiler or pressure vessel. Such report shall be made annually for boilers and biennially for pressure vessels.

Sec. 18. Minnesota Statutes 2006, section 183.57, subdivision 2, is amended to read:

Subd. 2. **Exemption.** Every boiler or pressure vessel as to which any insurance company authorized to do business in this state has issued a policy of insurance, after the inspection thereof, is exempt from inspection by the department made under sections 183.375 to 183.62, while the same continues to be insured and provided it continues to be inspected in accordance with the inspection schedule set forth in sections 183.42 and 183.45, and the person~~, firm, or corporation~~ owning or operating the same has an unexpired certificate of registration.

Sec. 19. Minnesota Statutes 2006, section 183.57, subdivision 5, is amended to read:

Subd. 5. **Notice of insurance coverage.** The insurer shall notify the commissioner ~~or designee~~ in writing of its policy to insure and inspect boilers and pressure vessels at a location within 30 days of receipt of notification from the insured that a boiler or pressure vessel is present at an insured location. The insurer must also provide a duplicate of the notification to the insured.

Sec. 20. Minnesota Statutes 2006, section 183.57, subdivision 6, is amended to read:

Subd. 6. **Notice of discontinued coverage.** The insurer shall notify the commissioner ~~or designee~~ in writing, within 30 days of the effective date, of the discontinuation of insurance coverage of the boilers and pressure vessels at a location and the cause or reason for the discontinuation if the insurer has received notice from the insured that a boiler or pressure vessel is present at an insured location, as provided under subdivision 5. This notice shall show the effective date when the discontinued policy takes effect.

Sec. 21. Minnesota Statutes 2006, section 183.59, is amended to read:

183.59 VIOLATIONS BY INSPECTORS.

Every inspector who willfully certifies falsely regarding any boiler or its attachments, or pressure vessel, or the hull and equipments of any steam vessel, or who grants a license to any ~~person~~ individual to act as engineer~~;~~ or master~~, or pilot~~ contrary to any provision of

sections 183.375 to 183.62, is guilty of a misdemeanor. In addition to this punishment the inspector shall be removed from office forthwith.

Sec. 22. Minnesota Statutes 2006, section 183.60, is amended to read:

183.60 VIOLATIONS IN CONSTRUCTION; REPAIR; SALE.

Subdivision 1. **Construction violation.** ~~Every~~ No person ~~who constructs~~ shall construct a boiler, boiler piping, or pressure vessel so as not to meet the minimum construction requirements of the ~~American Society of Mechanical Engineers~~ ASME boiler and pressure vessel code, and the rules of the ~~Division of Boiler Inspection adopted by the~~ department ~~of Labor and Industry is guilty of a gross misdemeanor~~.

Subd. 2. **Repair violation.** ~~Every~~ No person ~~who repairs~~ a boiler or pressure vessel by welding or riveting so as not to meet the minimum requirements established by the current edition of the National Board of Boiler and Pressure Vessel Inspectors inspection code and the rules of the ~~Division of Boiler Inspection adopted by the~~ department ~~of Labor and Industry is guilty of a gross misdemeanor~~.

Subd. 3. **Sale violation.** ~~Every~~ No manufacturer, jobber, dealer, or other person ~~selling or offering~~ shall sell or offer for sale a boiler or pressure vessel that does not meet the minimum construction requirements of the ~~American Society of Mechanical Engineers~~ ASME boiler and pressure vessel code and the rules of the ~~Division of Boiler Inspection adopted by the~~ department ~~of Labor and Industry is guilty of a gross misdemeanor~~.

Sec. 23. Minnesota Statutes 2006, section 183.61, subdivision 2, is amended to read:

Subd. 2. **Inspection violation.** ~~Any~~ No person ~~who causes~~ shall cause to be operated~~,~~ or ~~operates~~ shall operate~~,~~ any boiler or boat without having the same inspected at least once each year, or pressure vessel, steam farm traction engine, portable or stationary show engine, or portable or stationary show boiler without having it inspected biennially, ~~and~~ or without having the proper engineer or ~~pilot~~ master license ~~is guilty of a misdemeanor~~.

Sec. 24. Minnesota Statutes 2006, section 183.61, subdivision 4, is amended to read:

Subd. 4. **Failure to repair.** ~~Every person operating or causing to be operated~~ After any boiler or pressure vessel ~~after it~~ has been examined and found to be unsafe and after the owner or operator ~~thereof~~ of the boiler or pressure vessel has been notified of any defect ~~therein and what repairs are necessary to remedy the defect who fails to comply with the inspector's requirements is guilty of a misdemeanor~~ in it, no person shall operate the boiler or pressure vessel or cause it to be operated unless and until the defect has been corrected.

Sec. 25. **[326B.93] INSPECTION PERSONNEL.**

Subdivision 1. **Inspectors.** The department may employ such inspectors and other persons as are necessary to efficiently perform the duties and exercise the powers imposed upon the department.

Subd. 2. **Chief boiler inspector.** The commissioner shall appoint a chief boiler inspector who, under the direction and supervision of the commissioner, shall administer this chapter and the rules adopted under this chapter. The chief boiler inspector must:

(1) be licensed as a chief Grade A engineer; and

(2) possess a current commission issued by the National Board of Boiler and Pressure Vessel Inspectors.

The chief boiler inspector shall be the state of Minnesota representative on the National Board of Boiler and Pressure Vessel Inspectors, shall be the final interpretative authority of the rules adopted under this chapter, and shall perform other duties in administering this chapter and the rules adopted under this chapter as assigned by the commissioner. Any person aggrieved by a ruling of the chief boiler inspector may appeal the ruling in accordance with chapter 14.

Sec. 26. **[326B.94] BOATS; MASTERS.**

Subdivision 1. **Boat.** "Boat" means any vessel navigating inland waters of the state that is propelled by machinery or sails, is carrying passengers for hire, and is 21 feet or more in length.

Subd. 2. **Number of passengers.** The department shall designate the number of passengers that each boat may safely carry, and no such boat shall carry a greater number than is allowed by the inspector's certificate.

Subd. 3. **Annual permit.** The commissioner shall issue an annual permit to a boat for the purpose of carrying passengers for hire on the inland waters of the state provided the boat satisfies the inspection requirements of this section. A boat subject to inspection under this chapter shall be registered with the department and shall be inspected before a permit may be issued. No person shall operate a boat or cause a boat to be operated for the purpose of carrying passengers for hire on the inland waters of the state without a valid annual permit issued under this section.

Subd. 4. **Examinations, licensing.** The commissioner shall develop and administer an examination for all masters of boats carrying passengers for hire on the inland waters of the state as to their qualifications and fitness. If found qualified and competent to perform their duties as a master of a boat carrying passengers for hire, they shall be issued a license authorizing them to act as such on the inland waters of the state. The license shall be

renewed annually. Fees for the original issue and renewal of the license authorized under this section shall be pursuant to section 183.545, subdivision 2.

Subd. 5. **Rules.** (a) The department shall prescribe rules for the inspection of the hulls, machinery, boilers, steam connections, firefighting apparatus, lifesaving appliances, and lifesaving equipment of all power boats navigating the inland waters of the state, which shall conform to the requirements and specifications of the United States Coast Guard in similar cases as provided in Code of Federal Regulations, title 46, as applicable inland waters; these rules shall have the force of law.

(b) The commissioner shall make such rules for inspection and operation of boats subject to inspection under this chapter, the licensing of masters, and the navigation of any such boat as will require its operation without danger to life or property.

Subd. 6. **Drugs, alcohol.** No master shall be under the influence of illegal drugs or alcohol when on duty.

Sec. 27. **REVISOR'S INSTRUCTION.**

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

Column A	Column B
183.38	326B.952
183.39	326B.954
183.411	326B.956
183.42	326B.958
183.45	326B.96
183.46	326B.962
183.465	326B.964
183.466	326B.966
183.48	326B.968
183.50	326B.97
183.501	326B.972
183.502	326B.974
183.505	326B.976
183.51	326B.978
183.53	326B.98
183.54	326B.982
183.545	326B.986
183.56	326B.988
183.57	326B.99
183.59	326B.992
183.60	326B.994

183.61	326B.996
183.62	326B.998

ARTICLE 10
HIGH PRESSURE PIPING

Section 1. Minnesota Statutes 2006, section 326.46, is amended to read:

326.46 ~~SUPERVISION OF~~ DEPARTMENT TO SUPERVISE HIGH PRESSURE PIPING.

The department ~~of Labor and Industry~~ shall supervise all high pressure piping used on all projects in this state~~, and may prescribe minimum standards which shall be uniform~~.

The department shall employ inspectors and other assistants to carry out the provisions of sections 326.46 to 326.52.

Sec. 2. Minnesota Statutes 2006, section 326.461, is amended by adding a subdivision to read:

Subd. 1a. **Board.** "Board" means the Board of High Pressure Piping Systems.

Sec. 3. Minnesota Statutes 2006, section 326.461, is amended by adding a subdivision to read:

Subd. 1b. **Contracting high pressure pipefitter.** "Contracting high pressure pipefitter" means an individual, such as a steamfitter, engaged in the planning, superintending, and practical installation of high pressure piping and appurtenances, and otherwise lawfully qualified to construct high pressure piping installations and make replacements to existing plants, who is also qualified to conduct the business of high pressure piping installations and who is familiar with the laws, rules, and minimum standards governing them.

Sec. 4. Minnesota Statutes 2006, section 326.461, is amended by adding a subdivision to read:

Subd. 2a. **High pressure steam.** "High pressure steam" means a pressure in excess of 15 pounds per square inch.

Sec. 5. Minnesota Statutes 2006, section 326.461, is amended by adding a subdivision to read:

Subd. 2b. **Journeyman high pressure pipefitter.** "Journeyman high pressure pipefitter" means an individual, such as a steamfitter, who is not a contracting high pressure pipefitter and who is engaged in the practical installation of high pressure piping and appurtenances in the employ of a contracting high pressure pipefitter.

Sec. 6. Minnesota Statutes 2006, section 326.461, is amended by adding a subdivision to read:

Subd. 4. **Pipefitter apprentice.** A "pipefitter apprentice" is an individual employed in the trade of the practical construction and installation of high pressure piping and appurtenances under an apprenticeship agreement approved by the department under Minnesota Rules, part 5200.0300.

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

Sec. 7. Minnesota Statutes 2006, section 326.47, is amended to read:

326.47 APPLICATION, PERMIT, FILING, AND INSPECTION FEES.

Subdivision 1. **Required permit.** No person~~, firm, or corporation~~ shall construct or install high pressure piping systems without first filing an application for a permit with the department ~~of Labor and Industry~~ or a municipality that has complied with subdivision 2. ~~Projects under construction prior to August 1, 1984, are not required to obtain a permit.~~

Subd. 2. **Permissive municipal regulation.** ~~A municipality may, by ordinance, provide for the inspection of high pressure piping system materials and construction, and provide that it shall not be constructed or installed except in accordance with minimum state standards. The authority designated by the ordinance for issuing high pressure piping permits and assuring compliance with state standards must report to the Department of Labor and Industry all violations of state high pressure piping standards.~~

~~A municipality may not adopt an ordinance with high pressure piping standards that does not conform to the uniform standards prescribed by the Department of Labor and Industry. The Department of Labor and Industry shall specify by rule the minimum qualifications for municipal inspectors.~~ The commissioner may enter into an agreement with a municipality, in which the municipality agrees to perform inspections and issue permits for the construction and installation of high pressure piping systems within the municipality's geographical area of jurisdiction, if:

(a) The municipality has adopted:

(1) the code for power piping systems, Minnesota Rules, parts 5230.0250 to 5230.6200;

(2) an ordinance that authorizes the municipality to issue permits to persons holding a high pressure piping business license issued by the department and only for construction or installation that would, if performed properly, fully comply with all Minnesota Statutes and Minnesota Rules;

(3) an ordinance that authorizes the municipality to perform the inspections that are required under Minnesota Statutes or Minnesota Rules of the construction and installation of high pressure piping systems; and

(4) an ordinance that authorizes the municipality to enforce the code for power piping systems in its entirety.

(b) The municipality agrees to issue permits only to persons holding a high pressure piping business license as required by law at the time of the permit issuance, and only for construction or installation that would, if performed properly, comply with all Minnesota Statutes and Minnesota Rules governing the construction or installation of high pressure piping systems.

(c) The municipality agrees to issue permits only on forms approved by the department.

(d) The municipality agrees that, for each permit issued by the municipality, the municipality shall perform one or more inspections of the construction or installation to determine whether the construction or installation complies with all Minnesota Statutes and Minnesota Rules governing the construction or installation of high pressure piping systems, and shall prepare a written report of each inspection.

(e) The municipality agrees to notify the commissioner within 24 hours after the municipality discovers any violation of the licensing laws related to high pressure piping.

(f) The municipality agrees to notify the commissioner immediately if the municipality discovers that any entity has failed to meet a deadline set by the municipality for correction of a violation of the high pressure piping laws.

(g) The commissioner determines that the individuals who will conduct the inspections for the municipality do not have any conflict of interest in conducting the inspections.

(h) Individuals who will conduct the inspections for the municipality are permanent employees of the municipality and are licensed contracting high pressure pipefitters or licensed journeyman high pressure pipefitters.

(i) The municipality agrees to notify the commissioner within ten days of any changes in the names or qualifications of the individuals who conduct the inspections for the municipality.

(j) The municipality agrees to enforce in its entirety the code for power piping systems on all projects.

(k) The municipality shall not approve any piping installation unless the installation conforms to all applicable provisions of the high pressure piping laws in effect at the time of the installation.

