

A bill for an act

relating to state government; appropriating money for jobs, economic development, and housing; establishing and modifying certain programs; providing for regulation of certain activities and practices; providing for accounts, assessments, and fees; changing codes and licensing provisions; providing penalties; amending Minnesota Statutes 2006, sections 13.7931, by adding a subdivision; 16B.61, subdivision 1a; 16B.63, subdivision 5; 16B.65, subdivisions 1, 5a; 16B.70, subdivision 2; 116J.551, subdivision 1; 116J.554, subdivision 2; 116J.555, subdivision 1; 116J.575, subdivisions 1, 1a; 116J.966, subdivision 1; 116L.01, by adding a subdivision; 116L.04, subdivision 1a; 116L.17, subdivision 1; 116L.20, subdivision 1; 116L.666, subdivision 1; 116M.18, subdivision 6a; 154.003; 177.27, subdivisions 1, 4, 8, 9, 10; 177.28, subdivision 1; 177.30; 177.43, subdivisions 3, 4, 6, by adding a subdivision; 178.01; 178.02; 178.03, subdivision 3; 178.041, subdivision 1; 179A.04, subdivision 3; 181.932, subdivision 1; 181.935; 182.65, subdivision 2; 190.096; 268.196, by adding a subdivision; 268A.01, subdivision 13, by adding a subdivision; 268A.085, subdivision 1; 268A.15, by adding a subdivision; 298.227; 325E.37, subdivision 6; 326.01, subdivision 6g; 326.242, subdivisions 3d, 5, 8, 11, by adding a subdivision; 326.2441; 326.37, subdivision 1, by adding a subdivision; 326.38; 326.40, subdivision 1; 326.401, subdivision 2; 326.405; 326.42, subdivision 1; 326.46; 326.47, subdivision 2; 326.48, subdivisions 1, 2, by adding a subdivision; 326.50; 326.975, subdivision 1; 326.992; 327.33, subdivisions 2, 6; 327B.04, subdivision 7; 341.21, by adding a subdivision; 341.22; 341.25; 341.27; 341.28, subdivision 2, by adding a subdivision; 341.32, subdivision 2; 341.321; 462.39, by adding a subdivision; 462A.21, subdivision 8b; 462A.33, subdivision 3; 469.021; 469.334; 471.471, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 116O; 154; 179; 181; 181A; 182; 325E; 326; proposing coding for new law as Minnesota Statutes, chapter 326B; repealing Minnesota Statutes 2006, sections 16B.747, subdivision 4; 16C.18, subdivision 2; 176.042; 183.375, subdivision 5; 183.545, subdivision 9; 268.035, subdivision 9; 326.241; 326.44; 326.45; 326.52; 326.64; 326.975.

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

ARTICLE 1

JOB, ECONOMIC DEVELOPMENT, HOUSING AND MINNESOTA
HERITAGE APPROPRIATIONS SUMMARY

Section 1. SUMMARY OF APPROPRIATIONS.

The amounts shown in this section summarize direct appropriations, by fund, made in this act.

		2008		2009		Total
General	\$	198,398,000	\$	140,661,000	\$	339,059,000
Workforce Development		17,259,000		17,274,000		34,533,000
Remediation		700,000		700,000		1,400,000
Workers' Compensation		22,736,000		23,074,000		45,810,000
Total	\$	239,093,000	\$	181,709,000	\$	420,802,000

Sec. 2. JOBS AND ECONOMIC DEVELOPMENT APPROPRIATIONS.

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

APPROPRIATIONS Available for the Year Ending June 30	
2008	2009

Sec. 3. EMPLOYMENT AND ECONOMIC
DEVELOPMENT

Subdivision 1. Total Appropriation	\$	93,700,000	\$	61,514,000
------------------------------------	----	------------	----	------------

Appropriations by Fund

	2008	2009
General	76,505,000	44,319,000
Remediation	700,000	700,000
Workforce Development	16,495,000	16,495,000

H.F. No. 122, 2nd Engrossment - 85th Legislative Session (2007-2008)

3.1 The amounts that may be spent for each
3.2 purpose are specified in the following
3.3 subdivisions.

3.4 Subd. 2. **Business and Community**
3.5 **Development**

40,667,000

8,639,000

3.6 Appropriations by Fund

3.7	<u>General</u>	<u>39,967,000</u>	<u>7,939,000</u>
-----	----------------	-------------------	------------------

3.8	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
-----	--------------------	----------------	----------------

3.9 (a) (1) \$250,000 the first year and \$250,000

3.10 the second year are from the general fund

3.11 for a grant under Minnesota Statutes,

3.12 section 116J.421, to the Rural Policy and

3.13 Development Center at St. Peter, Minnesota.

3.14 The grant shall be used for research and

3.15 policy analysis on emerging economic and

3.16 social issues in rural Minnesota, to serve as

3.17 a policy resource center for rural Minnesota

3.18 communities, to encourage collaboration

3.19 across higher education institutions to

3.20 provide interdisciplinary team approaches

3.21 to research and problem-solving in rural

3.22 communities, and to administer overall

3.23 operations of the center.

3.24 (2) The grant shall be provided upon the

3.25 condition that each state-appropriated

3.26 dollar be matched with a nonstate dollar.

3.27 Acceptable matching funds are nonstate

3.28 contributions that the center has received and

3.29 have not been used to match previous state

3.30 grants. Any unencumbered balance in the

3.31 first year is available for the second year.

3.32 (b) \$250,000 the first year and \$250,000

3.33 the second year are from the general fund

3.34 for a grant to WomenVenture for women's

3.35 business development programs.

4.1 (c) \$250,000 the first year is for a grant to
4.2 University Enterprise Laboratories (UEL)
4.3 for its direct and indirect expenses to support
4.4 efforts to encourage the growth of early-stage
4.5 and emerging bioscience companies. UEL
4.6 must provide a report by June 30 each year
4.7 to the commissioner on the expenditures
4.8 until the appropriation is expended. This is a
4.9 onetime appropriation and is available until
4.10 expended.

4.11 (d) \$2,000,000 the first year is for grants
4.12 under Minnesota Statutes, section 116J.571,
4.13 for the redevelopment grant program. This is
4.14 a onetime appropriation.

4.15 (e) \$100,000 the first year and \$100,000 the
4.16 second year are to help small businesses
4.17 access federal funds through the federal
4.18 Small Business Innovation Research Program
4.19 and the federal Small Business Technology
4.20 Transfer Program. Department services
4.21 must include maintaining connections to
4.22 11 federal programs, assessment of specific
4.23 funding opportunities, review of funding
4.24 proposals, referral to specific consulting
4.25 services, and training workshops throughout
4.26 the state. Unless prohibited by federal law,
4.27 the department must implement fees for
4.28 services that help companies seek federal
4.29 Phase II Small Business Innovation Research
4.30 grants. The recommended fee schedule
4.31 must be reported to the chairs of the house
4.32 of representatives finance committee and
4.33 senate budget division with jurisdiction over
4.34 economic development by February 1, 2008.

H.F. No. 122, 2nd Engrossment - 85th Legislative Session (2007-2008)

- 5.1 (f) \$100,000 the first year and \$100,000
5.2 the second year are appropriated to the
5.3 Public Facilities Authority for the small
5.4 community wastewater treatment program
5.5 under Minnesota Statutes, chapter 446A.
- 5.6 (g) \$255,000 the first year and \$155,000
5.7 the second year are from the general fund
5.8 for a grant to the Metropolitan Economic
5.9 Development Association for continuing
5.10 minority business development programs in
5.11 the metropolitan area.
- 5.12 (h) \$85,000 the first year and \$85,000 the
5.13 second year are for grants to the Minnesota
5.14 Inventors Congress. Of this amount, \$10,000
5.15 each year is for the Student Inventors
5.16 Congress.
- 5.17 (i) \$151,000 the first year is for a onetime
5.18 grant to the city of Faribault to design,
5.19 construct, furnish, and equip renovations to
5.20 accommodate handicapped accessibility at
5.21 the Paradise Center for the Arts.
- 5.22 (j) \$750,000 the first year is to Minnesota
5.23 Technology, Inc. for the small business
5.24 growth acceleration program established
5.25 under Minnesota Statutes, section 116O.115.
5.26 This is a onetime appropriation.
- 5.27 (k) \$300,000 the first year is for a onetime
5.28 grant to the city of Northome for the
5.29 construction of a new municipal building to
5.30 replace the structures damaged by fire on
5.31 July 22, 2006. This appropriation is available
5.32 when the commissioner determines that a
5.33 sufficient match is available from nonstate
5.34 sources to complete the project.

6.1 (l) \$300,000 the first year is for a grant to the
6.2 city of Worthington for an agricultural-based
6.3 bioscience training and testing center. Funds
6.4 appropriated under this section must be used
6.5 to provide a training and testing facility for
6.6 incubator firms developing new agricultural
6.7 processes and products. This is a onetime
6.8 appropriation and is available until expended.

6.9 (m) \$1,750,000 the first year is for a onetime
6.10 grant to BioBusiness Alliance of Minnesota
6.11 for bioscience business development
6.12 programs to promote and position the state
6.13 as a global leader in bioscience business
6.14 activities. These funds may be used for:

6.15 (1) completion and periodic updating of
6.16 a statewide bioscience business industry
6.17 assessment of business technology
6.18 enterprises and Minnesota's competitive
6.19 position employing annual updates to federal
6.20 industry classification data;

6.21 (2) long-term strategic planning that includes
6.22 projections of market changes resulting
6.23 from developments in biotechnology and the
6.24 development of 20-year goals, strategies, and
6.25 identified objectives for renewable energy,
6.26 medical devices, biopharma, and biologics
6.27 business development in Minnesota;

6.28 (3) the design and construction of a
6.29 Minnesota focused bioscience business
6.30 model to test competing strategies and
6.31 scenarios, evaluate options, and forecast
6.32 outcomes; and

6.33 (4) creation of a bioscience business
6.34 resources network that includes development
6.35 of a statewide bioscience business economic

7.1 development framework to encourage
7.2 bioscience business development and
7.3 encourage spin-off activities, attract
7.4 bioscience business location or expansion in
7.5 Minnesota, and establish a local capability to
7.6 support strategic system level planning for
7.7 industry, government, and academia.