(l) The municipality agrees to promptly require compliance or revoke a permit that it has issued if there is noncompliance with any of the applicable provisions of the high pressure piping laws in connection with the work covered by the permit. The municipality agrees to revoke the permit if any laws regulating the licensing of pipefitters have been violated.

(m) The municipality agrees to keep official records of all documents received, including permit applications, and of all permits issued, reports of inspections, and notices issued in connection with inspections.

(n) The municipality agrees to maintain the records described in paragraph (m) in the official records of the municipality for the period required for the retention of public records under section 138.17, and shall make these records readily available for review according to section 13.37.

(o) Not later than the tenth day of each month, the municipality shall submit to the commissioner a report of all high pressure piping permits issued by the municipality during the preceding month. This report shall be in a format approved by the commissioner and shall include:

(1) the name of the contractor;

(2) the license number of the contractor's license issued by the commissioner;

(3) the permit number;

(4) the address of the job;

(5) the date the permit was issued;

(6) a brief description of the work; and

(7) the amount of the inspection fee.

(p) Not later than the 31st day of January of each year, the municipality shall submit a summary report to the commissioner identifying the status of each high pressure piping project for which the municipality issued a permit during the preceding year, and the status of high pressure piping projects for which the municipality issued a permit during a prior year where no final inspection had occurred by the first day of the preceding year. This summary report shall include:

(1) the permit number;

(2) the date of any final inspection; and

(3) identification of any violation of high pressure piping laws related to work covered by the permit.

(q) The municipality and the commissioner agree that if at any time during the agreement the municipality does not have in effect the code for high pressure piping systems or any of the ordinances described in paragraph (a), or if the commissioner determines that the municipality is not properly administering and enforcing the code for high pressure piping or is otherwise not complying with the agreement:

(1) the commissioner may, effective 14 days after the municipality's receipt of written notice, terminate the agreement and have the administration and enforcement of the high pressure piping code in the involved municipality undertaken by the department;

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

(3) while any challenge under clause (2) is pending, the commissioner may exercise oversight of the municipality to the extent needed to ensure that high pressure piping inspections are performed and permits are issued in accordance with the high pressure piping laws.

(r) The municipality and the commissioner agree that the municipality may terminate the agreement with or without cause on 90 days' written notice to the commissioner.

(s) The municipality and the commissioner agree that no municipality shall revoke, suspend, or place restrictions on any high pressure piping license issued by the commissioner. If the municipality identifies during an inspection any violation that may warrant revocation, suspension, or placement of restrictions on a high pressure piping license issued by the commissioner, the municipality shall promptly notify the commissioner of the violation and the commissioner shall determine whether revocation, suspension, or placement of restrictions on any high pressure piping license issued by the commissioner is appropriate.

~~Subd. 5.~~ **~~Reporting of permits issued.~~** ~~Each municipality must submit to the Department of Labor and Industry a copy of each permit issued within ten days after issuance.~~

~~All permits must be issued on forms prescribed by or approved by the Department of Labor and Industry.~~

Subd. 6. **Filing and inspection fees.** (a) The department ~~of Labor and Industry~~ must charge a filing fee ~~set by the commissioner under section 16A.1285~~ and an inspection fee for all applications for permits to construct or install high pressure piping systems. The filing fee ~~for inspection of high pressure piping system construction or installation~~ shall

be ~~set by the commissioner under section 16A.1285~~ $100. ~~This subdivision does~~ The inspection fee shall be calculated as follows.

(1) When an application for a permit is filed prior to the start of construction or installation, the inspection fee shall be $150 plus 0.022 of the first $1,000,000, plus 0.011 of the next $2,000,000, plus 0.00055 of the amount over $3,000,000 of the cost of construction or installation.

(2) Except as provided in paragraph (b), when an application for permit is filed after the start of construction or installation, the inspection fee shall be the greater of: $1,100; or $150 plus 0.033 of the first $1,000,000, plus 0.0165 of the next $2,000,000, plus 0.011 of the amount over $3,000,000 of the cost of construction or installation.

(b) The commissioner shall consider any extenuating circumstances that caused an application for permit to be filed after the start of construction or installation. If warranted by such extenuating circumstances, the commissioner may calculate the inspection fee as if the application for permit had been filed prior to the start of construction or installation.

(c) Paragraphs (a) and (b) do not apply where a permit is issued by a municipality ~~complying~~ in accordance with an agreement under subdivision 2.

EFFECTIVE DATE. This section is effective December 1, 2007, except that subdivision 6 is effective July 1, 2007.

Sec. 8. Minnesota Statutes 2006, section 326.48, is amended to read:

326.48 LICENSING AND REGISTRATION.

Subdivision 1. **License required; rules; time credit.** No ~~person~~ individual shall engage in or work at the business of a contracting high pressure pipefitter unless issued an individual contracting high pressure pipefitter license to do so by the department ~~of Labor and Industry~~ under rules adopted by the board. No license shall be required for repairs on existing installations. No ~~person~~ individual shall engage in or work at the business of journeyman pipefitter unless issued an individual journeyman high pressure pipefitter competency license to do so by the department ~~of Labor and Industry~~ under rules adopted by the board. A person possessing an individual contracting high pressure pipefitter competency license may also work as a journeyman high pressure pipefitter.

No person~~, partnership, firm, or corporation~~ shall construct or install high pressure piping, nor install high pressure piping in connection with the dealing in and selling of high pressure pipe material and supplies, unless, at all times, ~~a person~~ an individual possessing a contracting high pressure pipefitter individual competency license or a journeyman high pressure pipefitter individual competency license is responsible for

ensuring that the high pressure pipefitting work ~~conducted by the person, partnership, firm, or corporation being~~ is in conformity with Minnesota Statutes and Minnesota Rules.

The ~~department of Labor and Industry~~ board shall prescribe rules, not inconsistent herewith, for the examination and individual competency licensing of contracting high pressure pipefitters and journeyman high pressure pipefitters and for issuance of permits by the department and municipalities for the installation of high pressure piping.

An employee performing the duties of inspector for the department ~~of Labor and Industry~~ in regulating pipefitting shall not receive time credit for the inspection duties when making an application for a license required by this section.

Subd. 2. **High pressure pipefitting business license.** Before obtaining a permit for high pressure piping work, a person~~, partnership, firm, or corporation~~ must obtain or utilize a business with a high pressure piping business license.

A person~~, partnership, firm, or corporation~~ must have at all times as a full-time employee at least one individual holding an individual contracting high pressure pipefitter competency license. Only full-time employees who hold individual contracting high pressure pipefitter licenses are authorized to obtain high pressure piping permits in the name of the business. The individual contracting high pressure pipefitter competency license holder can be the employee of only one high pressure piping business at a time.

To retain its business license without reapplication, a person~~, partnership, firm, or corporation~~ holding a high pressure piping business license that ceases to employ ~~a person~~ an individual holding an individual contracting high pressure pipefitter competency license shall have 60 days from the last day of employment of its previous individual contracting pipefitter competency license holder to employ another license holder. The department ~~of Labor and Industry~~ must be notified no later than five days after the last day of employment of the previous license holder.

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

The ~~department of Labor and Industry~~ board shall prescribe by rule procedures for application for and issuance of business licenses ~~and fees~~.

Subd. 2a. **Registration requirement.** All unlicensed individuals, other than pipefitter apprentices, must be registered under subdivision 2b. No licensed high pressure piping business shall employ an unlicensed individual to assist in the practical construction and installation of high pressure piping and appurtenances unless the unlicensed individual

is registered with the department. A pipefitter apprentice or registered unlicensed individual employed by a high pressure piping business may assist in the practical construction and installation of high pressure piping and appurtenances only while under direct supervision of a licensed individual contracting high pressure pipefitter or licensed journeyman high pressure pipefitter employed by the same high pressure piping business. The licensed individual contracting high pressure pipefitter or licensed journeyman high pressure pipefitter shall supervise no more than two pipefitter apprentices or registered unlicensed individuals. The licensed individual contracting high pressure pipefitter or journeyman high pressure pipefitter is responsible for ensuring that all high pressure piping work performed by the pipefitter apprentice or registered unlicensed individual complies with Minnesota Statutes and Minnesota Rules.

The board shall make recommendations by October 1, 2008, to the chairs of the standing committees of the senate and house of representatives having jurisdiction over high pressure piping regulation on the ratio of licensed individual contracting high pressure pipefitters or licensed journeyman high pressure pipefitters to pipefitter apprentices or registered unlicensed individuals for purposes of supervision.

Subd. 2b. **Registration with commissioner.** An unlicensed individual may register to assist in the practical construction and installation of high pressure piping and appurtenances while in the employ of a licensed high pressure piping business by completing and submitting to the commissioner a registration form provided by the commissioner. The Board of High Pressure Piping Systems may prescribe rules, not inconsistent with this section, for the registration of unlicensed individuals.

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

Subd. 3. **Bond.** ~~The~~ As a condition of licensing, each applicant for a high pressure piping business license or renewal shall give bond to the state in the total ~~penal~~ sum of $15,000 conditioned upon the faithful and lawful performance of all work ~~entered upon~~ contracted for or performed within the state. The bond shall run to and be for the benefit of persons injured or suffering financial loss by reason of failure of payment or performance. Claims and actions on the bond may be brought according to sections 574.26 to 574.38.

The term of the bond must be concurrent with the term of the high pressure pipefitting business license and run without interruption from the date of the issuance of

the license to the end of the calendar year. All high pressure pipefitting business licenses must be annually renewed on a calendar year basis.

The bond must be filed with the department ~~of Labor and Industry~~ and shall be in lieu of any other business license bonds required by any political subdivision for high pressure pipefitting. The bond must be written by a corporate surety licensed to do business in the state.

Subd. 4. **Insurance.** In addition to the bond described in subdivision 3, each applicant for a high pressure pipefitting business license or renewal shall have in force public liability insurance, including products liability insurance, with limits of at least $100,000 per person and $300,000 per occurrence and property damage insurance with limits of at least $50,000.

The insurance must be kept in force for the entire term of the high pressure pipefitting business license, and the license shall be suspended by the department if at any time the insurance is not in force.

The insurance must be written by an insurer licensed to do business in the state and shall be in lieu of any other insurance required by any subdivision of government for high pressure pipefitting. Each person~~, partnership, firm, or corporation~~ holding a high pressure pipefitting business license shall maintain on file with the department a certificate evidencing the insurance. Any purported cancellation of insurance shall not be effective without the insurer first giving 30 days' written notice to the department.

Subd. 5. **License fee.** The ~~state~~ department ~~of Labor and Industry may~~ shall charge ~~each applicant for a high pressure pipefitting business license or for a renewal of a high pressure pipefitting business license and an additional fee commensurate with the cost of administering the bond and insurance requirements of subdivisions 3 and 4.~~ the following license fees:

(a) application for journeyman high pressure piping pipefitter competency license, $120;

(b) renewal of journeyman high pressure piping pipefitter competency license, $80;

(c) application for contracting high pressure piping pipefitter competency license, $270;

(d) renewal of contracting high pressure piping pipefitter competency license, $240;

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

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

(g) renewal of an inactive contracting high pressure piping pipefitter competency license or inactive journeyman high pressure piping pipefitter competency license, $40.

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

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

EFFECTIVE DATE. This section is effective December 1, 2007, except that subdivisions 2a, 2b, and 5 are effective July 1, 2007.

Sec. 9. Minnesota Statutes 2006, section 326.50, is amended to read:

326.50 LICENSE APPLICATION~~, FEES~~ AND RENEWAL.

Application for an individual contracting high pressure pipefitter competency or an individual journeyman high pressure pipefitter competency license shall be made to the department ~~of Labor and Industry~~, with fees. The applicant shall be licensed only after passing an examination developed and administered by the department ~~of Labor and Industry~~ in accordance with rules adopted by the board. A competency license issued by the department shall expire on December 31 of each year. A renewal application must be received by the department within one year after expiration of the competency license. A license that has been expired for more than one year cannot be renewed, and can only be reissued if the applicant submits a new application for the competency license, pays a new application fee, and retakes and passes the applicable license examination.

Sec. 10. **[326.505] BOARD OF HIGH PRESSURE PIPING SYSTEMS.**

Subdivision 1. **Composition.** (a) The Board of High Pressure Piping Systems shall consist of 13 members. Twelve members shall be appointed by the governor with the advice and consent of the senate and shall be voting members. Appointments of members by the governor shall be made in accordance with section 15.066. If the senate votes to refuse to consent to an appointment of a member made by the governor, the governor shall appoint a new member with the advice and consent of the senate. One member shall be the commissioner of labor and industry or the commissioner of labor and industry's designee, who shall be a voting member. Of the 12 appointed members, the composition shall be as follows:

(1) one member shall be a high pressure piping inspector;

(2) one member shall be a licensed mechanical engineer;

(3) one member shall be a representative of the high pressure piping industry;

(4) four members shall be high pressure piping contractors engaged in the scope of high pressure piping, two from the metropolitan area and two from greater Minnesota;

(5) two members shall be high pressure piping journeymen engaged in the scope of high pressure piping systems installation, one from the metropolitan area and one from greater Minnesota;

(6) one member shall be a representative of industrial companies that use high pressure piping systems in their industrial process;

(7) one member shall be a representative from utility companies in Minnesota; and

(8) one member shall be a public member as defined by section 214.02.

The high pressure piping inspector shall be appointed for a term to end December 31, 2011. The professional mechanical engineer shall be appointed for a term to end December 31, 2010. The representative of the high pressure piping industry shall be appointed for a term to end December 31, 2011. Two of the high pressure piping contractors shall be appointed for a term to end December 31, 2011. The other two high pressure piping contractors shall be appointed for a term to end December 31, 2010. One of the high pressure piping journeymen shall be appointed for a term to end December 31, 2011. The other high pressure piping journeyman shall be appointed for a term to end December 31, 2010. The one representative of industrial companies that use high pressure piping systems in their industrial process shall be appointed for a term to end December 31, 2010. The one representative of a utility company in Minnesota shall be appointed for a term to end December 31, 2010. The public member shall be appointed for a term to end December 31, 2010.

(b) The licensed professional mechanical engineer must possess a current Minnesota professional engineering license and maintain the license for the duration of their term. All other appointed members, except for the representative of the piping industry, the representative of industrial companies that use high pressure piping systems, and the representative of public utility companies in Minnesota, must possess a current high pressure piping license issued by the Department of Labor and Industry and maintain that license for the duration of their term. All appointed members must be residents of Minnesota at the time of and throughout the member's appointment. The term of any appointed member that does not maintain membership qualification status shall end on the date of status change and the governor shall appoint a new member. It is the responsibility of the member to notify the board of the member's status change.

(c) For appointed members, except the initial terms designated in paragraph (a), each term shall be three years with the terms ending on December 31. Members appointed by the governor shall be limited to three consecutive terms. The governor shall, all or in part, reappoint the current members or appoint replacement members with the advice and consent of the senate. Midterm vacancies shall be filled for the remaining portion of the term. Vacancies occurring with less than six months time remaining in the term shall be filled for the existing term and the following three-year term. Members may serve until their successors are appointed but in no case later than July 1 in a year in which the term expires unless reappointed.

Subd. 2. **Powers; duties; administrative support.** (a) The board shall have the power to:

(1) elect its chair, vice-chair, and secretary;

(2) adopt bylaws that specify the duties of its officers, the meeting dates of the board, and containing such other provisions as may be useful and necessary for the efficient conduct of the business of the board;

(3) adopt the high pressure piping code that must be followed in this state and any high pressure piping code amendments thereto. The board shall adopt the high pressure piping code and any amendments thereto pursuant to chapter 14, and as provided in subdivision 6, paragraphs (b), (c), and (d);

(4) review requests for final interpretations and issue final interpretations as provided in section 16B.63, subdivision 5;

(5) except for rules regulating continuing education, adopt rules that regulate the licensure or registration of high pressure piping contractors, journeymen, and other persons engaged in the design, installation, and alteration of high pressure piping systems, except for those individuals licensed under section 326.02, subdivisions 2 and 3. The board shall adopt these rules pursuant to chapter 14 and as provided in subdivision 6, paragraphs (e) and (f);

(6) advise the commissioner regarding educational requirements for high pressure piping inspectors;

(7) refer complaints or other communications to the commissioner, whether oral or written, as provided in subdivision 7 that alleges or implies a violation of a statute, rule, or order that the commissioner has the authority to enforce pertaining to code compliance, licensure, or an offering to perform or performance of unlicensed high pressure piping services;

(8) approve per diem and expenses deemed necessary for its members as provided in subdivision 3;

(9) select from its members individuals to serve on any other state advisory council, board, or committee;

(10) recommend the fees for licenses and certifications; and

(11) approve license reciprocity agreements.

Except for the powers granted to the Plumbing Board, Board of Electricity, and the Board of High Pressure Piping, the commissioner of labor and industry shall administer and enforce the provisions of this chapter and any rules promulgated pursuant thereto.

(b) The board shall comply with section 15.0597, subdivisions 2 and 4.

(c) The commissioner shall coordinate the board's rulemaking and recommendations with the recommendations and rulemaking conducted by the other boards created pursuant to chapter 326B. The commissioner shall provide staff support to the board. The support includes professional, legal, technical, and clerical staff necessary to perform rulemaking and other duties assigned to the board. The commissioner of labor and industry shall supply necessary office space and supplies to assist the board in its duties.

Subd. 3. **Compensation.** (a) Members of the board may be compensated at the rate of $55 a day spent on board activities, when authorized by the board, plus expenses in the same manner and amount as authorized by the commissioner's plan adopted under section 43A.18, subdivision 2. Members who, as a result of time spent attending board meetings, incur child care expenses that would not otherwise have been incurred, may be reimbursed for those expenses upon board authorization.

(b) Members who are state employees or employees of the political subdivisions of the state must not receive the daily payment for activities that occur during working hours for which they are compensated by the state or political subdivision. However, a state or political subdivision employee may receive the daily payment if the employee uses vacation time or compensatory time accumulated in accordance with a collective bargaining agreement or compensation plan for board activities. Members who are state employees or employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source. Members who are state employees or employees of political subdivisions of the state may be reimbursed for child care expenses only for time spent on board activities that are outside their working hours.

(c) The board shall adopt internal standards prescribing what constitutes a day spent on board activities for purposes of making daily payments under this subdivision.

Subd. 4. **Removal; vacancies.** (a) An appointed member of the board may be removed by the governor at any time (1) for cause, after notice and hearing, or (2) after missing three consecutive meetings. The chair of the board shall inform the governor of an

appointed member missing the three consecutive meetings. After the second consecutive missed meeting and before the next meeting, the secretary of the board shall notify the appointed member in writing that the member may be removed for missing the next meeting. In the case of a vacancy on the board, the governor shall, with the advice and consent of the senate, appoint a person to fill the vacancy for the remainder of the unexpired term.

(b) Vacancies shall be filled pursuant to section 15.0597, subdivisions 5 and 6.

Subd. 5. **Membership vacancies within three months of appointment.** Notwithstanding any law to the contrary, when a membership on the board becomes vacant within three months after being filled through the appointments process, the governor may, upon notification to the Office of Secretary of State, choose a new member from the applications on hand and need not repeat the process.

Subd. 6. **Officers, quorum, voting.** (a) The board shall elect annually from its members a chair, vice-chair, and secretary. A quorum of the board shall consist of a majority of members of the board qualified to vote on the matter in question. All questions concerning the manner in which a meeting is conducted or called that is not covered by statute shall be determined by Robert's Rules of Order (revised) unless otherwise specified by the bylaws.

(b) Except as provided in paragraph (c), each high pressure piping code amendment considered by the board that receives an affirmative two-thirds or more majority vote of all the voting members of the board shall be included in the next high pressure piping code rulemaking proceeding initiated by the board. If a high pressure piping code amendment considered, or reconsidered, by the board receives less than a two-thirds majority vote of all the voting members of the board, the high pressure piping code amendment shall not be included in the next high pressure piping code rulemaking proceeding initiated by the board.

(c) If the high pressure piping code amendment considered by the board is to replace the Minnesota High Pressure Piping Code with a model high pressure piping code, then the amendment may only be included in the next high pressure piping code rulemaking proceeding if it receives an affirmative two-thirds or more majority vote of all the voting members of the board.

(d) The board may reconsider high pressure piping code amendments during an active high pressure piping code rulemaking proceeding in which the amendment previously failed to receive a two-thirds majority vote or more of all the voting members of the board only if new or updated information that affects the high pressure piping code

amendment is presented to the board. The board may also reconsider failed high pressure piping code amendments in subsequent high pressure piping code rulemaking proceedings.

(e) Each proposed rule and rule amendment considered by the board pursuant to the rulemaking authority specified in subdivision 2, paragraph (a), clause (5), that receives an affirmative majority vote of all the voting members of the board shall be included in the next rulemaking proceeding initiated by the board. If a proposed rule or rule amendment considered, or reconsidered, by the board receives less than an affirmative majority vote of all the voting members of the board, the proposed rule or rule amendment shall not be included in the next rulemaking proceeding initiated by the board.

(f) The board may reconsider the proposed rule or rule amendment during an active rulemaking proceeding in which the amendment previously failed to receive an affirmative majority vote of all the voting members of the board only if new or updated information that affects the proposed rule or rule amendment is presented to the board. The board may also reconsider failed proposed rules or rule amendments in subsequent rulemaking proceedings.

Subd. 7. **Board meetings.** (a) The board shall hold meetings at such times as the board shall specify. Notice and conduct of all meetings shall be pursuant to Minnesota Statutes, chapter 13D, and in such a manner as the bylaws may provide.

(b) If compliance with section 13D.02 is impractical, the board may conduct a meeting of its members by telephone or other electronic means so long as the following conditions are met:

(1) all members of the board participating in the meeting, wherever their physical location, can hear one another and can hear all discussion and testimony;

(2) members of the public present at the regular meeting location of the board can hear clearly all discussion and testimony and all votes of members of the board and, if needed, receive those services required by sections 15.44 and 15.441;

(3) at least one member of the board is physically present at the regular meeting location; and

(4) all votes are conducted by roll call, so each member's vote on each issue can be identified and recorded.

Each member of the board participating in a meeting by telephone or other electronic means is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the board, to the extent practical, shall allow a person to monitor the meeting electronically from a remote location. The board may require the person

making such a connection to pay for documented costs that the board incurs as a result of the additional connection.

If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the board shall provide notice of the regular meeting location, of the fact that some members may participate by telephone or other electronic means, and that a person may monitor the meeting electronically from a remote location. Any person monitoring the meeting electronically from a remote location may be required to pay documented costs incurred by the board as a result of the additional connection. The timing and method of providing notice is governed by section 13D.04.

Subd. 8. **Complaints.** (a) The board shall promptly forward to the commissioner the substance of any complaint or communication it receives, whether written or oral, that alleges or implies a violation of a statute, rule, or order that the commissioner has the authority to enforce pertaining to the license or registration of any person authorized by the department to provide high pressure piping services, the performance or offering to perform high pressure piping services requiring licensure by an unlicensed person, or high pressure code compliance. Each complaint or communication that is forwarded to the commissioner shall be submitted on a form provided by the commissioner.

(b) The commissioner shall advise the board of the status of the complaint within 90 days after the board's written submission is received, or within 90 days after the board is provided with a written request for additional information or documentation from the commissioner or the commissioner's designee, whichever is later. The commissioner shall advise the board of the disposition of a complaint referred by the board within 180 days after the board's written submission is received. The commissioner shall annually report to the board a summary of the actions taken in response to complaints referred by the board.

Subd. 9. **Data practices act.** The board is subject to Minnesota Statutes, chapter 13, the Minnesota Government Data Practices Act, and shall protect from unlawful disclosure data classified as not public.

Subd. 10. **Official records.** The board shall make and preserve all records necessary to a full and accurate knowledge of its official activities in accordance with section 15.17.

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

Sec. 11. **REVISOR'S INSTRUCTION.**

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

Column A	Column B
326.46	326B.90
326.461	326B.91
326.47	326B.92
326.48	326B.93
326.50	326B.94

ARTICLE 11
APPRENTICESHIP BOARD

Section 1. Minnesota Statutes 2006, section 178.01, is amended to read:

178.01 PURPOSES.

The purposes of this chapter are: to open to young people regardless of race, sex, creed, color or national origin, the opportunity to obtain training that will equip them for profitable employment and citizenship; to establish as a means to this end, a program of voluntary apprenticeship under approved apprentice agreements providing facilities for their training and guidance in the arts, skills, and crafts of industry and trade, with concurrent, supplementary instruction in related subjects; to promote employment opportunities under conditions providing adequate training and reasonable earnings; to relate the supply of skilled workers to employment demands; to establish standards for apprentice training; to establish an Apprenticeship ~~Advisory Council~~ Board and apprenticeship committees to assist in effectuating the purposes of this chapter; to provide for a Division of Labor Standards and Apprenticeship within the Department of Labor and Industry; to provide for reports to the legislature regarding the status of apprentice training in the state; to establish a procedure for the determination of apprentice agreement controversies; and to accomplish related ends.

Sec. 2. Minnesota Statutes 2006, section 178.02, is amended to read:

178.02 APPRENTICESHIP ~~ADVISORY COUNCIL~~ BOARD.

Subdivision 1. **Members.** The commissioner of labor and industry, hereinafter called the commissioner, shall appoint an Apprenticeship ~~Advisory Council~~ Board, hereinafter referred to as the ~~council~~ board, composed of three representatives each from employer and employee organizations, and two representatives of the general public. The director of education responsible for career and technical education or designee shall be an ex officio member of the ~~council~~ board and shall serve in an advisory capacity only.

Subd. 2. **Terms.** The ~~council~~ board shall expire and the terms, compensation, and removal of appointed members shall be as provided in section 15.059~~, except that the council shall not expire before June 30, 2003~~.

Subd. 4. **Duties.** The ~~council~~ board shall meet at the call of the commissioner. It shall propose occupational classifications for apprenticeship programs; propose minimum standards for apprenticeship programs and agreements; and advise on the establishment of such policies, procedures, and rules as the ~~commissioner~~ board deems necessary in implementing the intent of this chapter.