7.8 This appropriation is available until June 30,
7.9 2009.

7.10 (n) \$125,000 the first year is to develop and
7.11 operate a bioscience business marketing
7.12 program to market Minnesota bioscience
7.13 businesses and business opportunities
7.14 to other states and other countries. The
7.15 bioscience business marketing program must
7.16 emphasize bioscience business location and
7.17 expansion opportunities in communities
7.18 outside of the seven-county metropolitan
7.19 area as defined in Minnesota Statutes,
7.20 section 473.121, subdivision 2, that have
7.21 established collaborative plans among two
7.22 or more municipal units for bioscience
7.23 business activities, and that are within 15
7.24 miles of a four-year, baccalaureate degree
7.25 granting institution or a two-year technical
7.26 or community college that offers bioscience
7.27 curricula. The commissioner must report
7.28 to the committees of the senate and house
7.29 of representatives having jurisdiction
7.30 over bioscience and technology issues by
7.31 February 1 of each year on the expenditures
7.32 of these funds and the promotional activities
7.33 undertaken to market the Minnesota
7.34 bioscience industry to persons outside of the
7.35 state. This is a onetime appropriation and is
7.36 available until expended.

8.1 (o) \$325,000 is for a grant to the Walker
8.2 Area Community Center, Inc., to construct,
8.3 furnish, and equip the Walker Area
8.4 Community Center. This appropriation is
8.5 not available until the commissioner has
8.6 determined that an amount sufficient to
8.7 complete the project has been committed
8.8 from nonstate sources. This is a onetime
8.9 appropriation and is available until expended.

8.10 (p) \$100,000 the first year is for a grant
8.11 to the Pine Island Economic Development
8.12 Authority for predesign to upgrade and
8.13 extend utilities to serve Elk Run Bioscience
8.14 Research Park and The Falls - Healthy
8.15 Living By Nature, an integrated medicine
8.16 facility. This is a onetime appropriation and
8.17 is available until expended.

8.18 (q) \$350,000 the first year is for a grant
8.19 to Thomson Township for infrastructure
8.20 improvements for the industrial park. This
8.21 is a onetime appropriation and is available
8.22 until expended.

8.23 (r) \$75,000 the first year is for a grant to
8.24 Le Sueur County for the cost of cleaning
8.25 up debris from lakes in Le Sueur County,
8.26 caused by the August 24, 2006, tornado in
8.27 southern Le Sueur County. This is a onetime
8.28 appropriation and is available until expended.

8.29 (s) \$400,000 the first year is for a grant to
8.30 the city of Rogers to be used for relief from
8.31 damages caused by the September 16, 2006,
8.32 tornado.

8.33 (t) \$75,000 the first year is for a grant to
8.34 the city of Warroad for new public facilities
8.35 to replace those damaged or destroyed

9.1 by the August 2006 tornado, including
9.2 approximately 28 new street lights and
9.3 underground electrical circuits and a new
9.4 fish cleaning house. This is a onetime
9.5 appropriation and is available until expended.
9.6 If an appropriation for this purpose is enacted
9.7 more than once in the 2007 session, the
9.8 appropriation is effective only once.

9.9 (u) \$500,000 the first year is for a grant to
9.10 the Upper Sioux Community to improve the
9.11 current water system to ensure continuity
9.12 of service to the entire population of the
9.13 community and to meet the demands of the
9.14 community expansion over the next 20 years.
9.15 The is a onetime appropriation and is not
9.16 available until the Public Facilities Authority
9.17 has determined that at least \$1,000,000 has
9.18 been committed from nonstate sources. This
9.19 appropriation is available until expended.

9.20 (v) \$755,000 the first year is for the urban
9.21 challenge grant program under Minnesota
9.22 Statutes, section 116M.18. This is a onetime
9.23 appropriation.

9.24 (w) \$1,100,000 is for a grant to the
9.25 Neighborhood Development Center for
9.26 assistance necessary to retain minority
9.27 business enterprises at the Global Market.
9.28 This is a onetime appropriation and is
9.29 available until expended.

9.30 (x) \$350,000 the first year is for a onetime
9.31 grant to the city of Inver Grove Heights
9.32 to reduce debt on the Inver Grove Heights
9.33 Veterans Memorial Community Center.

9.34 (y) \$14,900,000 the first year is for the
9.35 Minnesota minerals 21st century fund created

H.F. No. 122, 2nd Engrossment - 85th Legislative Session (2007-2008)

10.1 in Minnesota Statutes, section 116J.423, to
10.2 partially restore the money unallotted by the
10.3 commissioner of finance in 2003 pursuant
10.4 to Minnesota Statutes, section 16A.152.
10.5 This appropriation may be used as provided
10.6 in Minnesota Statutes, section 116J.423,
10.7 subdivision 2. This appropriation is available
10.8 until expended.

10.9 (z) \$2,500,000 the first year is for a grant to
10.10 the city of St. Paul to be used to pay, redeem,
10.11 or refund debt service costs incurred for the
10.12 River Centre Campus.

10.13 (aa) \$147,000 each year is appropriated from
10.14 the general fund to the commissioner of
10.15 employment and economic development for
10.16 grants of \$49,000 to eligible organizations
10.17 each year and for the purposes of this
10.18 paragraph. Each state grant dollar must be
10.19 matched with \$1 of nonstate funds. Any
10.20 balance in the first year does not cancel but
10.21 is available in the second year. The base for
10.22 these grants in fiscal years 2010 and 2011
10.23 is \$189,000 each year, with each eligible
10.24 organization receiving a \$63,000 grant each
10.25 year.

10.26 The commissioner of employment and
10.27 economic development must make grants to
10.28 organizations to assist in the development
10.29 of entrepreneurs and small businesses.

10.30 Three grants must be awarded to continue
10.31 or to develop a program. One grant must
10.32 be awarded to the Riverbend Center for
10.33 Entrepreneurial Facilitation in Blue Earth
10.34 County, and two to other organizations
10.35 serving Faribault and Martin Counties. Grant

11.1 recipients must report to the commissioner
11.2 by February 1 of each year that the
11.3 organization receives a grant with the
11.4 number of customers served; the number of
11.5 businesses started, stabilized, or expanded;
11.6 the number of jobs created and retained; and
11.7 business success rates. The commissioner
11.8 must report to the house of representatives
11.9 and senate committees with jurisdiction
11.10 over economic development finance on the
11.11 effectiveness of these programs for assisting
11.12 in the development of entrepreneurs and
11.13 small businesses.

11.14 (bb) \$5,000,000 the first year is for grants
11.15 under Minnesota Statutes, section 116J.8731,
11.16 for the Minnesota investment fund program.
11.17 Of this amount, up to \$3,000,000 may
11.18 be used for a legal reference office and
11.19 data center facility, provided that the total
11.20 capital investment in the facility is at least
11.21 \$60,000,000. This grant is not subject to
11.22 grant limitations under Minnesota Statutes,
11.23 section 116J.8731, subdivision 5. This is a
11.24 onetime appropriation.

11.25	<u>Subd. 3. Workforce Development</u>	<u>50,024,000</u>	<u>49,833,000</u>
11.26	<u>Appropriations by Fund</u>		
11.27	<u>General</u>	<u>33,529,000</u>	<u>33,338,000</u>
11.28	<u>Workforce</u>		
11.29	<u>Development</u>	<u>16,495,000</u>	<u>16,495,000</u>

11.30 (a) \$6,785,000 the first year and \$6,785,000
11.31 the second year are from the general fund
11.32 for the Minnesota job skills partnership
11.33 program under Minnesota Statutes, sections
11.34 116L.01 to 116L.17. If the appropriation for
11.35 either year is insufficient, the appropriation

- 12.1 for the other year is available for it. This
12.2 appropriation does not cancel.
- 12.3 (b) \$455,000 the first year and \$455,000 the
12.4 second year are from the general fund for
12.5 a grant under Minnesota Statutes, section
12.6 116J.8747, to Twin Cities RISE! to provide
12.7 training to hard-to-train individuals.
- 12.8 (c) \$1,375,000 each year is from
12.9 the workforce development fund for
12.10 Opportunities Industrialization Center
12.11 programs.
- 12.12 (d) \$5,614,000 each year is from the general
12.13 fund and \$6,920,000 each year is from the
12.14 workforce development fund for extended
12.15 employment services for persons with
12.16 severe disabilities or related conditions under
12.17 Minnesota Statutes, section 268A.15. Of this,
12.18 \$125,000 each year and in the base for fiscal
12.19 years 2010 and 2011 is to supplement funds
12.20 paid for wage incentives for the community
12.21 support fund established in Minnesota Rules,
12.22 part 3300.2045.
- 12.23 (e) \$1,650,000 the first year and \$1,650,000
12.24 the second year are from the general fund for
12.25 grants for programs that provide employment
12.26 support services to persons with mental
12.27 illness under Minnesota Statutes, sections
12.28 268A.13 and 268A.14. Up to \$77,000 each
12.29 year may be used for administrative and
12.30 salary expenses.
- 12.31 (f) \$2,440,000 the first year and \$2,440,000
12.32 the second year are from the general
12.33 fund for grants under Minnesota Statutes,
12.34 section 268A.11, for the eight centers
12.35 for independent living. The base for this

13.1 program is \$2,440,000 each year in fiscal
13.2 years 2010 and 2011. Money not expended
13.3 the first year is available the second year.
13.4 The commissioner must:
13.5 (1) transfer \$115,000 of federal independent
13.6 living Part B rehabilitation services funds
13.7 to the Minnesota Centers for Independent
13.8 Living each year contingent upon the
13.9 availability of federal funds under Title VII,
13.10 Part B, of the Federal Rehabilitation Act of
13.11 1973 as amended under United States Code,
13.12 title 29, section 711(c), and approved by the
13.13 Statewide Independent Living Council;
13.14 (2) replace federal Part B funds in the
13.15 State Independent Living Council budget
13.16 transferred under clause (1) with \$115,000
13.17 of Social Security Administration program
13.18 income funds each year; and
13.19 (3) provide an additional \$185,000 each year
13.20 from the Social Security Administration
13.21 program income to the Minnesota Centers for
13.22 Independent Living to be allocated equally
13.23 among the eight centers.
13.24 Additional funding for centers for
13.25 independent living under clauses (1) and (3)
13.26 must be used for core independent living
13.27 services by the Centers for Independent
13.28 Living. The Statewide Independent Living
13.29 Council framework for statewide distribution
13.30 of state and federal funding to the Minnesota
13.31 Centers for Independent Living does not
13.32 apply to the funds under clauses (1) and
13.33 (3). The commissioner must report on the
13.34 transfers in clauses (1), (2), and (3), and any
13.35 other effort to pursue additional funding for

14.1 the Centers for Independent Living to the
14.2 standing committees of the senate and house
14.3 of representatives having jurisdiction over
14.4 Centers for Independent Living by March 15
14.5 each year.

14.6 (g) \$5,940,000 the first year and \$5,940,000
14.7 the second year are from the general fund for
14.8 state services for the blind activities.

14.9 (h) \$150,000 the first year and \$150,000
14.10 the second year are from the general fund
14.11 and \$175,000 the first year and \$175,000
14.12 the second year are from the workforce
14.13 development fund for grants under Minnesota
14.14 Statutes, section 268A.03, to Rise, Inc.
14.15 for the Minnesota Employment Center for
14.16 People Who are Deaf or Hard-of-Hearing.
14.17 Money not expended the first year is
14.18 available the second year.

14.19 (i) \$9,021,000 the first year and \$9,021,000
14.20 the second year are from the general fund for
14.21 the state's vocational rehabilitation program
14.22 for people with significant disabilities to
14.23 assist with employment, under Minnesota
14.24 Statutes, chapter 268A.

14.25 (j) \$350,000 the first year and \$350,000
14.26 the second year are from the workforce
14.27 development fund for grants to provide
14.28 interpreters for a regional transition program
14.29 that specializes in providing culturally
14.30 appropriate transition services leading to
14.31 employment for deaf, hard-of-hearing, and
14.32 deaf-blind students. This amount must be
14.33 added to the department's base.

14.34 (k) \$150,000 the first year and \$150,000 the
14.35 second year are for a grant to Advocating

H.F. No. 122, 2nd Engrossment - 85th Legislative Session (2007-2008)

15.1 Change Together for training, technical
15.2 assistance, and resources materials to persons
15.3 with developmental and mental illness
15.4 disabilities.

15.5 (l) \$250,000 the first year and \$250,000
15.6 the second year are from the workforce
15.7 development fund and \$150,000 the first
15.8 year and \$100,000 the second year are from
15.9 the general fund for a grant to Lifetrack
15.10 Resources for its immigrant and refugee
15.11 collaborative programs, including those
15.12 related to job-seeking skills and workplace
15.13 orientation, intensive job development,
15.14 functional work English, and on-site job
15.15 coaching. \$50,000 of the first year general
15.16 fund appropriation is for a onetime pilot
15.17 Lifetrack project in Rochester.

15.18 (m) \$75,000 the first year and \$75,000 the
15.19 second year are from the general fund and
15.20 \$1,000,000 the first year and \$1,000,000
15.21 the second year are from the workforce
15.22 development fund for the youthbuild
15.23 program under Minnesota Statutes, sections
15.24 116L.361 to 116L.366. This appropriation
15.25 may be used for:

15.26 (1) restoring the three youthbuild programs
15.27 that were eliminated due to budget reductions
15.28 and adding seven more youthbuild programs
15.29 statewide;

15.30 (2) restoring funding levels for all youthbuild
15.31 programs plus an inflationary increase for
15.32 each program;

15.33 (3) increasing the number of at-risk youth
15.34 served by the youthbuild programs from 260
15.35 youth per year to 500 youth per year; and

16.1 (4) restoring the youthbuild focus on careers
16.2 in technology and adding a youthbuild focus
16.3 on careers in the medical field.

16.4 (n) \$1,325,000 each year is from the
16.5 workforce development fund for grants
16.6 to fund summer youth employment in
16.7 Minneapolis. The grants shall be used to
16.8 fund up to 500 jobs for youth each summer.
16.9 Of this appropriation, \$325,000 each year is
16.10 for a grant to the learn-to-earn summer youth
16.11 employment program. The commissioner
16.12 shall establish criteria for awarding the
16.13 grants. This appropriation is available in
16.14 either year of the biennium and is available
16.15 until spent.

16.16 (o) \$600,000 the first year and \$600,000
16.17 the second year are from the workforce
16.18 development fund for a grant to the city of
16.19 St. Paul for grants to fund summer youth
16.20 employment in St. Paul. The grants shall be
16.21 used to fund up to 500 jobs for youth each
16.22 summer. The commissioner shall establish
16.23 criteria for awarding the grants within the
16.24 city of St. Paul. This appropriation is
16.25 available in either year of the biennium and
16.26 is available until spent.

16.27 (p) \$250,000 the first year and \$250,000 the
16.28 second year are from the general fund for
16.29 grants to Northern Connections in Perham
16.30 to implement and operate a pilot workforce
16.31 program that provides one-stop supportive
16.32 services to individuals as they transition into
16.33 the workforce.

16.34 (q) \$100,000 each year is for a grant to
16.35 Ramsey County Workforce Investment Board

17.1 for the development of the building lives
17.2 program. This is a onetime appropriation.
17.3 (r) \$150,000 each year is for a grant to the
17.4 Hennepin-Carver Workforce Investment
17.5 Board (WIB) to coordinate with the Partners
17.6 for Progress Regional Skills Consortium
17.7 to provide employment and training as
17.8 demonstrated by the Twin Cities regional
17.9 health care training partnership project.
17.10 (s) \$160,000 the first year is for a onetime
17.11 grant to Workforce Development, Inc., for
17.12 a pilot project to provide demand-driven
17.13 employment and training services to
17.14 welfare recipients and other economically
17.15 disadvantaged populations in Mower,
17.16 Freeborn, Dodge, and Steele Counties.
17.17 (t) \$200,000 the first year and \$200,000 the
17.18 second year are from the general fund for
17.19 a grant to HIRED to operate its industry
17.20 sector training initiatives, which provide
17.21 employee training developed in collaboration
17.22 with employers in specific, high-demand
17.23 industries.
17.24 (u) \$100,000 the first year is for a onetime
17.25 grant to a nonprofit organization. The
17.26 nonprofit organization must work on behalf
17.27 of all licensed vendors to coordinate their
17.28 efforts to respond to solicitations or other
17.29 requests from private and governmental units
17.30 as defined in Minnesota Statutes, section
17.31 471.59, subdivision 1, in order to increase
17.32 employment opportunities for persons with
17.33 disabilities.
17.34 (v) \$3,500,000 each year from the workforce
17.35 development fund is for the Minnesota youth

18.1 program under Minnesota Statutes, sections
18.2 116L.56 and 116L.561.

18.3 (w) \$1,000,000 each year from the workforce
18.4 development fund is for a grant to the
18.5 Minnesota Alliance of Boys and Girls
18.6 Clubs to administer a statewide project
18.7 of youth job skills development. This
18.8 project, which may have career guidance
18.9 components, including health and life skills,
18.10 is to encourage, train, and assist youth in
18.11 job-seeking skills, workplace orientation,
18.12 and job site knowledge through coaching.
18.13 This grant requires a 25 percent match from
18.14 nonstate resources.

18.15 (x) \$10,000 the first year is for a study on
18.16 ways to promote employment opportunities
18.17 for minorities, with a particular focus on
18.18 opportunities for African Americans, in
18.19 the state of Minnesota. The study should
18.20 focus on how to significantly expand the job
18.21 training available to minorities and promote
18.22 substantial increases in the wages paid to
18.23 minorities, at least to a rate well above living
18.24 wage, and within several years, to equality.
18.25 The commissioner must report on the study
18.26 to the governor and the chair of the finance
18.27 committee in each house of the legislature
18.28 that has jurisdiction over employment by
18.29 January 15, 2008, with recommendations for
18.30 implementing the findings.

18.31 (y) The commissioner must provide funding
18.32 for the Minnesota Conservation Corps to
18.33 provide learning stipends for deaf students
18.34 and wages for interpreters participating in
18.35 the MCC summer youth program.

H.F. No. 122, 2nd Engrossment - 85th Legislative Session (2007-2008)

19.1	<u>Subd. 4. State-Funded Administration</u>	<u>3,009,000</u>	<u>3,042,000</u>
19.2	<u>The first \$1,450,000 deposited in each</u>		
19.3	<u>year of the biennium and in each year of</u>		
19.4	<u>subsequent bienniums into the contingent</u>		
19.5	<u>account created under Minnesota Statutes,</u>		
19.6	<u>section 268.196, subdivision 3, shall be</u>		
19.7	<u>transferred by June 30 of each fiscal year</u>		
19.8	<u>to the workforce development fund created</u>		
19.9	<u>under Minnesota Statutes, section 116L.20.</u>		
19.10	<u>Deposits in excess of \$1,450,000 shall be</u>		
19.11	<u>transferred by June 30 of each fiscal year to</u>		
19.12	<u>the general fund.</u>		
19.13	Sec. 4. <u>EXPLORE MINNESOTA TOURISM</u>	<u>\$ 11,178,000</u>	<u>\$ 11,130,000</u>
19.14	<u>(a) To develop maximum private sector</u>		
19.15	<u>involvement in tourism, \$500,000 the first</u>		
19.16	<u>year and \$500,000 the second year must</u>		
19.17	<u>be matched by Explore Minnesota Tourism</u>		
19.18	<u>from nonstate sources. Each \$1 of state</u>		
19.19	<u>incentive must be matched with \$3 of private</u>		
19.20	<u>sector funding. Cash match is defined as</u>		
19.21	<u>revenue to the state or documented cash</u>		
19.22	<u>expenditures directly expended to support</u>		
19.23	<u>Explore Minnesota Tourism programs. Up</u>		
19.24	<u>to one-half of the private sector contribution</u>		
19.25	<u>may be in-kind or soft match. The incentive</u>		
19.26	<u>in the first year shall be based on fiscal</u>		
19.27	<u>year 2007 private sector contributions as</u>		
19.28	<u>prescribed in Laws 2005, First Special</u>		
19.29	<u>Session chapter 1, article 3, section 6. The</u>		
19.30	<u>incentive increase in the second year will</u>		
19.31	<u>be based on fiscal year 2008 private sector</u>		
19.32	<u>contributions. This incentive is ongoing.</u>		
19.33	<u>Funding for the marketing grants is available</u>		
19.34	<u>either year of the biennium. Unexpended</u>		

20.1 grant funds from the first year are available
20.2 in the second year.

20.3 Any unexpended money from the general
20.4 fund appropriations made under this section
20.5 does not cancel but must be placed in a
20.6 special marketing account for use by Explore
20.7 Minnesota Tourism for additional marketing
20.8 activities.

20.9 (b) \$325,000 the first year and \$325,000 the
20.10 second year are for the Minnesota Film and
20.11 TV Board. The appropriation in each year
20.12 is available only upon receipt by the board
20.13 of \$1 in matching contributions of money or
20.14 in-kind contributions from nonstate sources
20.15 for every \$3 provided by this appropriation.

20.16 (c) \$650,000 the first year and \$650,000
20.17 the second year are appropriated for a grant
20.18 to the Minnesota Film and TV Board for
20.19 the film jobs production program under
20.20 Minnesota Statutes, section 116U.26. These
20.21 appropriations are available in either year
20.22 of the biennium and are available until
20.23 expended.

20.24 (d) \$150,000 the first year is for a onetime
20.25 grant to St. Louis County to be used for
20.26 feasibility studies and planning activities
20.27 concerning additional uses for the St. Louis
20.28 County Heritage and Arts Center at the
20.29 Duluth depot. The studies and planning
20.30 activities must include:

20.31 (1) examining the costs and benefits of
20.32 relocating the Northeast Minnesota Office of
20.33 Tourism to the Duluth depot;

20.34 (2) establishing a heritage tourism center at
20.35 the Duluth depot;

21.1 (3) developing a multimodal operational plan
21.2 integrating railroad and bus service; and
21.3 (4) identifying additional services and
21.4 activities that would contribute toward
21.5 returning the Duluth depot to being a
21.6 working railroad station and cultural gateway
21.7 to Duluth and St. Louis County.