Sec. 3. Minnesota Statutes 2006, section 178.03, subdivision 3, is amended to read:

Subd. 3. **Duties and functions.** The director, under the supervision of the commissioner, and with the advice and consultation of the Apprenticeship ~~Advisory Council~~ Board, is authorized: to administer the provisions of this chapter; to promote apprenticeship and other forms of on the job training; to establish, in cooperation and consultation with the Apprenticeship ~~Advisory Council~~ Board and with the apprenticeship committees, conditions and training standards for the approval of apprenticeship programs and agreements, which conditions and standards shall in no case be lower than those prescribed by this chapter; to promote equal employment opportunity in apprenticeship and other on the job training and to establish a Minnesota plan for equal employment opportunity in apprenticeship which shall be consistent with standards established under Code of Federal Regulations, title 29, part 30, as amended; to issue certificates of registration to sponsors of approved apprenticeship programs; to act as secretary of the Apprenticeship ~~Advisory Council~~ Board; to approve, if of the opinion that approval is for the best interest of the apprentice, any apprenticeship agreement which meets the standards established hereunder; to terminate any apprenticeship agreement in accordance with the provisions of such agreement; to keep a record of apprenticeship agreements and their disposition; to issue certificates of completion of apprenticeship; and to perform such other duties as the commissioner deems necessary to carry out the intent of this chapter; provided, that the administration and supervision of supplementary instruction in related subjects for apprentices; coordination of instruction on a concurrent basis with job experiences, and the selection and training of teachers and coordinators for such instruction shall be the function of state and local boards responsible for vocational education. The director shall have the authority to make wage determinations applicable to the graduated schedule of wages and journeyman wage rate for apprenticeship agreements, giving consideration to the existing wage rates prevailing throughout the state, except that no wage determination by the director shall alter an existing wage

provision for apprentices or journeymen that is contained in a bargaining agreement in effect between an employer and an organization of employees, nor shall the director make any determination for the beginning rate for an apprentice that is below the wage minimum established by federal or state law.

Sec. 4. Minnesota Statutes 2006, section 178.041, subdivision 1, is amended to read:

Subdivision 1. **Rules.** The commissioner may, upon receipt of the ~~council's~~ board's proposals, accept, adopt, and issue them by rule with any modifications or amendments the commissioner finds appropriate. The commissioner may refer them back to the ~~council~~ board with recommendations for further study, consideration and revision. If the commissioner refuses to accept, adopt, and issue by rule or other appropriate action a board proposal, the commissioner must provide a written explanation of the reason for the refusal to the board within 30 days after the board submitted the proposal to the commissioner. Additional rules may be issued as the commissioner may deem necessary.

ARTICLE 12
CONFORMING CHANGES

Section 1. Minnesota Statutes 2006, section 31.175, is amended to read:

31.175 WATER, PLUMBING, AND SEWAGE.

A person who is required by statutes administered by the Department of Agriculture, or by rules adopted pursuant to those statutes, to provide a suitable water supply, or plumbing or sewage disposal system, may not engage in the business of manufacturing, processing, selling, handling, or storing food at wholesale or retail unless the person's water supply is satisfactory under plumbing codes adopted by the Department of ~~Health~~ Labor and Industry and the person's sewage disposal system satisfies the rules of the Pollution Control Agency.

Sec. 2. Minnesota Statutes 2006, section 103I.621, subdivision 3, is amended to read:

Subd. 3. **Construction requirements.** (a) Withdrawal and reinjection for the groundwater thermal exchange device must be accomplished by a closed system in which the waters drawn for thermal exchange do not have contact or commingle with water from other sources or with polluting material or substances. The closed system must be constructed to allow an opening for inspection by the commissioner.

(b) Wells that are part of a groundwater thermal exchange system may not serve another function, except water may be supplied to the domestic water system if:

(1) the supply is taken from the thermal exchange system ahead of the heat exchange unit; and

(2) the domestic water system is protected by an airgap or backflow prevention device as described in rules relating to plumbing enforced by the commissioner of labor and industry.

(c) A groundwater thermal exchange system may be used for domestic water heating only if the water heating device is an integral part of the heat exchange unit that is used for space heating and cooling.

Sec. 3. Minnesota Statutes 2006, section 144.122, is amended to read:

144.122 LICENSE, PERMIT, AND SURVEY FEES.

(a) The state commissioner of health, by rule, may prescribe procedures and fees for filing with the commissioner as prescribed by statute and for the issuance of original and renewal permits, licenses, registrations, and certifications issued under authority of the commissioner. The expiration dates of the various licenses, permits, registrations, and certifications as prescribed by the rules shall be plainly marked thereon. Fees may include application and examination fees and a penalty fee for renewal applications submitted after the expiration date of the previously issued permit, license, registration, and certification. The commissioner may also prescribe, by rule, reduced fees for permits, licenses, registrations, and certifications when the application therefor is submitted during the last three months of the permit, license, registration, or certification period. Fees proposed to be prescribed in the rules shall be first approved by the Department of Finance. All fees proposed to be prescribed in rules shall be reasonable. The fees shall be in an amount so that the total fees collected by the commissioner will, where practical, approximate the cost to the commissioner in administering the program. All fees collected shall be deposited in the state treasury and credited to the state government special revenue fund unless otherwise specifically appropriated by law for specific purposes.

(b) The commissioner may charge a fee for voluntary certification of medical laboratories and environmental laboratories, and for environmental and medical laboratory services provided by the department, without complying with paragraph (a) or chapter 14. Fees charged for environment and medical laboratory services provided by the department must be approximately equal to the costs of providing the services.

(c) The commissioner may develop a schedule of fees for diagnostic evaluations conducted at clinics held by the services for children with disabilities program. All receipts generated by the program are annually appropriated to the commissioner for use in the maternal and child health program.

(d) The commissioner shall set license fees for hospitals and nursing homes that are not boarding care homes at the following levels:

Joint Commission on Accreditation of Healthcare Organizations (JCAHO) and American Osteopathic Association (AOA) hospitals	$7,555 plus $13 per bed
Non-JCAHO and non-AOA hospitals	$5,180 plus $247 per bed
Nursing home	$183 plus $91 per bed

The commissioner shall set license fees for outpatient surgical centers, boarding care homes, and supervised living facilities at the following levels:

Outpatient surgical centers	$3,349
Boarding care homes	$183 plus $91 per bed
Supervised living facilities	$183 plus $91 per bed.

(e) Unless prohibited by federal law, the commissioner of health shall charge applicants the following fees to cover the cost of any initial certification surveys required to determine a provider's eligibility to participate in the Medicare or Medicaid program:

Prospective payment surveys for hospitals	$900
Swing bed surveys for nursing homes	$1,200
Psychiatric hospitals	$1,400
Rural health facilities	$1,100
Portable x-ray providers	$500
Home health agencies	$1,800
Outpatient therapy agencies	$800
End stage renal dialysis providers	$2,100
Independent therapists	$800
Comprehensive rehabilitation outpatient facilities	$1,200
Hospice providers	$1,700
Ambulatory surgical providers	$1,800
Hospitals	$4,200
Other provider categories or additional resurveys required to complete initial certification	Actual surveyor costs: average surveyor cost x number of hours for the survey process.

These fees shall be submitted at the time of the application for federal certification and shall not be refunded. All fees collected after the date that the imposition of fees is not prohibited by federal law shall be deposited in the state treasury and credited to the state government special revenue fund.

~~(f) The commissioner shall charge the following fees for examinations, registrations, licenses, and inspections:~~

~~Plumbing examination~~	~~$ 50~~
~~Water conditioning examination~~	~~$ 50~~
~~Plumbing bond registration fee~~	~~$ 40~~
~~Water conditioning bond registration fee~~	~~$ 40~~
~~Master plumber's license~~	~~$120~~
~~Journeyman plumber's license~~	~~$ 55~~
~~Apprentice registration~~	~~$ 25~~
~~Water conditioning contractor license~~	~~$ 70~~
~~Water conditioning installer license~~	~~$ 35~~
~~Residential inspection fee (each visit)~~	~~$ 50~~
~~Public, commercial, and industrial inspections~~	~~Inspection fee~~
~~25 or fewer drainage fixture units~~	~~$ 300~~
~~26 to 50 drainage fixture units~~	~~$ 900~~
~~51 to 150 drainage fixture units~~	~~$1,200~~
~~151 to 249 drainage fixture units~~	~~$1,500~~
~~250 or more drainage fixture units~~	~~$1,800~~
~~Callback fee (each visit)~~	~~$100~~

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

Sec. 4. Minnesota Statutes 2006, section 144.99, subdivision 1, is amended to read:

Subdivision 1. **Remedies available.** The provisions of chapters 103I and 157 and sections 115.71 to 115.77; 144.12, subdivision 1, paragraphs (1), (2), (5), (6), (10), (12), (13), (14), and (15); 144.1201 to 144.1204; 144.121; 144.1222; 144.35; 144.381 to 144.385; 144.411 to 144.417; 144.495; 144.71 to 144.74; 144.9501 to 144.9509; 144.992; ~~326.37 to 326.45; 326.57~~ 326.70 to 326.785; 327.10 to 327.131; and 327.14 to 327.28 and all rules, orders, stipulation agreements, settlements, compliance agreements, licenses, registrations, certificates, and permits adopted or issued by the department or under any other law now in force or later enacted for the preservation of public health may, in addition to provisions in other statutes, be enforced under this section.

Sec. 5. Minnesota Statutes 2006, section 175.16, subdivision 1, is amended to read:

Subdivision 1. **Established.** The Department of Labor and Industry shall consist of the following divisions: Division of Workers' Compensation, Division of ~~Boiler Inspection~~ Construction Codes and Licensing, Division of Occupational Safety and Health, Division of Statistics, ~~Division of Steamfitting Standards,~~ Division of Labor Standards and Apprenticeship, and such other divisions as the commissioner of the Department of Labor and Industry may deem necessary and establish. Each division of the department and persons in charge thereof shall be subject to the supervision of the

commissioner of the Department of Labor and Industry and, in addition to such duties as are or may be imposed on them by statute, shall perform such other duties as may be assigned to them by the commissioner. Notwithstanding any other law to the contrary, the commissioner is the administrator and supervisor of all of the department's dispute resolution functions and personnel and may delegate authority to compensation judges and others to make determinations under sections 176.106, 176.238, and 176.239 and to approve settlement of claims under section 176.521.

Sec. 6. Minnesota Statutes 2006, section 214.01, subdivision 3, is amended to read:

Subd. 3. **Non-health-related licensing board.** "Non-health-related licensing board" means the Board of Teaching established pursuant to section 122A.07, the Board of Barber Examiners established pursuant to section 154.001, the Board of Assessors established pursuant to section 270.41, the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design established pursuant to section 326.04, ~~the Board of Electricity established pursuant to section 326.241,~~ the Private Detective and Protective Agent Licensing Board established pursuant to section 326.33, the Board of Accountancy established pursuant to section 326A.02, and the Peace Officer Standards and Training Board established pursuant to section 626.841.

Sec. 7. Minnesota Statutes 2006, section 214.04, subdivision 1, is amended to read:

Subdivision 1. **Services provided.** (a) The ~~commissioner of administration with respect to the Board of Electricity; the~~ commissioner of education with respect to the Board of Teaching; the commissioner of public safety with respect to the Board of Private Detective and Protective Agent Services; the panel established pursuant to section 299A.465, subdivision 7; the Board of Peace Officer Standards and Training; and the commissioner of revenue with respect to the Board of Assessors, shall provide suitable offices and other space, joint conference and hearing facilities, examination rooms, and the following administrative support services: purchasing service, accounting service, advisory personnel services, consulting services relating to evaluation procedures and techniques, data processing, duplicating, mailing services, automated printing of license renewals, and such other similar services of a housekeeping nature as are generally available to other agencies of state government. Investigative services shall be provided the boards by employees of the Office of Attorney General. The commissioner of health with respect to the health-related licensing boards shall provide mailing and office supply services and may provide other facilities and services listed in this subdivision at a central location upon request of the health-related licensing boards. The commissioner of

commerce with respect to the remaining non-health-related licensing boards shall provide the above facilities and services at a central location for the remaining non-health-related licensing boards. The legal and investigative services for the boards shall be provided by employees of the attorney general assigned to the departments servicing the boards. Notwithstanding the foregoing, the attorney general shall not be precluded by this section from assigning other attorneys to service a board if necessary in order to insure competent and consistent legal representation. Persons providing legal and investigative services shall to the extent practicable provide the services on a regular basis to the same board or boards.

(b) The requirements in paragraph (a) with respect to the panel established in section 299A.465, subdivision 7, expire July 1, 2008.

Sec. 8. Minnesota Statutes 2006, section 214.04, subdivision 3, is amended to read:

Subd. 3. **Officers; staff.** The executive director of each health-related board and the executive secretary of each non-health-related board shall be the chief administrative officer for the board but shall not be a member of the board. The executive director or executive secretary shall maintain the records of the board, account for all fees received by it, supervise and direct employees servicing the board, and perform other services as directed by the board. The executive directors, executive secretaries, and other employees of the following boards shall be hired by the board, and the executive directors or executive secretaries shall be in the unclassified civil service, except as provided in this subdivision:

(1) Dentistry;

(2) Medical Practice;

(3) Nursing;

(4) Pharmacy;

(5) Accountancy;

(6) Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design;

(7) Barber Examiners;

(8) Cosmetology;

~~(9) Electricity;~~

~~(10)~~ (9) Teaching;

~~(11)~~ (10) Peace Officer Standards and Training;

~~(12)~~ (11) Social Work;

~~(13)~~ (12) Marriage and Family Therapy;

~~(14)~~ (13) Dietetics and Nutrition Practice; and

~~(15)~~ (14) Licensed Professional Counseling.

The executive directors or executive secretaries serving the boards are hired by those boards and are in the unclassified civil service, except for part-time executive directors or executive secretaries, who are not required to be in the unclassified service. Boards not requiring full-time executive directors or executive secretaries may employ them on a part-time basis. To the extent practicable, the sharing of part-time executive directors or executive secretaries by boards being serviced by the same department is encouraged. Persons providing services to those boards not listed in this subdivision, except executive directors or executive secretaries of the boards and employees of the attorney general, are classified civil service employees of the department servicing the board. To the extent practicable, the commissioner shall ensure that staff services are shared by the boards being serviced by the department. If necessary, a board may hire part-time, temporary employees to administer and grade examinations.