21.8 This appropriation is available until
21.9 expended.

21.10 Sec. 5. **HOUSING FINANCE AGENCY**

21.11 <u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>69,323,000</u>	<u>\$</u>	<u>45,234,000</u>
--	------------------	--------------------------	------------------	--------------------------

21.12 The amounts that may be spent for each
21.13 purpose are specified in the following
21.14 subdivisions.

21.15 This appropriation is for transfer to the
21.16 housing development fund for the programs
21.17 specified. Except as otherwise indicated, this
21.18 transfer is part of the agency's permanent
21.19 budget base.

21.20 <u>Subd. 2. Challenge Program</u>	<u>24,622,000</u>	<u>9,622,000</u>
--	--------------------------	-------------------------

21.21 For the economic development and housing
21.22 challenge program under Minnesota Statutes,
21.23 section 462A.33, for housing that:

21.24 (1) conserves energy and utilizes sustainable,
21.25 healthy building materials;

21.26 (2) preserves sensitive natural areas and
21.27 open spaces and minimizes the need for new
21.28 infrastructure;

21.29 (3) is accessible to jobs and services through
21.30 integration with transportation or transit
21.31 systems; and

H.F. No. 122, 2nd Engrossment - 85th Legislative Session (2007-2008)

22.1	<u>(4) expands the mix of housing choices in</u>		
22.2	<u>a community by diversifying the levels of</u>		
22.3	<u>housing affordability.</u>		
22.4	<u>The agency may fund demonstration projects</u>		
22.5	<u>that have unique approaches to achieving the</u>		
22.6	<u>housing described in clauses (1) to (4).</u>		
22.7	<u>Subd. 3. Housing Trust Fund</u>	<u>13,555,000</u>	<u>8,555,000</u>
22.8	<u>For deposit in the housing trust fund account</u>		
22.9	<u>created under Minnesota Statutes, section</u>		
22.10	<u>462A.201, and used for the purposes</u>		
22.11	<u>provided in that section.</u>		
22.12	<u>Subd. 4. Rental Assistance for Mentally Ill</u>	<u>2,638,000</u>	<u>2,638,000</u>
22.13	<u>For a rental housing assistance program for</u>		
22.14	<u>persons with a mental illness or families with</u>		
22.15	<u>an adult member with a mental illness under</u>		
22.16	<u>Minnesota Statutes, section 462A.2097. The</u>		
22.17	<u>agency must not reduce the funding under</u>		
22.18	<u>this subdivision.</u>		
22.19	<u>Subd. 5. Family Homeless Prevention</u>	<u>7,465,000</u>	<u>7,465,000</u>
22.20	<u>For family homeless prevention and</u>		
22.21	<u>assistance programs under Minnesota</u>		
22.22	<u>Statutes, section 462A.204. Any balance in</u>		
22.23	<u>the first year does not cancel but is available</u>		
22.24	<u>in the second year.</u>		
22.25	<u>Subd. 6. Home Ownership Assistance Fund</u>	<u>885,000</u>	<u>885,000</u>
22.26	<u>For the home ownership assistance program</u>		
22.27	<u>under Minnesota Statutes, section 462A.21,</u>		
22.28	<u>subdivision 8.</u>		
22.29	<u>Subd. 7. Affordable Rental Investment Fund</u>	<u>11,496,000</u>	<u>8,996,000</u>
22.30	<u>For the affordable rental investment fund</u>		
22.31	<u>program under Minnesota Statutes, section</u>		
22.32	<u>462A.21, subdivision 8b.</u>		

23.1 This appropriation is to finance the
23.2 acquisition, rehabilitation, and debt
23.3 restructuring of federally assisted rental
23.4 property and for making equity take-out
23.5 loans under Minnesota Statutes, section
23.6 462A.05, subdivision 39.

23.7 The owner of the federally assisted rental
23.8 property must agree to participate in
23.9 the applicable federally assisted housing
23.10 program and to extend any existing
23.11 low-income affordability restrictions on the
23.12 housing for the maximum term permitted.

23.13 The owner must also enter into an agreement
23.14 that gives local units of government,
23.15 housing and redevelopment authorities,
23.16 and nonprofit housing organizations the
23.17 right of first refusal if the rental property
23.18 is offered for sale. Priority must be given
23.19 among comparable federally assisted rental
23.20 properties to properties with the longest
23.21 remaining term under an agreement for
23.22 federal rental assistance. Priority must also
23.23 be given among comparable rental housing
23.24 developments to developments that are or
23.25 will be owned by local government units, a
23.26 housing and redevelopment authority, or a
23.27 nonprofit housing organization.

23.28 This appropriation also may be used to
23.29 finance the acquisition, rehabilitation, and
23.30 debt restructuring of existing supportive
23.31 housing properties. For purposes of this
23.32 subdivision, "supportive housing" means
23.33 affordable rental housing with links to
23.34 services necessary for individuals, youth, and
23.35 families with children to maintain housing
23.36 stability.

24.1	<u>Of this amount, \$2,500,000 is appropriated</u>		
24.2	<u>for the purposes of financing the</u>		
24.3	<u>rehabilitation and operating costs to preserve</u>		
24.4	<u>public housing. For purposes of this</u>		
24.5	<u>subdivision, "public housing" is housing for</u>		
24.6	<u>low-income persons and households financed</u>		
24.7	<u>by the federal government and owned and</u>		
24.8	<u>operated by public housing authorities and</u>		
24.9	<u>agencies. Eligible public housing authorities</u>		
24.10	<u>must have a public housing assessment</u>		
24.11	<u>system rating of standard or above. Priority</u>		
24.12	<u>among comparable proposals must be given</u>		
24.13	<u>to proposals that maximize federal or local</u>		
24.14	<u>resources to finance the capital and operating</u>		
24.15	<u>costs.</u>		
24.16	<u>Subd. 8. Housing Rehabilitation and</u>		
24.17	<u>Accessibility</u>	<u>5,587,000</u>	<u>4,287,000</u>
24.18	<u>For the housing rehabilitation and</u>		
24.19	<u>accessibility program under Minnesota</u>		
24.20	<u>Statutes, section 462A.05, subdivisions 14a</u>		
24.21	<u>and 15a.</u>		
24.22	<u>Subd. 9. Urban Indian Housing Program</u>	<u>187,000</u>	<u>187,000</u>
24.23	<u>For the urban Indian housing program</u>		
24.24	<u>under Minnesota Statutes, section 462A.07,</u>		
24.25	<u>subdivision 15. The base is reduced by</u>		
24.26	<u>\$7,000 each year in fiscal year 2010 and</u>		
24.27	<u>fiscal year 2011.</u>		
24.28	<u>Subd. 10. Tribal Indian Housing Program</u>	<u>1,683,000</u>	<u>1,394,000</u>
24.29	<u>For the tribal Indian housing program</u>		
24.30	<u>under Minnesota Statutes, section 462A.07,</u>		
24.31	<u>subdivision 14. The base is reduced by</u>		
24.32	<u>\$179,000 each year in fiscal year 2010 and</u>		
24.33	<u>fiscal year 2011.</u>		
24.34	<u>Subd. 11. Home Ownership Education,</u>		
24.35	<u>Counseling, and Training</u>	<u>865,000</u>	<u>865,000</u>

25.1	<u>For the home ownership education,</u>		
25.2	<u>counseling, and training program under</u>		
25.3	<u>Minnesota Statutes, section 462A.209.</u>		
25.4	<u>Subd. 12. Capacity Building Grants</u>	<u>340,000</u>	<u>340,000</u>
25.5	<u>For nonprofit capacity building grants</u>		
25.6	<u>under Minnesota Statutes, section 462A.21,</u>		
25.7	<u>subdivision 3b. The base is reduced by</u>		
25.8	<u>\$90,000 each year in fiscal year 2010 and</u>		
25.9	<u>fiscal year 2011.</u>		
25.10	<u>Sec. 6. LABOR AND INDUSTRY</u>		
25.11	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 22,909,000</u>	<u>\$ 23,174,000</u>
25.12	<u>Appropriations by Fund</u>		
25.13		<u>2008</u>	<u>2009</u>
25.14	<u>General</u>	<u>1,069,000</u>	<u>1,024,000</u>
25.15	<u>Workers'</u>		
25.16	<u>Compensation</u>	<u>21,076,000</u>	<u>21,371,000</u>
25.17	<u>Workforce</u>		
25.18	<u>Development</u>	<u>764,000</u>	<u>779,000</u>
25.19	<u>The amounts that may be spent for each</u>		
25.20	<u>purpose are specified in the following</u>		
25.21	<u>subdivisions.</u>		
25.22	<u>Subd. 2. Workers' Compensation</u>	<u>10,360,000</u>	<u>10,617,000</u>
25.23	<u>This appropriation is from the workers'</u>		
25.24	<u>compensation fund.</u>		
25.25	<u>Up to \$200,000 the first year and up to</u>		
25.26	<u>\$200,000 the second year are for grants</u>		
25.27	<u>to the Vinland Center for rehabilitation</u>		
25.28	<u>services. The grants shall be distributed as</u>		
25.29	<u>the department refers injured workers to</u>		
25.30	<u>the Vinland Center to receive rehabilitation</u>		
25.31	<u>services.</u>		
25.32	<u>Subd. 3. Safety Codes and Services</u>	<u>4,685,000</u>	<u>4,773,000</u>
25.33	<u>This appropriation is from the workers'</u>		
25.34	<u>compensation fund.</u>		

26.1	<u>\$500,000 the first year and \$500,000</u>		
26.2	<u>the second year are from the workers'</u>		
26.3	<u>compensation fund for patient safe handling</u>		
26.4	<u>grants under Minnesota Statutes, section</u>		
26.5	<u>182.6553. This is a onetime appropriation</u>		
26.6	<u>and is available until expended.</u>		
26.7	Subd. 4. Labor Standards/Apprenticeship	<u>1,833,000</u>	<u>1,803,000</u>
26.8	<u>Appropriations by Fund</u>		
26.9	<u>General</u>	<u>1,069,000</u>	<u>1,024,000</u>
26.10	<u>Workforce</u>		
26.11	<u>Development</u>	<u>764,000</u>	<u>779,000</u>
26.12	<u>The appropriation from the workforce</u>		
26.13	<u>development fund is for the apprenticeship</u>		
26.14	<u>program under Minnesota Statutes, chapter</u>		
26.15	<u>178, and includes \$100,000 each year for</u>		
26.16	<u>labor education and advancement program</u>		
26.17	<u>grants.</u>		
26.18	<u>\$360,000 the first year and \$300,000 the</u>		
26.19	<u>second year from the general fund are for</u>		
26.20	<u>prevailing wage enforcement of which</u>		
26.21	<u>\$60,000 in the first year is for outreach and</u>		
26.22	<u>survey participation improvements.</u>		
26.23	Subd. 5. General Support	<u>6,031,000</u>	<u>5,981,000</u>
26.24	<u>This appropriation is from the workers'</u>		
26.25	<u>compensation fund.</u>		
26.26	Sec. 7. BUREAU OF MEDIATION		
26.27	SERVICES		
26.28	Subdivision 1. Total Appropriation	\$ <u>1,864,000</u>	\$ <u>1,904,000</u>
26.29	<u>The amounts that may be spent for each</u>		
26.30	<u>purpose are specified in the following</u>		
26.31	<u>subdivisions.</u>		
26.32	Subd. 2. Mediation Services	<u>1,714,000</u>	<u>1,754,000</u>
26.33	Subd. 3. Labor Management Cooperation		
26.34	Grants	<u>150,000</u>	<u>150,000</u>

27.1	<u>\$150,000 the first year and \$150,000</u>			
27.2	<u>the second year are for grants to area</u>			
27.3	<u>labor-management committees. Grants may</u>			
27.4	<u>be awarded for a 12-month period beginning</u>			
27.5	<u>July 1 of each year. Any unencumbered</u>			
27.6	<u>balance remaining at the end of the first</u>			
27.7	<u>year does not cancel but is available for the</u>			
27.8	<u>second year.</u>			
27.9	Sec. 8. <u>WORKERS' COMPENSATION</u>			
27.10	<u>COURT OF APPEALS</u>	\$	<u>1,660,000</u>	\$ <u>1,703,000</u>
27.11	<u>This appropriation is from the workers'</u>			
27.12	<u>compensation fund.</u>			
27.13	Sec. 9. <u>MINNESOTA HISTORICAL</u>			
27.14	<u>SOCIETY</u>			
27.15	Subdivision 1. <u>Total Appropriation</u>	\$	<u>25,819,000</u>	\$ <u>24,504,000</u>
27.16	<u>The amounts that may be spent for each</u>			
27.17	<u>purpose are specified in the following</u>			
27.18	<u>subdivisions. Of the appropriations,</u>			
27.19	<u>\$325,000 the first year and \$500,000 the</u>			
27.20	<u>second year and each fiscal year thereafter</u>			
27.21	<u>are for increased building lease costs.</u>			
27.22	Subd. 2. <u>Education and Outreach</u>		<u>14,787,000</u>	<u>13,862,000</u>
27.23	<u>(a) Of this amount, \$750,000 the first year is</u>			
27.24	<u>a onetime appropriation for the Minnesota</u>			
27.25	<u>Sesquicentennial Commission. Of this</u>			
27.26	<u>appropriation, \$325,000 is for competitive</u>			
27.27	<u>matching grants for local events and projects;</u>			
27.28	<u>\$325,000 is for planning and support of</u>			
27.29	<u>statewide activities, and up to \$100,000 may</u>			
27.30	<u>be used for administration.</u>			
27.31	<u>The Minnesota Historical Society, the State</u>			
27.32	<u>Arts Board, and Explore Minnesota Tourism</u>			
27.33	<u>may assist the commission in designing and</u>			
27.34	<u>implementing the grants program.</u>			

28.1 The commission shall encourage private
28.2 contributions to match the state funds to the
28.3 greatest extent possible. Any gifts, pledges,
28.4 membership fees, or contributions received
28.5 by the commission are appropriated to the
28.6 commission.

28.7 (b) \$500,000 the first year is for a grant-in-aid
28.8 program for county and local historical
28.9 societies. The Minnesota Historical Society
28.10 shall establish program guidelines and
28.11 grant evaluation and award criteria for the
28.12 program. Each dollar of state funds awarded
28.13 to a grantee must be matched with nonstate
28.14 funds on a dollar-for-dollar basis by a
28.15 grantee. This is a onetime appropriation and
28.16 is available until expended.

28.17 (c) Notwithstanding Minnesota Statutes,
28.18 section 138.668, the Minnesota Historical
28.19 Society may not charge a fee for its general
28.20 tours at the Capitol, but may charge fees for
28.21 special programs other than general tours.

28.22 <u>Subd. 3. Preservation and Access</u>	<u>10,520,000</u>	<u>10,396,000</u>
--	-------------------	-------------------

28.23 (a) \$250,000 the first year is to conduct
28.24 a conservation survey and for restoration,
28.25 treatment, moving, and storage of the 1905
28.26 historic furnishings and works of art in the
28.27 Minnesota State Capitol. This is a onetime
28.28 appropriation and is available until expended.

28.29 (b) \$150,000 the first year is for the
28.30 preservation of battle flags. This is a onetime
28.31 appropriation and is available until expended.

28.32 (c) Funds may be reallocated between
28.33 paragraphs (a) and (b) for the purpose of
28.34 maximizing federal funds.

H.F. No. 122, 2nd Engrossment - 85th Legislative Session (2007-2008)

29.1 Subd. 4. Fiscal Agent

29.2	<u>(a) Minnesota International Center</u>	<u>43,000</u>	<u>43,000</u>
------	---	---------------	---------------

29.3	<u>(b) Minnesota Air National Guard Museum</u>	<u>16,000</u>	<u>-0-</u>
------	--	---------------	------------

29.4	<u>(c) Minnesota Military Museum</u>	<u>100,000</u>	<u>-0-</u>
------	--------------------------------------	----------------	------------

29.5	<u>(d) Farmamerica</u>	<u>128,000</u>	<u>128,000</u>
------	------------------------	----------------	----------------

29.6 (e) Balances Forward

29.7 Any unencumbered balance remaining in
29.8 this subdivision the first year does not cancel
29.9 but is available for the second year of the
29.10 biennium.

29.11 (f) \$75,000 the first year is for a onetime
29.12 grant to the Nicollet County Historical
29.13 Society for renovation of the center exhibit
29.14 gallery in the Treaty Site History Center in
29.15 St. Peter, including additions to the center's
29.16 infrastructure and state-of-the-art interpretive
29.17 elements. This appropriation is available
29.18 until expended.

29.19 (g) \$75,000 the first year is for a grant to
29.20 the Hmong Studies Center at Concordia
29.21 University in St. Paul, Minnesota, to be
29.22 used for preservation of Hmong historical
29.23 artifacts and documents. Any part of the
29.24 appropriation not used in fiscal year 2008 is
29.25 available for use in fiscal year 2009. This is
29.26 a onetime appropriation and is available until
29.27 expended.

29.28 (h) \$75,000 the first year and \$75,000 the
29.29 second year are for a grant to the city of
29.30 Eveleth to be used for the support of the
29.31 Hockey Hall of Fame Museum provided
29.32 that it continues to operate in the city. This
29.33 grant is in addition to and must not be

30.1 used to supplant funding under Minnesota
30.2 Statutes, section 298.28, subdivision 9c. This
30.3 appropriation is added to the society's base
30.4 budget.

30.5 **Subd. 5. Fund Transfer**

30.6 The Minnesota Historical Society may
30.7 reallocate funds appropriated in and between
30.8 subdivisions 2 and 3 for any program
30.9 purposes and the appropriations are available
30.10 in either year of the biennium.

30.11 **Subd. 6. Minnesota River Valley Study Group**

30.12 The Minnesota Historical Society in
30.13 cooperation with Explore Minnesota Tourism
30.14 shall establish and coordinate a Minnesota
30.15 River Valley study group. The Minnesota
30.16 River Valley study group shall be comprised
30.17 of representatives of the Minnesota Valley
30.18 Scenic Byway Alliance, the Department
30.19 of Natural Resources, the Department
30.20 of Transportation, the Minnesota Indian
30.21 Affairs Council, the Region 6 West, Region
30.22 6 East, Region 8 and Region 9 Regional
30.23 Development Commissions, the Minnesota
30.24 Historical Society, Explore Minnesota
30.25 Tourism, State Arts Board, and other
30.26 interested parties. The study group must
30.27 develop a plan for coordinated activities
30.28 among organizations represented on the
30.29 study group to enhance and promote historic
30.30 sites, and historic, scenic, and natural
30.31 features of the Minnesota River Valley
30.32 area. Study topics shall include, but are
30.33 not limited to, historic sites related to the
30.34 Dakota Conflict of 1862 and the state and
30.35 local preparations for the sesquicentennial of

31.1 this event. The Minnesota Historical Society
31.2 and Explore Minnesota Tourism shall report
31.3 on the findings and recommendations of
31.4 the Minnesota River Valley study group to
31.5 the standing committees of the house of
31.6 representatives and senate with jurisdiction
31.7 over historic sites and tourism by March 1,
31.8 2008. The Minnesota River Valley study
31.9 group shall serve without compensation.

31.10 Sec. 10. **BOARD OF THE ARTS**

31.11	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>10,215,000</u>	<u>\$</u>	<u>10,227,000</u>
-------	--	------------------	--------------------------	------------------	--------------------------

31.12 If the appropriation for either year is
31.13 insufficient, the appropriation for the other
31.14 year is available.

31.15 The amounts that may be spent for each
31.16 purpose are specified in the following
31.17 subdivisions.

31.18	<u>Subd. 2. Operations and Services</u>	<u>641,000</u>	<u>651,000</u>
-------	--	-----------------------	-----------------------

31.19	<u>Subd. 3. Grants Program</u>	<u>6,617,000</u>	<u>6,617,000</u>
-------	---------------------------------------	-------------------------	-------------------------

31.20 The base for this program is \$6,727,000 each
31.21 year in the 2010-2011 biennium.

31.22	<u>Subd. 4. Regional Arts Councils</u>	<u>2,957,000</u>	<u>2,959,000</u>
-------	---	-------------------------	-------------------------

31.23	Sec. 11. <u>BOARD OF ACCOUNTANCY</u>	<u>\$</u>	<u>496,000</u>	<u>\$</u>	<u>505,000</u>
-------	---	------------------	-----------------------	------------------	-----------------------

31.24	Sec. 12. <u>BOARD OF ARCHITECTURE,</u>				
31.25	<u>ENGINEERING, LAND SURVEYING,</u>				
31.26	<u>LANDSCAPE ARCHITECTURE,</u>				
31.27	<u>GEOSCIENCE, AND INTERIOR DESIGN</u>	<u>\$</u>	<u>800,000</u>	<u>\$</u>	<u>815,000</u>

31.28	Sec. 13. <u>BOARD OF BARBER AND</u>				
31.29	<u>COSMETOLOGIST EXAMINERS</u>	<u>\$</u>	<u>829,000</u>	<u>\$</u>	<u>749,000</u>

31.30	Sec. 14. <u>MINNESOTA BOXING</u>				
31.31	<u>COMMISSION</u>	<u>\$</u>	<u>50,000</u>	<u>\$</u>	<u>-0-</u>

H.F. No. 122, 2nd Engrossment - 85th Legislative Session (2007-2008)

32.1 This is a onetime appropriation to transition
32.2 the commission to being a self-funded entity.

32.3	Sec. 15. <u>MINNESOTA HUMANITIES</u>		
32.4	<u>COMMISSION</u>	\$ 250,000	\$ 250,000

32.5 Of this amount, ten percent each year is
32.6 for lifelong learning programs in greater
32.7 Minnesota communities that do not
32.8 receive financial support from other large
32.9 educational institutions. The base budget
32.10 for the Minnesota Humanities Commission
32.11 is \$250,000 each year in the 2010-2011
32.12 biennium.