Sec. 9. Minnesota Statutes 2006, section 326.975, subdivision 1, is amended to read:

Subdivision 1. **Generally.** (a) In addition to any other fees, each applicant for a license under sections 326.83 to 326.98 shall pay a fee to the contractor's recovery fund. The contractor's recovery fund is created in the state treasury and must be administered by the commissioner in the manner and subject to all the requirements and limitations provided by section 82.43 ~~with the following exceptions:~~.

~~(1) each licensee who renews a license shall pay in addition to the appropriate renewal fee an additional fee which shall be credited to the contractor's recovery fund. The amount of the fee shall be based on the licensee's gross annual receipts for the licensee's most recent fiscal year preceding the renewal, on the following scale:~~

~~Fee~~	~~Gross Receipts~~
~~$100~~	~~under $1,000,000~~
~~$150~~	~~$1,000,000 to $5,000,000~~
~~$200~~	~~over $5,000,000~~

~~Any person who receives a new license shall pay a fee based on the same scale;~~

~~(2)~~ (1) The purpose of this fund is:

(i) to compensate any aggrieved owner or lessee of residential property located within this state who obtains a final judgment in any court of competent jurisdiction against a licensee licensed under section 326.84, on grounds of fraudulent, deceptive, or dishonest practices, conversion of funds, or failure of performance arising directly out of any transaction when the judgment debtor was licensed and performed any of the activities enumerated under section 326.83, subdivision 19, on the owner's residential

property or on residential property rented by the lessee, or on new residential construction which was never occupied prior to purchase by the owner, or which was occupied by the licensee for less than one year prior to purchase by the owner, and which cause of action arose on or after April 1, 1994; and

(ii) to reimburse the Department of Commerce for all legal and administrative expenses, including staffing costs, incurred in administering the fund;

~~(3)~~ (2) nothing may obligate the fund for more than $50,000 per claimant, nor more than $75,000 per licensee; and

~~(4)~~ (3) nothing may obligate the fund for claims based on a cause of action that arose before the licensee paid the recovery fund fee set in clause (1), or as provided in section 326.945, subdivision 3.

(b) Should the commissioner pay from the contractor's recovery fund any amount in settlement of a claim or toward satisfaction of a judgment against a licensee, the license shall be automatically suspended upon the effective date of an order by the court authorizing payment from the fund. No licensee shall be granted reinstatement until the licensee has repaid in full, plus interest at the rate of 12 percent a year, twice the amount paid from the fund on the licensee's account, and has obtained a surety bond issued by an insurer authorized to transact business in this state in the amount of at least $40,000.

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

Sec. 10. Minnesota Statutes 2006, section 327.20, subdivision 1, is amended to read:

Subdivision 1. **Rules.** No domestic animals or house pets of occupants of manufactured home parks or recreational camping areas shall be allowed to run at large, or commit any nuisances within the limits of a manufactured home park or recreational camping area. Each manufactured home park or recreational camping area licensed under the provisions of sections 327.10, 327.11, 327.14 to 327.28 shall, among other things, provide for the following, in the manner hereinafter specified:

(1) A responsible attendant or caretaker shall be in charge of every manufactured home park or recreational camping area at all times, who shall maintain the park or area, and its facilities and equipment in a clean, orderly and sanitary condition. In any manufactured home park containing more than 50 lots, the attendant, caretaker, or other responsible park employee, shall be readily available at all times in case of emergency.

(2) All manufactured home parks shall be well drained and be located so that the drainage of the park area will not endanger any water supply. No wastewater from manufactured homes or recreational camping vehicles shall be deposited on the surface of the ground. All sewage and other water carried wastes shall be discharged into a municipal

sewage system whenever available. When a municipal sewage system is not available, a sewage disposal system acceptable to the state commissioner of health shall be provided.

(3) No manufactured home shall be located closer than three feet to the side lot lines of a manufactured home park, if the abutting property is improved property, or closer than ten feet to a public street or alley. Each individual site shall abut or face on a driveway or clear unoccupied space of not less than 16 feet in width, which space shall have unobstructed access to a public highway or alley. There shall be an open space of at least ten feet between the sides of adjacent manufactured homes including their attachments and at least three feet between manufactured homes when parked end to end. The space between manufactured homes may be used for the parking of motor vehicles and other property, if the vehicle or other property is parked at least ten feet from the nearest adjacent manufactured home position. The requirements of this paragraph shall not apply to recreational camping areas and variances may be granted by the state commissioner of health in manufactured home parks when the variance is applied for in writing and in the opinion of the commissioner the variance will not endanger the health, safety, and welfare of manufactured home park occupants.

(4) An adequate supply of water of safe, sanitary quality shall be furnished at each manufactured home park or recreational camping area. The source of the water supply shall first be approved by the state Department of Health.

(5) All plumbing shall be installed in accordance with the rules of the state commissioner of ~~health~~ labor and industry and the provisions of the Minnesota Plumbing Code.

(6) In the case of a manufactured home park with less than ten manufactured homes, a plan for the sheltering or the safe evacuation to a safe place of shelter of the residents of the park in times of severe weather conditions, such as tornadoes, high winds, and floods. The shelter or evacuation plan shall be developed with the assistance and approval of the municipality where the park is located and shall be posted at conspicuous locations throughout the park. The park owner shall provide each resident with a copy of the approved shelter or evacuation plan, as provided by section 327C.01, subdivision 1c. Nothing in this paragraph requires the Department of Health to review or approve any shelter or evacuation plan developed by a park. Failure of a municipality to approve a plan submitted by a park shall not be grounds for action against the park by the Department of Health if the park has made a good faith effort to develop the plan and obtain municipal approval.

(7) A manufactured home park with ten or more manufactured homes, licensed prior to March 1, 1988, shall provide a safe place of shelter for park residents or a plan for the

evacuation of park residents to a safe place of shelter within a reasonable distance of the park for use by park residents in times of severe weather, including tornadoes and high winds. The shelter or evacuation plan must be approved by the municipality by March 1, 1989. The municipality may require the park owner to construct a shelter if it determines that a safe place of shelter is not available within a reasonable distance from the park. A copy of the municipal approval and the plan shall be submitted by the park owner to the Department of Health. The park owner shall provide each resident with a copy of the approved shelter or evacuation plan, as provided by section 327C.01, subdivision 1c.

(8) A manufactured home park with ten or more manufactured homes, receiving a primary license after March 1, 1988, must provide the type of shelter required by section 327.205, except that for manufactured home parks established as temporary, emergency housing in a disaster area declared by the President of the United States or the governor, an approved evacuation plan may be provided in lieu of a shelter for a period not exceeding 18 months.

(9) For the purposes of this subdivision, "park owner" and "resident" have the meaning given them in section 327C.01.

Sec. 11. Minnesota Statutes 2006, section 327.205, is amended to read:

327.205 SHELTER CONSTRUCTION STANDARDS.

The commissioner of ~~administration~~ labor and industry shall adopt, by rule, minimum standards for the construction of low cost manufactured home park storm shelters by March 1, 1988. All shelters constructed after March 1, 1988, shall be constructed in accordance with these standards.

Sec. 12. Minnesota Statutes 20064, section 327A.01, subdivision 2, is amended to read:

Subd. 2. **Building standards.** "Building standards" means the materials and installation standards of the State Building Code, adopted by the commissioner of ~~administration~~ labor and industry pursuant to sections 16B.59 to 16B.75, in effect at the time of the construction or remodeling.

Sec. 13. Minnesota Statutes 2006, section 363A.40, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** The definitions in this subdivision apply to this section.

(a) "Accessible unit" means an accessible rental housing unit that meets the ~~disability facility~~ persons with disabilities requirements of the State Building Code~~, Minnesota Rules, chapter 1340~~.

(b) "Landlord" has the meaning given it in section 504B.001, subdivision 7.

Sec. 14. Minnesota Statutes 2006, section 462.357, subdivision 6a, is amended to read:

Subd. 6a. **Normal residential surroundings for ~~disabled~~ persons with disabilities.** It is the policy of this state that ~~disabled~~ persons ~~and children~~ with disabilities should not be excluded by municipal zoning ordinances or other land use regulations from the benefits of normal residential surroundings. For purposes of subdivisions 6a through 9, "person" has the meaning given in section 245A.02, subdivision 11.

Sec. 15. Minnesota Statutes 2006, section 462A.07, subdivision 8, is amended to read:

Subd. 8. **State Building Code.** It may assist the commissioner of ~~administration~~ labor and industry in the development, implementation and revision of ~~a uniform~~ the State Building Code.

Sec. 16. Minnesota Statutes 2006, section 471.465, is amended to read:

471.465 PERSONS WITH DISABILITIES; BUILDING REGULATIONS; DEFINITIONS.

Subdivision 1. **Scope.** For the purposes of sections 471.465 to 471.469, the terms defined in this section have the meanings given them.

Subd. 2. **Buildings and facilities.** "Buildings and facilities" means any and all buildings and facilities and the grounds appurtenant thereto within any city, township or other governmental subdivision of the state other than all farm dwellings and buildings and single and two family dwellings. However, on the date on which rules promulgated by the commissioner of ~~administration~~ labor and industry regarding building requirements for ~~disabled~~ persons with disabilities shall become effective, "buildings and facilities" shall mean only those structures which must provide facilities for ~~the disabled~~ persons with disabilities pursuant to said rules.

Subd. 3. **~~Physically disabled~~ Persons with disabilities.** "~~Physically disabled~~ Persons with disabilities" means and includes people having sight disabilities, hearing disabilities, disabilities of incoordination, disabilities of aging, and any other disability that significantly reduces mobility, flexibility, coordination, or perceptiveness.

Subd. 4. **Remodeling.** "Remodeling" means deliberate reconstruction of an existing building or facility in whole or in part in order to bring it up to date to conform with present uses of the structure and to conform with rules and regulations on the upgrading of health and safety aspects of structures.

Subd. 5. **Local authority.** "Local authority" means the local authority having jurisdiction over local building construction.

Sec. 17. Minnesota Statutes 2006, section 471.466, is amended to read:

471.466 ADMINISTRATION AND ENFORCEMENT.

The duty and power to administer and enforce sections 471.465 to 471.469 is conferred upon and vested in the commissioner of ~~administration~~ labor and industry and the local authority.

Sec. 18. Minnesota Statutes 2006, section 471.467, is amended to read:

471.467 BUILDING REQUIREMENTS; CONFORMITY.

Subdivision 1. **Date applicable.** On the date on which rules promulgated by the commissioner of ~~administration~~ labor and industry regarding building requirements for ~~disabled~~ persons with disabilities shall become effective, said rules shall exclusively govern the provision of facilities.

Subd. 2. **No remodeling if solely for ~~disabled~~ persons with disabilities.** Nothing in sections 471.465 to 471.469 shall be construed to require the remodeling of buildings solely to provide accessibility and usability to ~~the physically disabled~~ persons with disabilities when remodeling would not otherwise be undertaken.

Subd. 3. **Applies to remodeled part.** When any building or facility covered by sections 471.465 to 471.469 undergoes remodeling either in whole or in part, that portion of the building or facility remodeled shall conform to the requirements of sections 471.465 to 471.469.

Sec. 19. Minnesota Statutes 2006, section 471.471, is amended to read:

471.471 ACCESS REVIEW BOARD.

Subdivision 1. **Membership.** The Access Review Board consists of:

(1) a representative of the ~~Building Code and Standards Division of the~~ Department of ~~Administration~~ Labor and Industry, appointed by the commissioner of ~~administration~~ labor and industry;

(2) a representative of the state fire marshal's office, appointed by the commissioner of public safety;

(3) the commissioner of human rights or the commissioner's designee;

(4) a representative of the elevator safety section, designated by the commissioner of labor and industry ~~or the commissioner's designee~~; and

(5) the chair of the Council on Disability or the chair's designee.

The board shall elect a chair from among its members. Terms of members coincide with the terms of their appointing authorities or, in the case of ex officio members or their

designees, with the terms of the offices by virtue of which they are members of the board. Compensation of members is governed by section 15.0575, subdivision 3.

Subd. 2. **Staff; administrative support.** The commissioner of ~~administration~~ labor and industry shall furnish staff, office space, and administrative support to the board. Staff assigned to the board must be knowledgeable with respect to access codes, site surveys, plan design, and product use and eligibility.

Subd. 3. **Duties.** The board shall consider applications for waivers from the State Building Code to permit the installation of stairway chair lifts to provide limited accessibility for ~~the physically disabled~~ persons with disabilities to buildings in which the provision of access by means permitted under the State Building Code is not architecturally or financially possible. In considering applications, the board shall review other possible access options. The board may approve an application for installation of a stairway chair when the board determines that the installation would be appropriate and no other means of access is possible. In determining whether to approve an application, the board shall consider:

(1) the need for limited accessibility when a higher degree of accessibility is not required by state or federal law or rule;

(2) the architectural feasibility of providing a greater degree of accessibility than would be provided by the proposed device or equipment;

(3) the total cost of the proposed device or equipment over its projected usable life, including installation, maintenance, and replacement costs;

(4) the reliability of the proposed device or equipment;

(5) the applicant's ability to comply with all recognized access and safety standards for installation and maintenance; and

(6) whether the proposed device or equipment can be operated and used without reducing or compromising minimum safety standards.

The board shall consider the applicant's demonstrated inability to afford a greater degree of accessibility, but may not give greater weight to this factor than to the factors listed in clauses (1) to (6). The board may not approve an application unless the applicant guarantees that the device or equipment will be installed and operated in accordance with nationally recognized standards for such devices or equipment and agrees to obtain any permits needed from the agency responsible for enforcing those standards.

Subd. 4. **Application process.** A person seeking a waiver shall apply to the ~~Building Code and Standards Division of the~~ Department of ~~Administration~~ Labor and Industry on a form prescribed by the board and pay a $70 fee to the construction code fund. The division shall review the application to determine whether it appears to be

meritorious, using the standards set out in subdivision 3. The division shall forward applications it considers meritorious to the board, along with a list and summary of applications considered not to be meritorious. The board may require the division to forward to it an application the division has considered not to be meritorious. The board shall issue a decision on an application within 90 days of its receipt. A board decision to approve an application must be unanimous. An application that contains false or misleading information must be rejected.

Subd. 5. **Liability.** Board members are immune from liability for personal injury or death resulting from the use or misuse of a device or equipment installed and operated under a waiver granted by the board.

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

ARTICLE 13
TRANSFER; APPROPRIATION REDUCTION; REPEALER; EFFECTIVE DATE

Section 1. **TRANSFER.**

The commissioner of labor and industry shall transfer $1,627,000 by June 30, 2008, and $1,515,000 by June 30, 2009, and each year thereafter from the construction code fund to the general fund. If an annual transfer for this purpose is enacted more than once in the 2007 session, the annual transfer is effective only once.

Sec. 2. **APPROPRIATION REDUCTIONS.**

(a) The general fund appropriation to the commissioner of labor and industry for safety codes and services is reduced by $2,800,000 in fiscal year 2008 and $2,862,000 in fiscal year 2009 and each fiscal year thereafter. If an annual appropriation reduction for this purpose is enacted more than once in the 2007 session, the annual reduction is effective only once.

(b) The state government special revenue fund appropriation to the commissioner of labor and industry is reduced by $1,874,000 in fiscal year 2008 and $1,918,000 in fiscal year 2009 and each fiscal year thereafter. If an annual appropriation reduction for this purpose is enacted more than once in the 2007 session, the annual reduction is effective only once.

Sec. 3. **REPEALER.**

(a) Minnesota Statutes 2006, sections 16B.665; 183.001; 183.02; 183.375, subdivisions 1, 2, 3, 4, and 6; 183.41, subdivisions 1, 2, 3, and 4; 183.44, subdivisions

1, 2, and 3; 183.52; 183.54, subdivision 2; 183.61, subdivisions 1, 3, 5, and 6; 326.01, subdivisions 4, 6h, 10, 11, and 12; 326.242, subdivisions 4, 9, 9a, 9b, 9c, 9d, 9e, 9f, 9g, 9h, 9i, 9j, 9k, and 10; 326.244, subdivision 6; 326.246; 326.2461; 326.40, subdivision 4; 326.41; 326.45; 326.47, subdivision 5; 326.51; 326.521; 326.83, subdivisions 3, 4, 12, and 13; 326.85; 326.875; 326.91, subdivisions 2, 3, and 4; 326.945; 326.975; 326.98; and 327B.05, subdivisions 2, 3, 4, 5, and 6, are repealed.

(b) Minnesota Statutes 2006, sections 16B.747, subdivision 4; 183.375, subdivision 5; 183.545, subdivision 9; 326.01, subdivision 13; 326.44; 326.52; and 326.64, are repealed.

(c) Minnesota Rules, parts 2809.0230; 2891.0010; 2891.0030; 3800.2650; 3800.3580; 3800.3590; 3800.3630; 3800.3750; 3800.3835; 4715.5600; 4715.5900; 4717.7000, subpart 1, item I; 5225.0880; 5225.8600, subparts 1, 2, 3, 4, 5, 6, 7, 8, and 9; 5230.0010; 5230.0020; 5230.0040; 5230.0060, subpart 2; and 5230.0100, subparts 1, 3, and 4, are repealed.

EFFECTIVE DATE. Paragraphs (a) and (c) are effective December 1, 2007. Paragraph (b) is effective July 1, 2007.

Sec. 4. **EFFECTIVE DATE.**

This act is effective December 1, 2007, except when another date is specified. The revisor's instructions contained in this act shall be implemented for the 2008 edition of Minnesota Statutes.

APPENDIX
Article locations in H1208-6

ARTICLE 1	REVISOR'S INSTRUCTION	Page.Ln 2.10
ARTICLE 2	CONSTRUCTION CODES AND LICENSING	Page.Ln 2.25
ARTICLE 3	ENFORCEMENT	Page.Ln 5.27
ARTICLE 4	BUILDING CODE	Page.Ln 17.17
ARTICLE 5	ELECTRICAL	Page.Ln 53.24
ARTICLE 6	PLUMBING	Page.Ln 92.27
ARTICLE 7	WATER CONDITIONING CONTRACTORS AND INSTALLERS	Page.Ln 112.29
ARTICLE 8	RESIDENTIAL BUILDING CONTRACTOR AND REMODELER STATUTES	Page.Ln 118.19
ARTICLE 9	BOILERS; PRESSURE VESSELS; BOATS	Page.Ln 152.5
ARTICLE 10	HIGH PRESSURE PIPING	Page.Ln 167.3
ARTICLE 11	APPRENTICESHIP BOARD	Page.Ln 183.7
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16B.665 PERMIT FEE LIMITATION ON MINOR RESIDENTIAL IMPROVEMENTS.

A municipality as defined in section 16B.60, subdivision 3, or a town may not charge a permit fee that exceeds $15 or 5 percent of the cost of the improvement, installation, or replacement, whichever is greater, for the improvement, installation, or replacement of a residential fixture or appliance that:

(1) does not require modification to electric or gas service;

(2) has a total cost of $500 or less, excluding the cost of the fixture or appliance; and

(3) is improved, installed, or replaced by the home owner or a licensed contractor.

16B.747 FEES FOR LICENSURE AND INSPECTION.

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

183.001 ADMINISTRATION, PENALTIES.

The commissioner of the Department of Labor and Industry shall administer chapter 183. In addition to the remedies provided for violations of this chapter, the commissioner may impose a penalty of up to $1,000 for a violation of any provision of this chapter.

183.02 DEFINITIONS.

Subdivision 1. **Scope.** When used in this chapter, the terms defined in this section have the meanings given them.

Subd. 2. **Commissioner.** "Commissioner" means the commissioner of the Department of Labor and Industry.

Subd. 3. **Department.** "Department" means the Department of Labor and Industry.

Subd. 4. **Inland waters.** "Inland waters" means navigable bodies of water within the boundaries of this state, excluding boundary lakes and boundary rivers.

183.375 DIVISION OF BOILER INSPECTION.

Subdivision 1. **Management of division.** The Department of Labor and Industry, Division of Boiler Inspection, is hereby continued under the management, supervision, and control of the Department of Labor and Industry.

Subd. 2. **Chief of division.** Subject to the provisions of chapter 43A, the commissioner shall appoint a chief and may appoint a deputy chief of the Division of Boiler Inspection. The appointee shall be a qualified steam engineer with at least ten years of operation experience as such and shall be licensed as a chief Grade A engineer in this state and shall possess a current commission issued by the National Board of Boiler and Pressure Vessel Inspectors. Inspectors employed in the Division of Boiler Inspection or employed as an authorized inspector by a qualified insurance company insuring boilers and pressure vessels in Minnesota may utilize up to five years of equivalent experience as inspectors, in satisfying the requirement of ten years of experience as steam engineers for the chief and deputy chief positions.

Subd. 3. **Inspectors.** The department may employ such inspectors and other persons as are necessary to efficiently perform the duties and exercise the powers imposed upon the Division of Boiler Inspection.

Subd. 4. **Powers and duties.** Subject to the provisions of chapter 43A, the department shall prescribe the duties of the Division of Boiler Inspection.

Subd. 5. **Fees.** All fees collected by the Division of Boiler Inspection shall be paid into the state treasury in the manner provided by law for fees received by other state departments and credited to the general fund.

Subd. 6. **Reports and notices.** All reports and notices heretofore required by law to be made or given to the Board of Boiler Inspectors, or the chief boiler inspector shall be made or given to the department.

183.41 BOATS; RULES.

Subdivision 1. **Boat.** "Boat" means any boat or vessel propelled by mechanical power used and operated for carrying passengers for hire on any inland waters of the state.

Subd. 2. **Inspection rules.** The department shall prescribe rules for the inspection of the hulls, machinery, boilers, steam connections, fire fighting apparatus, life saving appliances and equipment of all power boats navigating the inland waters of the state, which shall conform to the requirements and specifications of the United States Coast Guard as provided in Code of Federal Regulations, title 46, in similar cases; these rules shall have the force of law.

Subd. 3. **Number of passengers.** The department shall designate the number of passengers that each boat may safely carry, and no such boat shall carry a greater number than is allowed by the inspector's certificate.

Subd. 4. **Annual permit.** The commissioner shall issue an annual permit to a boat for the purpose of carrying passengers for hire on the inland waters of the state provided the boat satisfies the inspection requirements of this section. A boat subject to inspection under this chapter shall be registered with the Division of Boiler Inspection and shall be inspected before a permit may be issued.

183.44 EXAMINATIONS; RULES; LICENSING, REVOCATIONS.

Subdivision 1. **Masters.** The commissioner or the commissioner's designee shall examine all masters of boats and vessels carrying passengers for hire on the inland waters of the state as to their qualifications and fitness. If found qualified and competent to perform their duties as a master of a boat carrying passengers for hire, they shall be issued a license authorizing them to act as such on the inland waters of the state. The license shall be renewed annually. Fees for the original issue and renewal of the license authorized under this section shall be pursuant to section 183.545, subdivision 2.

Subd. 2. **Rules.** The Division of Boiler Inspection shall make such rules for inspection and operation of boats subject to inspection under this chapter, boilers and pressure vessels, the licensing of engineers and pilots, and the navigation of any such boat or vessel as will require their operation without danger to life or property.

Subd. 3. **Suspension, revocation.** The Division of Boiler Inspection may suspend or revoke the license of any master, pilot or engineer found under the influence of drugs or alcohol when on duty or who otherwise disregards the provisions of sections 183.375 to 183.62 or any rule promulgated thereunder.

183.52 REVOCATION OF LICENSE.

The chief boiler inspector or representative may issue cease and desist orders to any person found to be in violation of sections 183.375 to 183.62 or the rules adopted thereunder, or for otherwise operating or allowing a boiler or pressure vessel to be operated under unsafe or dangerous conditions, and may petition for enforcement of the order in the district court. The department may also suspend or revoke the license of any engineer for a violation.

183.54 BOILER INSPECTOR TO DELIVER CERTIFICATES; PAYMENT OF INSPECTION FEES.

Subd. 2. **Fees.** Fees for the inspection of boilers and pressure vessels are payable at the time of the delivery of the certificate.

183.545 FEES FOR INSPECTION.

Subd. 9. **Deposit of fees.** Fees received under this section must be deposited in the state treasury and credited to the general fund.

183.61 VIOLATIONS BY THOSE RESPONSIBLE FOR OPERATION.

Subdivision 1. **Violating rules.** Any owner, master, or other person violating any rule prescribed by the Department of Labor and Industry is guilty of a misdemeanor.

Subd. 3. **Boats.** Every owner, lessee, master, or pilot violating any provision of section 183.44 is guilty of a misdemeanor.

Subd. 5. **Section** 183.50 **violation.** Every person who violates any provision of section 183.50 is guilty of a misdemeanor.

Subd. 6. **Insurance reports.** Any insurance company that fails to comply with the requirements of section 183.57 is guilty of a misdemeanor.

326.01 DEFINITIONS.

Subd. 4. **Special electrician.** The term "special electrician" means a person having the necessary qualifications, training, experience, and technical knowledge to install, alter, repair, and supervise the installing, altering, or repairing of special classes of electrical wiring, apparatus, or equipment for light, heat, power, and other purposes or for special classes of electrical work who is licensed as such by the Board of Electricity. The scope of any special electrician license created by the board under section 326.242, subdivision 4, shall be limited to that provided for by the rules adopted by the board.

Subd. 4. **Special electrician.** The term "special electrician" means a person having the necessary qualifications, training, experience, and technical knowledge to install, alter, repair, and supervise the installing, altering, or repairing of special classes of electrical wiring, apparatus, or equipment for light, heat, power, and other purposes or for special classes of electrical work who is licensed as such by the Board of Electricity. The scope of any special electrician license created by the board under section 326.242, subdivision 4, shall be limited to that provided for by the rules adopted by the board.

Subd. 6h. **Complaint committee.** The term "complaint committee" means a committee of the board which is authorized by the board or other provisions of chapter 214 or sections 326.241 to 326.248 to investigate, mediate, or initiate administrative or legal proceedings on behalf of the board with respect to complaints filed with or information received by the board alleging or indicating violations of sections 326.241 to 326.248. The complaint committee shall consist of at least one board member, the board's executive secretary, its assistant executive secretary, and the attorney general staff member assigned to provide legal services to the board.

Subd. 9. **Plumber's apprentice.** A "plumber's apprentice" is any person, other than a journeyman or master plumber, who, as a principal occupation, is engaged in working as an employee of a plumbing contractor under the immediate and personal supervision of either a master or journeyman plumber or plumbing contractor in learning and assisting in the installation of plumbing.

Subd. 10. **High pressure steam piping.** "High pressure steam piping" means steam piping operating under a pressure of 15 pounds or more per square inch.

Subd. 11. **Journeyman steamfitter.** A "journeyman steamfitter" is any person, other than a contracting steamfitter, who, as a principal occupation, is engaged in the practical installation of high pressure steam work.

Subd. 12. **Contracting steamfitter.** A "contracting steamfitter" is any person skilled in the planning, superintending, and the practical installation of high pressure steamfitting, and who is familiar with the laws and rules governing the same.

Subd. 13. **Steamfitter's apprentice.** A "steamfitter's apprentice" is any person, other than a journeyman or master steamfitter, who, as a principal occupation, is engaged in learning and assisting in the installation of high pressure steamfitting.