32.13 **Sec. 16. TRANSFERS**

32.14 The commissioner of labor and industry shall
32.15 transfer \$1,627,000 by June 30, 2008, and
32.16 \$1,515,000 by June 30, 2009, and each year
32.17 thereafter, from the construction code fund to
32.18 the general fund.

32.19 Of the balance remaining in Laws 2005, First
32.20 Special Session chapter 1, article 3, section
32.21 2, subdivision 2, for the methamphetamine
32.22 laboratory cleanup revolving loan fund,
32.23 \$100,000 is for transfer to the small
32.24 community wastewater treatment account
32.25 established in Minnesota Statutes, section
32.26 446A.075, subdivision 1.

ARTICLE 2

EMPLOYMENT AND DEVELOPMENT-RELATED PROVISIONS

32.29 Section 1. Minnesota Statutes 2006, section 13.7931, is amended by adding a
32.30 subdivision to read:

32.31 Subd. 5. Data from safety and education programs for loggers. The following

32.32 data collected from persons who attend safety and education programs or seminars for

- 33.1 loggers established or approved by the commissioner under section 176.130, subdivision
33.2 11, is public data:
- 33.3 (1) the names of the individuals attending the program or seminar;
33.4 (2) the names of each attendee's employer;
33.5 (3) the city where the employer is located;
33.6 (4) the date the program or seminar was held; and
33.7 (5) a description of the seminar or program.

33.8 Sec. 2. Minnesota Statutes 2006, section 16B.61, subdivision 1a, is amended to read:

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

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

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

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

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

H.F. No. 122, 2nd Engrossment - 85th Legislative Session (2007-2008)

34.1 Sec. 3. Minnesota Statutes 2006, section 16B.65, subdivision 1, is amended to read:

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

34.13 Sec. 4. Minnesota Statutes 2006, section 16B.65, subdivision 5a, is amended to read:

34.14 Subd. 5a. **Administrative action and penalties.** The commissioner shall, by rule,
34.15 establish a graduated schedule of administrative actions for violations of sections 16B.59
34.16 to 16B.75 and rules adopted under those sections. The schedule must be based on and
34.17 reflect the culpability, frequency, and severity of the violator's actions. The commissioner
34.18 may impose a penalty from the schedule on a certification holder for a violation of sections
34.19 16B.59 to 16B.75 and rules adopted under those sections. The penalty is in addition to
34.20 any criminal penalty imposed for the same violation. ~~Administrative monetary penalties~~
34.21 ~~imposed by the commissioner must be paid to the special revenue fund.~~

34.22 Sec. 5. Minnesota Statutes 2006, section 16B.70, subdivision 2, is amended to read:

34.23 Subd. 2. **Collection and reports.** All permit surcharges must be collected by each
34.24 municipality and a portion of them remitted to the state. Each municipality having a
34.25 population greater than 20,000 people shall prepare and submit to the commissioner once
34.26 a month a report of fees and surcharges on fees collected during the previous month
34.27 but shall retain the greater of two percent or that amount collected up to \$25 to apply
34.28 against the administrative expenses the municipality incurs in collecting the surcharges.
34.29 All other municipalities shall submit the report and surcharges on fees once a quarter
34.30 but shall retain the greater of four percent or that amount collected up to \$25 to apply
34.31 against the administrative expenses the municipalities incur in collecting the surcharges.
34.32 The report, which must be in a form prescribed by the commissioner, must be submitted
34.33 together with a remittance covering the surcharges collected by the 15th day following
34.34 the month or quarter in which the surcharges are collected. ~~All money collected by the~~

H.F. No. 122, 2nd Engrossment - 85th Legislative Session (2007-2008)

35.1 ~~commissioner through surcharges and other fees prescribed by sections 16B.59 to 16B.75~~
35.2 ~~shall be deposited in the state government special revenue fund and is appropriated to the~~
35.3 ~~commissioner for the purpose of administering and enforcing the State Building Code~~
35.4 ~~under sections 16B.59 to 16B.75.~~

35.5 Sec. 6. Minnesota Statutes 2006, section 116J.551, subdivision 1, is amended to read:

35.6 Subdivision 1. **Grant account.** A contaminated site cleanup and development
35.7 grant account is created in the general fund. Money in the account may be used, as
35.8 appropriated by law, to make grants as provided in section 116J.554 and to pay for the
35.9 commissioner's costs in reviewing applications and making grants. Notwithstanding
35.10 section 16A.28, money appropriated to the account for this program from any source is
35.11 available for four years until spent.

35.12 Sec. 7. Minnesota Statutes 2006, section 116J.554, subdivision 2, is amended to read:

35.13 Subd. 2. **Qualifying sites.** A site qualifies for a grant under this section, if the
35.14 following criteria are met:

35.15 (1) the site is not scheduled for funding during the current or next fiscal year under
35.16 the Comprehensive Environmental Response, Compensation, and Liability Act, United
35.17 States Code, title 42, section 9601, et seq. or under the Environmental Response, and
35.18 Liability Act under sections 115B.01 to 115B.20;

35.19 ~~(2) the appraised value of the site after adjusting for the effect on the value of the~~
35.20 ~~presence or possible presence of contaminants using accepted appraisal methodology, or~~
35.21 ~~the current market value of the site as issued under section 273.121, separately taking into~~
35.22 ~~account the effect of the contaminants on the market value, (i) is less than 75 percent of~~
35.23 ~~the estimated project costs for the site or (ii) is less than or equal to the estimated cleanup~~
35.24 ~~costs for the site and the cleanup costs equal or exceed \$3 per square foot for the site; and~~

35.25 ~~(3)~~ (2) if the proposed cleanup is completed, it is expected that the site will be
35.26 improved with buildings or other improvements and these improvements will provide a
35.27 substantial increase in the property tax base within a reasonable period of time or the site
35.28 will be used for an important publicly owned or tax-exempt facility.

35.29 Sec. 8. Minnesota Statutes 2006, section 116J.555, subdivision 1, is amended to read:

35.30 Subdivision 1. **Priorities.** (a) The legislature expects that applications for grants
35.31 will exceed the available appropriations and the agency will be able to provide grants to
35.32 only some of the applicant development authorities.

(b) If applications for grants for qualified sites exceed the available appropriations, the agency shall make grants for sites that, in the commissioner's judgment, provide the highest return in public benefits for the public costs incurred and that meet all the requirements provided by law. In making this judgment, the commissioner shall consider the following factors:

(1) the recommendations or ranking of projects by the commissioner of the Pollution Control Agency regarding the potential threat to public health and the environment that would be reduced or eliminated by completion of each of the response action plans;

(2) the potential increase in the property tax base of the local taxing jurisdictions, considered relative to the fiscal needs of the jurisdictions, that will result from developments that will occur because of completion of each of the response action plans;

(3) the social value to the community of the cleanup and redevelopment of the site, including the importance of development of the proposed public facilities on each of the sites;

(4) the probability that each site will be cleaned up without use of government money in the reasonably foreseeable future by considering but not limited to the current market value of the site versus the cleanup cost;

(5) the amount of cleanup costs for each site; and

(6) the amount of the commitment of municipal or other local resources to pay for the cleanup costs.

The factors are not listed in a rank order of priority; rather the commissioner may weigh each factor, depending upon the facts and circumstances, as the commissioner considers appropriate. The commissioner may consider other factors that affect the net return of public benefits for completion of the response action plan. The commissioner, notwithstanding the listing of priorities and the goal of maximizing the return of public benefits, shall make grants that distribute available money to sites both within and outside of the metropolitan area. The commissioner shall provide a written statement of the supporting reasons for each grant. Unless sufficient applications are not received for qualifying sites outside of the metropolitan area, at least 25 percent of the money provided as grants must be made for sites located outside of the metropolitan area.

Sec. 9. Minnesota Statutes 2006, section 116J.575, subdivision 1, is amended to read:

Subdivision 1. **Commissioner discretion.** The commissioner may make a grant for up to 50 percent of the eligible costs of a project. The determination of whether to make a grant for a site is within the discretion of the commissioner, subject to this section and sections 116J.571 to 116J.574 and available unencumbered money in the redevelopment

37.1 account. ~~If the commissioner determines that the applications for grants for projects in~~
37.2 ~~greater Minnesota are less than the amount of grant funds available, the commissioner~~
37.3 ~~may make grants for projects anywhere in Minnesota.~~ The commissioner's decisions and
37.4 application of the priorities under this section are not subject to judicial review, except
37.5 for abuse of discretion.

37.6 Sec. 10. Minnesota Statutes 2006, section 116J.575, subdivision 1a, is amended to read:

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

- 37.17 (1) the need for redevelopment in conjunction with contamination remediation needs;
37.18 (2) the redevelopment project meets current tax increment financing requirements
37.19 for a redevelopment district and tax increments will contribute to the project;
37.20 (3) the redevelopment potential within the municipality;
37.21 (4) proximity to public transit if located in the metropolitan area; ~~and~~
37.22 (5) redevelopment costs related to expansion of a bioscience business in Minnesota;
37.23 and
37.24 ~~(5)~~ (6) multijurisdictional projects that take into account the need for affordable
37.25 housing, transportation, and environmental impact.

37.26 (b) The factors in paragraph (a) are not listed in a rank order of priority; rather, the
37.27 commissioner may weigh each factor, depending upon the facts and circumstances, as
37.28 the commissioner considers appropriate. The commissioner may consider other factors
37.29 that affect the net return of public benefits for completion of the redevelopment plan. The
37.30 commissioner, notwithstanding the listing of priorities and the goal of maximizing the
37.31 return of public benefits, shall make grants that distribute available money to sites both
37.32 within and outside of the metropolitan area. Unless sufficient applications are not received
37.33 for qualifying sites outside of the metropolitan area, at least 50 percent of the money
37.34 provided as grants must be made for sites located outside of the metropolitan area.

38.1 Sec. 11. Minnesota Statutes 2006, section 116J.966, subdivision 1, is amended to read:

38.2 Subdivision 1. **Generally.** (a) The commissioner shall promote, develop, and
38.3 facilitate trade and foreign investment in Minnesota. In furtherance of these goals, and in
38.4 addition to the powers granted by section 116J.035, the commissioner may:

38.5 (1) locate, develop, and promote international markets for Minnesota products
38.6 and services;

38.7 (2) arrange and lead trade missions to countries with promising international markets
38.8 for Minnesota goods, technology, services, and agricultural products;

38.9 (3) promote Minnesota products and services at domestic and international trade
38.10 shows;

38.11 (4) organize, promote, and present domestic and international trade shows featuring
38.12 Minnesota products and services;

38.13 (5) host trade delegations and assist foreign traders in contacting appropriate
38.14 Minnesota businesses and investments;

38.15 (6) develop contacts with Minnesota businesses and gather and provide information
38.16 to assist them in locating and communicating with international trading or joint venture
38.17 counterparts;

38.18 (7) provide information, education, and counseling services to Minnesota businesses
38.19 regarding the economic, commercial, legal, and cultural contexts of international trade;

38.20 (8) provide Minnesota businesses with international trade leads and information
38.21 about the availability and sources of services relating to international trade, such as
38.22 export financing, licensing, freight forwarding, international advertising, translation, and
38.23 custom brokering;

38.24 (9) locate, attract, and promote foreign direct investment and business development
38.25 in Minnesota to enhance employment opportunities in Minnesota;

38.26 (10) provide foreign businesses and investors desiring to locate facilities in
38.27 Minnesota information regarding sources of governmental, legal, real estate, financial, and
38.28 business services;

38.29 (11) enter into contracts or other agreements with private persons and public entities,
38.30 including agreements to establish and maintain offices and other types of representation in
38.31 foreign countries, to carry out the purposes of promoting international trade and attracting
38.32 investment from foreign countries to Minnesota and to carry out this section, without
38.33 regard to section 16C.06; and

38.34 (12) market trade-related materials to businesses and organizations, and the proceeds
38.35 of which must be placed in a special revolving account and are appropriated to the
38.36 commissioner to prepare and distribute trade-related materials.

(b) The programs and activities of the commissioner of employment and economic development and the Minnesota Trade Division may not duplicate programs and activities of the commissioner of agriculture.

(c) The commissioner shall notify the chairs of the senate Finance and house Ways and Means Committees of each agreement under this subdivision to establish and maintain an office or other type of representation in a foreign country.

(d) The Minnesota Trade Office shall serve as the state's office of protocol providing assistance to official visits by foreign government representatives and shall serve as liaison to the foreign diplomatic corps in Minnesota.

Sec. 12. Minnesota Statutes 2006, section 116L.01, is amended by adding a subdivision to read:

Subd. 4. **Workforce development intermediaries.** "Workforce development intermediaries" means public, private, or nonprofit entities that provide employment services to low-income individuals and have a demonstrated track record bringing together employers and workers, private and public funding streams, and other stakeholders to implement pathways to career advancement for low-income individuals. Entities may include, but are not limited to, nonprofit organizations, educational institutions, or the administrative entity of a local workforce service area.

Sec. 13. Minnesota Statutes 2006, section 116L.04, subdivision 1a, is amended to read:

Subd. 1a. **Pathways program.** The pathways program may provide grants-in-aid for developing programs which assist in the transition of persons from welfare to work and assist individuals at or below 200 percent of the federal poverty guidelines. The program is to be operated by the board. The board shall consult and coordinate with program administrators at the Department of Employment and Economic Development to design and provide services for temporary assistance for needy families recipients.

Pathways grants-in-aid may be awarded to educational or other nonprofit training institutions or to workforce development intermediaries for education and training programs and services supporting education and training programs that serve eligible recipients.

Preference shall be given to projects that:

(1) provide employment with benefits paid to employees;

(2) provide employment where there are defined career paths for trainees;

(3) pilot the development of an educational pathway that can be used on a continuing basis for transitioning persons from welfare to work; and

(4) demonstrate the active participation of Department of Employment and Economic Development workforce centers, Minnesota State College and University institutions and other educational institutions, and local welfare agencies.

Pathways projects must demonstrate the active involvement and financial commitment of private business. Pathways projects must be matched with cash or in-kind contributions on at least a ~~one-to-one~~ one-half-to-one ratio by participating private business.

A single grant to any one institution shall not exceed \$400,000. A portion of a grant may be used for preemployment training.

Sec. 14. Minnesota Statutes 2006, section 116L.17, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given them in this subdivision.

(b) "Commissioner" means the commissioner of employment and economic development.

(c) "Dislocated worker" means an individual who is a resident of Minnesota at the time employment ceased or was working in the state at the time employment ceased and:

(1) has been permanently separated or has received a notice of permanent separation from public or private sector employment and is eligible for or has exhausted entitlement to unemployment benefits, and is unlikely to return to the previous industry or occupation;

(2) has been long-term unemployed and has limited opportunities for employment or reemployment in the same or a similar occupation in the area in which the individual resides, including older individuals who may have substantial barriers to employment by reason of age;

(3) has been terminated or has received a notice of termination of employment as a result of a plant closing or a substantial layoff at a plant, facility, or enterprise;

(4) has been self-employed, including farmers and ranchers, and is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters; or

~~(4)~~ (5) is a displaced homemaker. A "displaced homemaker" is an individual who has spent a substantial number of years in the home providing homemaking service and (i) has been dependent upon the financial support of another; and now due to divorce, separation, death, or disability of that person, must find employment to self support; or (ii) derived the substantial share of support from public assistance on account of dependents in the home and no longer receives such support.

41.1 To be eligible under this clause, the support must have ceased while the worker
41.2 resided in Minnesota.

41.3 (d) "Eligible organization" means a state or local government unit, nonprofit
41.4 organization, community action agency, business organization or association, or labor
41.5 organization.

41.6 (e) "Plant closing" means the announced or actual permanent shutdown of a single
41.7 site of employment, or one or more facilities or operating units within a single site of
41.8 employment.

41.9 (f) "Substantial layoff" means a permanent reduction in the workforce, which is
41.10 not a result of a plant closing, and which results in an employment loss at a single site
41.11 of employment during any 30-day period for at least 50 employees excluding those
41.12 employees that work less than 20 hours per week.

41.13 Sec. 15. Minnesota Statutes 2006, section 116L.20, subdivision 1, is amended to read:

41.14 Subdivision 1. **Determination and collection of special assessment.** (a) In addition
41.15 to amounts due from an employer under the Minnesota unemployment insurance program,
41.16 each employer, except an employer making reimbursements is liable for a special
41.17 assessment levied at the rate of .10 percent per year ~~for calendar years 2006 and 2007~~ on
41.18 all taxable wages, as defined in section 268.035, subdivision 24. ~~Beginning January 1,~~
41.19 ~~2008, the special assessment shall be levied at a rate of .085 percent per year on all taxable~~
41.20 ~~wages.~~ The assessment shall become due and be paid by each employer on the same
41.21 schedule and in the same manner as other amounts due from an employer under section
41.22 268.051, subdivision 1.

41.23 (b) The special assessment levied under this section shall be subject to the same
41.24 requirements and collection procedures as any amounts due from an employer under the
41.25 Minnesota unemployment insurance program.

41.26 Sec. 16. Minnesota Statutes 2006, section 116L.666, subdivision 1, is amended to read:

41.27 Subdivision 1. **Designation of workforce service areas.** For the purpose of
41.28 administering federal, state, and local employment and training services, the commissioner
41.29 shall designate the geographic boundaries for workforce service areas in Minnesota.

41.30 The commissioner shall approve a request to be a workforce service area from:

41.31 (1) a home rule charter or statutory city with a population of 200,000 or more or a
41.32 county with a population of 200,000 or more; or

42.1 (2) a consortium of contiguous home rule charter or statutory cities or counties
42.2 with an aggregate population of 200,000 or more that serves a substantial part of one or
42.3 more labor markets.

42.4 The commissioner may approve a request to be a workforce service area from a
42.5 home rule charter or statutory city or a county or a consortium of contiguous home
42.6 rule charter or statutory cities or counties, without regard to population, that serves a
42.7 substantial portion of a labor market area.

42.8 The commissioner shall make a final designation of workforce service areas within
42.9 the state after consulting with local elected officials and the governor's Workforce
42.10 Development Council. Existing service delivery areas designated under the federal Job
42.11 Training Partnership Act shall be initially designated as workforce service areas providing
42.12 that no other petitions are submitted by local elected officials.

42.13 The commissioner may redesignate workforce service areas, upon the advice of
42.14 the affected local elected officials, no more frequently than every two years. These
42.15 redesignations must be made not later than four months before the beginning of a program
42.16 year.

42.17 Sec. 17. Minnesota Statutes 2006, section 116M.18, subdivision 6a, is amended to read:

42.18 Subd. 6a. **Nonprofit corporation loans.** The board may make loans to a nonprofit
42.19 corporation with which it has entered into an agreement under subdivision 1. These
42.20 loans must be used to support a new or expanding business. This support may include
42.21 such forms of financing as the sale of goods to the business on installment or deferred
42.22 payments, lease purchase agreements, or royalty investments in the business. The interest
42.23 rate charged by a nonprofit corporation for a loan under this subdivision must not exceed
42.24 the Wall Street Journal prime rate plus four percent. For a loan under this subdivision, the
42.25 nonprofit corporation may charge a loan origination fee equal to or less than one percent
42.26 of the loan value. The nonprofit corporation may retain the amount of the origination fee.
42.27 The nonprofit corporation must provide at least an equal match to the loan received by the
42.28 board. The maximum loan available to the nonprofit corporation under this subdivision is
42.29 \$50,000. Loans made to the nonprofit corporation under this subdivision may be made
42.30 without interest. Repayments made by the nonprofit corporation must be deposited in the
42.31 revolving fund created for urban initiative grants.

42.32 Sec. 18. **[116O.115] SMALL BUSINESS GROWTH ACCELERATION**
42.33 **PROGRAM.**

43.1 Subdivision 1. **Establishment; purpose.** The small business growth acceleration
43.2 program is established. The purpose of the program is to (1) help qualified companies
43.3 implement technology and business improvements; and (2) bridge the gap between
43.4 standard market pricing for technology and business improvements and what qualified
43.5 companies can afford to pay.

43.6 Subd. 2. **Qualified company.** A company is qualified to receive assistance under
43.7 the small business growth acceleration program if it is a manufacturing company or a
43.8 manufacturing-related service company that employs 100 or fewer full-time equivalent
43.9 employees.

43.10 Subd. 3. **Applications for assistance.** A company seeking assistance under the
43.11 small business growth acceleration program must file an application according to the
43.12 requirements of the corporation. A company's application for small business growth
43.13 acceleration program assistance must include documentation of the company's overall plan
43.14 for technology and business improvement and prioritize the components of the overall
43.15 plan. The application must also document the company's need for small business growth
43.16 acceleration program funds in order to carry forward the highest priority components of
43.17 the plan.