326.241 BOARD OF ELECTRICITY.

Subdivision 1. **Composition.** The Board of Electricity shall consist of 11 members, residents of the state, appointed by the governor of whom two shall be representatives of the electrical suppliers in the rural areas of the state, two shall be master electricians, who shall be contractors, two journeyman electricians, one registered consulting electrical engineer, two power limited technicians, who shall be technology system contractors primarily engaged in the business of installing technology circuits or systems, and two public members as defined by section 214.02. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09. The provision of staff, administrative services and office space; the review and processing of complaints; the setting of board fees; and other provisions relating to board operations shall be as provided in chapter 214.

Subd. 2. **Powers.** The board, or the complaint committee on behalf of the board where authorized by law, shall have power to:

(1) Elect its own officers.

(2) Engage and fix the compensation of inspectors, and hire employees. The salary of the executive secretary shall be established pursuant to chapter 43A. All agents and employees other than contract inspectors shall be in the classified service and shall be compensated pursuant

to chapter 43A. All inspectors shall hold licenses as master or journeyman electricians under section 326.242, subdivision 1(1) or 2(1), and shall give bond in an amount fixed by the board, conditioned upon the faithful performance of their duties.

(3) Pay such other expenses as it may deem necessary in the performance of its duties, including rent, supplies, and such like.

(4) Enforce the provisions of sections 326.241 to 326.248, and provide, upon request, such additional voluntary inspections and reviews as it may deem appropriate.

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

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

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

326.242 LICENSES.

Subd. 4. **Special electrician.** Notwithstanding the provisions of subdivisions 1, 2, 6, and 7, the board may by rule provide for the issuance of special electrician licenses empowering the licensee to engage in a limited class or classes of electrical work, which class or classes shall be specified on the license certificate. Each licensee shall have had at least two years of experience, acceptable to the board, in each such limited class of work for which the licensee is licensed.

Subd. 9. **Denial, suspension, and revocation of licenses.** The board may by order deny, suspend, revoke, or refuse to renew a license, or may censure a licensee if the board finds (1) in its discretion that the order is in the public interest and (2) that, based upon a preponderance of the evidence presented, the applicant or licensee:

(a) has filed an application for a license which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it is made, is false or misleading with respect to any material fact;

(b) has engaged in any fraudulent, deceptive, or dishonest act or practice;

(c) has been convicted within the past five years of a misdemeanor involving a violation of sections 326.241 to 326.248;

(d) has violated or failed to comply with sections 326.241 to 326.248 or any rule or order adopted or issued under these sections; or

(e) has, in the conduct of the applicant's or licensee's affairs, including, but not limited to, the performance of electrical work, been shown to be incompetent or untrustworthy.

If a licensee engages in conduct that is proven by a preponderance of the evidence to be a basis for discipline pursuant to paragraphs (a) to (e), the conduct shall constitute a violation of this subdivision. The board may take action under this subdivision or any other law authorizing action against a licensee regardless of whether the underlying conduct was willful.

The board may adopt rules further specifying and defining actions, conduct, and omissions that constitute fraudulent, deceptive, dishonest, or prohibited practices, and establishing standards of conduct for applicants and licensees.

Subd. 9a. **Civil penalties.** Whenever a preponderance of the evidence presented proves that a person has violated or failed to comply with sections 326.241 to 326.248 or any rule or order adopted or issued under these sections, the board may impose a civil penalty upon the person in an amount not to exceed $10,000 per violation.

Subd. 9b. **Orders for hearing.** The complaint committee may, on behalf of the board, issue an order requiring a licensee or an applicant for a license to appear at a hearing on the issue of whether the license should be revoked or suspended, the licensee censured, the application denied, or a civil penalty imposed. The order shall be calculated to give reasonable notice of the time and place for hearing, and shall state the reasons for the entry of the order. All hearings shall be conducted in accordance with chapter 14. After the hearing, the board shall enter an order making a disposition of the matter as the facts require. If the licensee or applicant fails to appear at a hearing of which that person has been duly notified, the person is in default and the proceeding may be determined against that person upon consideration of the order for hearing, the allegations of which may be deemed to be true.

Subd. 9c. **Temporary suspension.** (a) The complaint committee may, on behalf of the board and in the public interest, temporarily suspend a license pending final determination of an order for hearing. The complaint committee shall not issue a temporary suspension order until an investigation of the facts has been conducted pursuant to section 214.10 by the attorney general. The complaint committee shall issue a temporary suspension order only when the safety of life or property is threatened or to prevent the commission of fraudulent, deceptive, or dishonest acts against the public. Service of the temporary suspension order is effective if the order is served on the licensee or counsel of record personally or by first class mail to the most recent address provided to the board for the licensee or the counsel of record.

(b) If a license is suspended pending final determination of an order for hearing, a hearing on the merits shall be held within 45 days of the issuance of the order of temporary suspension. The administrative law judge shall issue a report within 30 days after closing of the contested case hearing record. The board shall issue a final order within 30 days after receipt of that report and any exceptions.

(c) If the licensee requests a hearing in writing within ten days of service of the order, the board shall hold a hearing before its own members on the sole issue of whether there is a reasonable basis to continue, modify, or vacate the temporary suspension. The board shall hold the hearing within five working days of the licensee's request for hearing. Evidence presented by the complaint committee or licensee shall be in affidavit form only. The licensee or counsel of record for the licensee may appear for oral argument. Within five working days after the hearing, the board shall issue its order either continuing or vacating the temporary suspension.

Subd. 9d. **Cease and desist order.** (a) Whenever it appears to the complaint committee that any person has engaged or is about to engage in any act or practice constituting a violation of sections 326.241 to 326.248, any other law authorizing the issuance of a cease and desist order, or any rule or order adopted or issued under these sections, the complaint committee may, on behalf of the board, issue and cause to be served upon the person an order requiring the person to cease and desist from violating sections 326.241 to 326.248 or any rule or order adopted or issued under these sections. The complaint committee shall not issue a cease and desist order until an investigation of the facts has been conducted pursuant to section 214.10 by the attorney general. The order shall be calculated to give reasonable notice of the right of the person to request a hearing and shall state the reasons for the entry of the order. If no hearing is requested of the board within 15 days of service of the order, the order shall become final and shall remain in effect until it is modified or vacated by the board and shall not be reviewable by a court.

(b) A hearing shall be held not later than 30 days from the date of the board's receipt of a written hearing request, unless otherwise agreed by the person requesting the hearing and the complaint committee. Within 30 days of receipt of the administrative law judge's report and any exceptions, the board shall issue a final order modifying, vacating, or making permanent the cease and desist order as the facts require. The final order remains in effect until modified or vacated by the board.

Subd. 9e. **Costs of proceeding.** The board may impose a fee to reimburse the board for all or part of the cost of the proceedings resulting in disciplinary action or the imposition of civil penalties or the issuance of a cease and desist order. Such fees include, but are not limited to, the amount paid by the board for services from the office of administrative hearings, attorney fees, court reporters, witnesses, reproduction of records, board members' per diem compensation, board staff time, and expense incurred by board members and staff.

Subd. 9f. **District court action; injunctive relief and civil penalties.** (a) Whenever it appears to the board, or the complaint committee if authorized by the board, that any person has engaged or is about to engage in any act or practice constituting a violation of sections 326.241 to 326.248 or any rule or order adopted or issued under these sections, the board, or the complaint committee if authorized by the board, may bring an action in the name of the board in the Ramsey County District Court or the district court of any other county in which venue is proper.

(b) The action may be brought to enjoin the acts or practices and to enforce compliance with sections 326.241 to 326.248, any other law authorizing a civil or injunctive action, or any rule or order adopted or issued under these sections and for a civil penalty not to exceed $10,000 for each separate violation of sections 326.241 to 326.248, any other law authorizing a civil or injunctive action, or any rule or order adopted or issued under these sections.

(c) A temporary restraining order and other temporary injunctive relief shall be granted in the proceeding whenever it appears that any person has engaged in or is about to engage in any act, conduct, or practice constituting violation of sections 326.241 to 326.248, any other law authorizing a civil or injunctive action, or any rule or order adopted or issued under these sections. The board shall not be required to show irreparable harm.

Subd. 9g. **Other remedies.** The issuance of a cease and desist order or injunctive relief under this section does not relieve a person from criminal prosecution by any competent authority or from disciplinary action by the board and does not prevent the board from exercising any other authority granted to it.

Subd. 9h. **Powers additional.** The powers contained in subdivisions 9 to 9g are in addition to all other powers of the board.

Subd. 9i. **Cooperation required.** A person who is the subject of an investigation, or who is questioned in connection with an investigation, by or on behalf of the board or its complaint committee shall cooperate fully with the investigation. Cooperation includes, but is not limited to:

(1) responding fully and promptly to questions raised by or on behalf of the board or its complaint committee relating to the subject of the investigation;

(2) providing copies of records in the person's possession related to the matter under investigation as requested by the board, its complaint committee, or the attorney general within the time limit set by the board, its complaint committee, or the attorney general;

(3) assisting the board, its complaint committee, or the attorney general in its investigation; and

(4) appearing at conferences or hearings scheduled by the board or its complaint committee.

Subd. 9j. **Disciplinary proceedings closed.** Proceedings held before the board or its complaint committee under chapter 214 or subdivisions 9 to 9d are exempt from the requirements of section 13D.01.

Subd. 9k. **Conflicts of law.** If there is a conflict between sections 326.241 to 326.248 and chapter 214, sections 326.241 to 326.248 shall control.

Subd. 10. **Continuation of business by estates.** Upon the death of a master who is a contractor, the board may permit the decedent's representative to carry on the business of the decedent for a period not in excess of six months, for the purpose of completing work under contract or otherwise to comply with sections 326.241 to 326.248. The representative shall give such bond as the board may require conditioned upon the faithful and lawful performance of such work and such bond shall be for the benefit of persons injured or suffering financial loss by reason of failure of such performance. Such bond shall be written by a corporate surety licensed to do business in the state of Minnesota. Such representative shall also comply with all public liability and property damage insurance requirements imposed by this chapter upon a licensed contractor.

326.244 INSPECTION.

Subd. 6. **Site inspections.** The board may, without advance notice, inspect any site at which electrical work is being performed or has been performed or where records concerning the performance of electrical work are kept for purposes of ensuring compliance with sections 326.241 to 326.248 or any rule or order adopted or issued under these sections. With respect to electrical work performed at or records kept in an occupied private dwelling, all inspections permitted by this subdivision shall occur during normal business hours and shall be preceded by advance notice, which need not be in writing. The board shall have the authority to examine and copy all records concerning the performance of electrical work and to question in private all persons employed by a contractor or on the site. No person shall retaliate in any manner against any employee or person who is questioned by, cooperates with, or provides information to the board, its complaint committee, or the attorney general.

326.246 CRIMES.

It is a misdemeanor knowingly and willfully to commit, or to order, instruct, or direct another to commit, any of the following acts:

(1) to make a false statement in any license application, request for inspection, certificate or other lawfully authorized or required form or statement provided by sections 326.241 to 326.248;

(2) to perform electrical work without a proper license for such work unless the work is exempt from licensing;

(3) to fail to file a request for inspection when required;

(4) to interfere with or refuse entry to an inspector lawfully engaged in the performance of the inspector's duties; and

(5) to violate any lawful statute, rule, or order of the board, or any city ordinance which pertains to powers given to political subdivisions under section 326.244, subdivision 4.

326.2461 UNIFORM ELECTRICAL VIOLATION CITATION.

Subdivision 1. **Citation authorized.** The Board of Electricity may issue a citation for violations of sections 326.241 to 326.248, rules adopted under those sections, and ordinances of political subdivisions. The citation must be in a form as provided by subdivision 2.

Subd. 2. **Form of citation.** The Board of Electricity shall pursuant to chapter 14 prescribe the detailed form of an electrical violation citation and shall revise the citation as the board considers necessary and proper to keep the citation in conformity with the board's rules.

Subd. 3. **Political subdivision may alter ticket.** A political subdivision that has made provision for inspection of electrical installations within its jurisdiction under section 326.244, subdivision 4, may use or alter by deletion or addition the electrical violation citation adopted by the Board of Electricity under subdivision 2.

326.247 CONTINUITY.

Persons now members of the board shall remain in office until the expiration of the terms to which they were appointed. Board rules, forms, policies and classifications of special electricians now in effect, and not in conflict herewith, shall continue until lawfully modified or repealed.

326.40 LICENSING, BOND AND INSURANCE.

Subd. 4. **Alternative compliance.** Compliance with the local bond requirements of a locale within which work is to be performed shall be deemed to satisfy the bond and insurance requirements of subdivision 2, provided the local ordinance requires at least a $25,000 bond.

326.41 ADVISORY COUNCIL.

The state commissioner of health shall appoint nine persons to the Advisory Council on Plumbing Code and Examinations, two of whom shall be master plumbers, one who represents greater Minnesota and one who represents the metropolitan area, and two journeyman plumbers, one who represents greater Minnesota and one who represents the metropolitan area. The council shall expire and the terms, compensation and removal of members of the council shall be as provided in section 15.059.

326.44 FEES PAID TO STATE GOVERNMENT SPECIAL REVENUE FUND.

All fees received under sections 326.37 to 326.45 shall be deposited by the state commissioner of health to the credit of the state government special revenue fund in the state treasury. The salaries of the necessary employees of the commissioner and the per diem of the inspectors and examiners hereinbefore provided, their expenses and all incidental expenses of the commissioner in carrying out the provisions of sections 326.37 to 326.45, shall be paid, from the appropriations made to the state commissioner of health, but no expense or claim shall be incurred or paid in excess of the amount received from the fees herein provided.

326.45 STATE LICENSE; EXAMINATION; APPLICATION.

The provisions of sections 326.37 to 326.45 which require state licenses to engage in the work or business of plumbing, and the provisions which provide for the examination of applicants for such licenses, shall only apply in cities having a population of 5,000 or more.

326.47 APPLICATION, PERMIT, FILING, AND INSPECTION FEES.

Subd. 5. **Reporting of permits issued.** Each municipality must submit to the Department of Labor and Industry a copy of each permit issued within ten days after issuance.

All permits must be issued on forms prescribed by or approved by the Department of Labor and Industry.

326.51 DEPARTMENT MAY REVOKE LICENSES.

The department may revoke or suspend, for cause, any license obtained through error or fraud, or if the licensee is shown to be incompetent, or for a violation of any of its rules and regulations applicable to high pressure pipefitting work. The licensee shall have notice, in writing, enumerating the charges, and be entitled to a hearing on at least ten days' notice, with the right to produce testimony. The hearing shall be held pursuant to chapter 14. The commissioner

shall issue a final order based on testimony and the record at hearing. One year from the date of revocation application may be made for a new license.

326.52 DEPOSIT OF FEES.

All fees received under sections 326.46 to 326.52 shall be deposited by the Department of Labor and Industry to the credit of the general fund in the state treasury. The salaries and per diem of the inspectors and examiners hereinbefore provided, their expenses, and all incidental expenses of the department in carrying out the provisions of sections 326.46 to 326.52 shall be paid from the appropriations made to the Department of Labor and Industry. The commissioner by rule shall set the amount of the fees at a level that approximates, to the greatest extent possible, the salaries, per diem, and incidental expenses of the department.

326.521 VIOLATIONS; PENALTY PROVISIONS.

Unless otherwise specifically provided, any violation of any provision or requirement of sections 326.46 to 326.52 is a misdemeanor.

326.64 FEES DEPOSITED.

All fees received under sections 326.57 to 326.65 shall be deposited by the state commissioner of health to the credit of the general fund in the state treasury. The salaries of the necessary employees of the commissioner and the per diem of the inspectors and examiners hereinbefore provided, their expenses and the incidental expenses of the commissioner in carrying out the provisions of sections 326.57 to 326.65 shall be paid from the appropriations made to the state commissioner of health but no expense or claim shall be incurred or paid in excess of the amount received from the fees herein provided.

326.83 DEFINITIONS.

Subd. 3. **Commissioner.** "Commissioner" means the commissioner of commerce.

Subd. 4. **Council.** "Council" means the builders state advisory council.

Subd. 12. **Person.** "Person" means a natural person, firm, partnership, limited liability company, corporation, or association, and the officers, directors, employees, or agents of that person.

Subd. 13. **Public member.** "Public member" means a person who is not, and never was, a residential building contractor, residential remodeler, residential roofer, or specialty contractor or the spouse of such person, or a person who has no, or never has had a, material financial interest in acting as a residential building contractor, residential remodeler, or specialty contractor or a directly related activity.

326.85 ADVISORY COUNCIL.

Subdivision 1. **Builders Advisory Council.** The commissioner shall appoint eight persons to the Builders Advisory Council. At least three members of the council must reside in greater Minnesota, as defined in section 116O.02, subdivision 5. At least one member of the council must be a residential building contractor, one a residential remodeler, one a specialty contractor, one a representative of the commissioner, one a local building official, one a public member, and one a representative of organized labor designated by the AFL-CIO, this member shall not be subject to the membership term limits under section 15.059.

Subd. 2. **Membership terms.** The membership terms, compensation, removal, and filling of vacancies of the council are as provided in section 15.059.

Subd. 3. **Duties.** The council shall advise the commissioner on matters related to sections 326.83 to 326.98.

Subd. 4. **Nonexpiration.** The council is not subject to the expiration provisions of section 15.059, subdivision 5.

326.875 NOTICE OF CHANGE.

Written notice must be given to the commissioner by each licensee of any change in personal name, trade name, qualifying person, address, or business location not later than 15

business days after the change. The commissioner shall issue an amended license, if required, for the unexpired period.

326.91 DENIAL, SUSPENSION, OR REVOCATION OF LICENSES.

Subd. 2. **Administrative action.** Section 45.027 applies to any action taken by the commissioner in connection with the administration of sections 326.83 to 326.991.

Nothing in this section prevents the commissioner from denying, suspending, revoking, or restricting a license, or from censuring a licensee based on acts or omissions not specifically enumerated in this subdivision.

Subd. 3. **Certificate of exemption holders.** For cause shown under subdivision 1 or 2, the commissioner may deny, suspend, or revoke a certificate of exemption issued under section 326.84, subdivision 3, clause (5), in the same manner as a license.

Subd. 4. **Action against unlicensed persons.** Nothing in this section prevents the commissioner from taking actions, including cease and desist actions, against persons required to be licensed under sections 326.83 to 326.991, based on conduct that would provide grounds for administrative action against a licensee under this section.

326.945 RESIDENTIAL BUILDING CONTRACTOR AND REMODELER; BOND.

Subdivision 1. **License as of June 30, 1993; license bond.** A residential building contractor or remodeler licensed under section 326.84 who had a license in effect as of June 30, 1993, must, until the license is renewed, continuously maintain the license bond which was posted with the commissioner under section 326.94 when the person was initially licensed.

Subd. 2. **License on or after July 1, 1993; license bond.** A residential building contractor or remodeler who obtains a license on or after July 1, 1993, but before April 1, 1994, must post a license bond with the commissioner, conditioned that the applicant shall faithfully perform the duties and in all things comply with all laws, ordinances, and rules pertaining to the license or permit applied for and all contracts entered into, and must continuously maintain the license bond until the license is renewed. The required license bond must be in the following amount:

(1) $5,000 for a residential building contractor or remodeler with annual gross receipts of $1,000,000 or less;

(2) $10,000 for a residential building contractor or remodeler with annual gross receipts of more than $1,000,000 but less than $5,000,000; or

(3) $15,000 for a residential building contractor or remodeler with annual gross receipts of $5,000,000 or more.

Subd. 3. **Residential building contractors and remodelers; recovery fund fee prorated.** A residential building contractor or remodeler licensed under section 326.84, who does not maintain a license bond under section 326.94, shall pay a one-twelfth share of the contractor's recovery fund fee set in section 326.975, subdivision 1, paragraph (a), clause (1), in lieu of the license bond for each month or any portion of a month the licensee is not bonded prior to license renewal.

326.975 CONTRACTOR'S RECOVERY FUND.

Subdivision 1. **Generally.** (a) In addition to any other fees, each applicant for a license under sections 326.83 to 326.98 shall pay a fee to the contractor's recovery fund. The contractor's recovery fund is created in the state treasury and must be administered by the commissioner in the manner and subject to all the requirements and limitations provided by section 82.43 with the following exceptions:

(1) each licensee who renews a license shall pay in addition to the appropriate renewal fee an additional fee which shall be credited to the contractor's recovery fund. The amount of the fee shall be based on the licensee's gross annual receipts for the licensee's most recent fiscal year preceding the renewal, on the following scale:

Fee	Gross Receipts
$100	under $1,000,000
$150	$1,000,000 to $5,000,000
$200	over $5,000,000

Any person who receives a new license shall pay a fee based on the same scale;

(2) the purpose of this fund is:

(i) to compensate any aggrieved owner or lessee of residential property located within this state who obtains a final judgment in any court of competent jurisdiction against a licensee licensed under section 326.84, on grounds of fraudulent, deceptive, or dishonest practices, conversion of funds, or failure of performance arising directly out of any transaction when the judgment debtor was licensed and performed any of the activities enumerated under section 326.83, subdivision 19, on the owner's residential property or on residential property rented by the lessee, or on new residential construction which was never occupied prior to purchase by the owner, or which was occupied by the licensee for less than one year prior to purchase by the owner, and which cause of action arose on or after April 1, 1994; and

(ii) to reimburse the Department of Commerce for all legal and administrative expenses, including staffing costs, incurred in administering the fund;

(3) nothing may obligate the fund for more than $50,000 per claimant, nor more than $75,000 per licensee; and

(4) nothing may obligate the fund for claims based on a cause of action that arose before the licensee paid the recovery fund fee set in clause (1), or as provided in section 326.945, subdivision 3.

(b) Should the commissioner pay from the contractor's recovery fund any amount in settlement of a claim or toward satisfaction of a judgment against a licensee, the license shall be automatically suspended upon the effective date of an order by the court authorizing payment from the fund. No licensee shall be granted reinstatement until the licensee has repaid in full, plus interest at the rate of 12 percent a year, twice the amount paid from the fund on the licensee's account, and has obtained a surety bond issued by an insurer authorized to transact business in this state in the amount of at least $40,000.

Subd. 1a. **Limitation.** Nothing may obligate the fund for claims brought by:

(1) insurers or sureties under subrogation or similar theories; or

(2) owners of residential property where the contracting activity complained of was the result of a contract entered into with a prior owner, unless the claim is brought and judgment rendered for breach of the statutory warranty set forth in chapter 327A.

Subd. 1b. **Condominiums or townhouses.** For purposes of this section, the owner or lessee of a condominium or townhouse is considered an owner or lessee of residential property regardless of the number of residential units per building.

Subd. 2. **Accelerated claims payment.** Recovery fund claims that do not exceed the jurisdiction limits for conciliation court matters as specified in section 491A.01 shall be paid on an accelerated basis if all of the following requirements have been satisfied:

(a) When any aggrieved person obtains a judgment in any court of competent jurisdiction, regardless of whether the judgment has been discharged by a bankruptcy court against a residential building contractor or residential remodeler on grounds specified in subdivision 1, paragraph (a), clause (2), the aggrieved person may file a verified application with the commissioner for payment out of the fund of the amount of actual and direct out-of-pocket loss in the transaction, but excluding any attorney fees, interest on the loss and on any judgment obtained as a result of the loss, up to the conciliation court jurisdiction limits, of the amount unpaid upon the judgment. For purposes of this section, persons who are joint tenants or tenants in common are deemed to be a single claimant.

(b) The commissioner has sent the licensee a copy of the verified application by first-class mail to the licensee's address as it appears in the records of the Department of Commerce with a notice that the claim will be paid 15 days from the date of the notice unless the licensee notifies the commissioner prior to that date of the commencement of an appeal of the judgment, if the time for appeal has not expired, and that payment of the claim will result in automatic suspension of the licensee's license.

(c) If the licensee does not notify the commissioner of the commencement of an appeal, the commissioner shall pay the claim at the end of the 15-day period.

(d) If an appeal is commenced, the payment of the claim is stayed until the conclusion of the appeal.

(e) The commissioner may pay claims which total no more than $15,000 against the licensee under this accelerated process. The commissioner may prorate the amount of claims paid under this subdivision if claims in excess of $15,000 against the licensee are submitted. Any unpaid portions of such claims shall be satisfied in the manner set forth in subdivision 1.

Subd. 3. **Appropriation.** Money in the contractor's recovery fund is appropriated to the commissioner for the purposes of this section.

326.98 RULES.

The commissioner may adopt rules to administer and enforce sections 326.83 to 326.98.

327B.05 DENIAL, SUSPENSION AND REVOCATION OF LICENSES.

Subd. 2. **Denial; appeal; reconsideration.** The commissioner shall inform the applicant and summarize in writing the reasons for a denial. Within 15 days of receiving the commissioner's notice, the applicant may request in writing that the commissioner reconsider. The request for reconsideration shall explain why the commissioner's previous decision was wrong and shall specifically address each reason given by the commissioner for the denial. Within 20 days of receiving the request for reconsideration, the commissioner shall decide whether to withdraw the denial and grant a license. If the commissioner reaffirms the denial, the applicant may appeal in accordance with chapter 14. An applicant whose application is denied may also cure the defects in the application cited by the commissioner and resubmit the application at no extra charge.

Subd. 3. **License suspension or revocation; hearing.** Upon the commissioner's motion or upon the complaint of another, the commissioner may prepare and serve upon a licensee a written notice or complaint summarizing the violations charged, and requiring the licensee to appear at a specified time and place to show cause why the license should not be revoked. The hearing on the suspension or revocation shall be conducted pursuant to the contested case provisions of the Administrative Procedure Act. Upon the completion of the hearing, if the commissioner finds the existence of any of the causes for suspension or revocation set forth in subdivision 1 and determines that the license should be revoked or suspended, the commissioner shall make a written order of revocation or suspension. A copy of the order shall be served upon the licensee in the manner provided by law for the service of summons in a civil action.

If the commissioner revokes or suspends the license of any person holding more than one license under the provisions of section 327B.04, subdivision 2, the commissioner shall revoke or suspend all of the licenses of that person and of the affiliates of that person.

Subd. 4. **Summary license suspension.** The commissioner may by order summarily suspend a license pending final determination of any order to show cause if necessary to prevent immediate and substantial public harm. If a license is suspended pending final determination of an order to show cause, a hearing on the merits shall be held within 30 days of the issuance of the order of suspension.

Subd. 5. **Penalties.** After having conducted the hearing provided for in subdivision 3, the commissioner may, in addition to or in lieu of revoking or suspending a license, order restitution to an injured consumer customer, or assess a penalty or penalties of not more than $10,000 against any person who commits any act that is grounds for the suspension or revocation of a license under subdivision 1.

Subd. 6. **Appeals.** The contested case provisions of chapter 14 shall apply to appeals from any order by the commissioner denying, suspending or revoking a license, or assessing penalties.