43.18 Subd. 4. **Fund awards; use of funds.** (a) The corporation shall establish
43.19 procedures for determining which applicants for assistance under the small business
43.20 growth acceleration program will receive program funding. Funding shall be awarded
43.21 only to accelerate a qualified company's adoption of needed technology or business
43.22 improvements when the corporation concludes that it is unlikely the improvements could
43.23 be accomplished in any other way.

43.24 (b) The maximum amount of funds awarded to a qualified company under the small
43.25 business growth acceleration program for a particular project must not exceed 50 percent
43.26 of the total cost of a project and must not under any circumstances exceed \$25,000 during
43.27 a calendar year. The corporation shall not award to a qualified company small business
43.28 growth acceleration program funds in excess of \$50,000 per year.

43.29 (c) Any funds awarded to a qualified company under the small business growth
43.30 acceleration program must be used for business services and products that will enhance the
43.31 operation of the company. These business services and products must come either directly
43.32 from the corporation or from a network of expert providers identified and approved by
43.33 the corporation. No company receiving small business growth acceleration program
43.34 funds may use the funds for refinancing, overhead costs, new construction, renovation,
43.35 equipment, or computer hardware.

(d) Any funds awarded must be disbursed to the qualified company as reimbursement documented according to requirements of the corporation.

Subd. 5. Service agreements. The corporation shall enter a written service agreement with each company awarded funds under the small business growth acceleration program. Each service agreement shall clearly articulate the company's need for service, state the cost of the service, identify who will provide the service, and define the scope of the service that will be provided. The service agreement must also include an estimate of the financial impact of the service on the company and require the company to report the actual financial impact of the service to the corporation 24 months after the service is provided.

Subd. 6. Reporting. The corporation shall report annually to the legislative committees with fiscal jurisdiction over the Department of Employment and Economic Development:

(1) the funds awarded under the small business growth acceleration program during the past 12 months;

(2) the estimated financial impact of the funds awarded to each company receiving service under the program; and

(3) the actual financial impact of funds awarded during the past 24 months.

Sec. 19. **[179.86] PACKINGHOUSE WORKERS BILL OF RIGHTS.**

Subdivision 1. Definition. For the purpose of this section, "employer" means an employer in the meatpacking industry.

Subd. 2. Right to adequate equipment. An employer must furnish its employees with equipment to safely perform their jobs under OSHA standards.

Subd. 3. Information provided to employee by employer. (a) An employer must provide an explanation in an employee's native language of the employee's rights and duties as an employee either person to person or through written materials that, at a minimum, include:

(1) a complete description of the salary and benefits plans as they relate to the employee;

(2) a job description for the employee's position;

(3) a description of leave policies;

(4) a description of the work hours and work hours policy; and

(5) a description of the occupational hazards known to exist for the position.

(b) The explanation must also include information on the following employee rights as protected by state or federal law and a description of where additional information about those rights may be obtained:

(1) the right to organize and bargain collectively and refrain from organizing and bargaining collectively;

(2) the right to a safe workplace; and

(3) the right to be free from discrimination.

Subd. 4. **Commissioner duties.** The commissioner of labor and industry in consultation with the commissioner of human rights must develop and implement a strategy to assist employers in providing adequate notice and education to employees of their rights under this section. The commissioner shall assign the duty to implement the strategy to a specific identified position in the department. The position, along with contact information, must be included on printed materials the department prepares and distributes to carry out the commissioner's duties under this section.

Sec. 20. Minnesota Statutes 2006, section 179A.04, subdivision 3, is amended to read:

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

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

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

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

(4) conduct elections;

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

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

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

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

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

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

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

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

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

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

(1) be a former or retired judge;

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

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

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

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

Sec. 21. [181A.115] PROHIBITED EMPLOYMENT RELATING TO THE PRESENCE OF LIQUOR.

No minor under the age of 18 shall be employed in any rooms constituting the place in which intoxicating liquors or 3.2 percent malt liquors are served or consumed or in any

47.1 tasks involving the serving, dispensing, or handling of such liquors that are consumed on
47.2 the premises except that:

47.3 (1) minors who have reached the age of 16 may be employed to perform busing,
47.4 dishwashing, or hosting services in those rooms or areas of a restaurant, hotel, motel, or
47.5 resort where the presence of intoxicating liquor is incidental to food service or preparation;

47.6 (2) minors who have reached the age of 16 may be employed to perform busing,
47.7 dishwashing, or hosting services or to provide waiter or waitress service in rooms or areas
47.8 where the presence of 3.2 percent malt liquor is incidental to food service or preparation;

47.9 (3) minors who have reached the age of 16 may be employed to provide musical
47.10 entertainment in those rooms or areas where the presence of intoxicating liquor and 3.2
47.11 percent malt liquor is incidental to food service or preparation; and

47.12 (4) minors are not prevented from working at tasks which are not prohibited by law
47.13 in establishments where liquor is sold, served, dispensed, or handled in those rooms or
47.14 areas where no liquor is consumed or served.

47.15 Sec. 22. Minnesota Statutes 2006, section 182.65, subdivision 2, is amended to read:

47.16 Subd. 2. **Legislative findings and purpose.** The legislature finds that the burden on
47.17 employers and employees of this state resulting from personal injuries and illnesses arising
47.18 out of work situations is substantial; that the prevention of these injuries and illnesses is an
47.19 important objective of the government of this state; that the greatest hope of attaining this
47.20 objective lies in programs of research and education, and in the earnest cooperation of
47.21 government, employers and employees; and that a program of regulation and enforcement
47.22 is a necessary supplement to these more basic programs.

47.23 The legislature declares it to be its purpose and policy through the exercise of its
47.24 powers to assure so far as possible every worker in the state of Minnesota safe and
47.25 healthful working conditions and to preserve our human resources by:

47.26 (a) authorizing the Occupational Safety and Health Advisory Council to advise,
47.27 consult with or recommend on any matters relating to the Minnesota occupational
47.28 safety and health plan to the commissioner of labor and industry and by authorizing the
47.29 commissioner of labor and industry to promulgate and enforce mandatory occupational
47.30 safety and health standards applicable to employers and employees in the state of
47.31 Minnesota;

47.32 (b) encouraging employers and employees to increase their efforts to reduce the
47.33 number of occupational safety and health hazards at their places of employment, and to
47.34 stimulate employers and employees to institute new and to perfect existing programs for
47.35 providing safe and healthful working conditions;

(c) providing that employers and employees have separate but dependent responsibilities and rights with respect to achieving safe and healthful working conditions;

(d) providing for research in the field of occupational safety and health; including the psychological factors involved, and by developing innovative methods, techniques, and approaches for dealing with occupational safety and health problems;

(e) exploring ways to discover latent diseases, establishing causal connections between diseases and work in environmental conditions, and conducting other research relating to health problems, in recognition of the fact that occupational health standards present problems often different from those involved in occupational safety;

(f) utilizing advances already made by federal laws and regulations providing safe and healthful working conditions;

(g) providing criteria which will assure insofar as practicable that no employee will suffer diminished health, functional capacity, or life expectancy as a result of work experience;

(h) providing an effective enforcement program which shall include locating enforcement personnel in areas of the state with a higher incidence of workplace fatalities, injuries, and complaints and a prohibition against giving advance notice of an inspection and sanctions for any individual violating this prohibition;

(i) providing for appropriate reporting procedures with respect to occupational safety and health, which procedures will help achieve the objectives of this chapter and accurately describe the nature of the occupational safety and health problem;

(j) encouraging joint labor-management efforts to reduce injuries and diseases arising out of employment;

(k) providing consultation to employees and employers which will aid them in complying with their responsibilities under this chapter where such consultation does not interfere with the effective enforcement of this chapter; and

(l) providing for training programs to increase the number and competence of personnel engaged in the field of occupational safety and health.

Sec. 23. [182.6551] CITATION.

Sections 182.6551 to 182.6553 may be cited as the "Safe Patient Handling Act."

Sec. 24. [182.6552] DEFINITIONS.

Subdivision 1. **Direct patient care worker.** "Direct patient care worker" means an individual doing the job of directly providing physical care to patients including nurses, as defined by section 148.171, who provide physical care to patients.

Subd. 2. **Health care facility.** "Health care facility" means a hospital as defined in section 144.50, subdivision 2; an outpatient surgical center as defined in section 144.55, subdivision 2; and a nursing home as defined in section 144A.01, subdivision 5.

Subd. 3. **Safe patient handling.** "Safe patient handling" means a process, based on scientific evidence on causes of injuries, that uses safe patient handling equipment rather than people to transfer, move, and reposition patients in all health care facilities to reduce workplace injuries. This process also reduces the risk of injury to patients.

Subd. 4. **Safe patient handling equipment.** "Safe patient handling equipment" means engineering controls, lifting and transfer aids, or mechanical assistive devices used by nurses and other direct patient care workers instead of manual lifting to perform the acts of lifting, transferring, and repositioning health care facility patients and residents.

Sec. 25. **[182.6553] SAFE PATIENT HANDLING PROGRAM.**

Subdivision 1. **Safe patient handling program required.** (a) By July 1, 2008, every licensed health care facility in the state shall adopt a written safe patient handling policy establishing the facility's plan to achieve by January 1, 2011, the goal of minimizing manual lifting of patients by nurses and other direct patient care workers by utilizing safe patient handling equipment.

(b) The program shall address:

(1) assessment of hazards with regard to patient handling;

(2) the acquisition of an adequate supply of appropriate safe patient handling equipment;

(3) initial and ongoing training of nurses and other direct patient care workers on the use of this equipment;

(4) procedures to ensure that physical plant modifications and major construction projects are consistent with program goals; and

(5) periodic evaluations of the safe patient handling program.

Subd. 2. **Safe patient handling committee.** (a) By July 1, 2008, every licensed health care facility in the state shall establish a safe patient handling committee either by creating a new committee or assigning the functions of a safe patient handling committee to an existing committee.

(b) Membership of a safe patient handling committee or an existing committee must meet the following requirements:

(1) at least half the members shall be nonmanagerial nurses and other direct patient care workers; and

50.1 (2) in a health care facility where nurses and other direct patient care workers
50.2 are covered by a collective bargaining agreement, the union shall select the committee
50.3 members proportionate to its representation of nonmanagerial workers, nurses, and other
50.4 direct patient care workers.

50.5 (c) A health care organization with more than one covered health care facility may
50.6 establish a committee at each facility or one committee to serve this function for all the
50.7 facilities. If the organization chooses to have one overall committee for multiple facilities,
50.8 at least half of the members of the overall committee must be nonmanagerial nurses and
50.9 other direct patient care workers and each facility must be represented on the committee.

50.10 (d) Employees who serve on a safe patient handling committee must be compensated
50.11 by their employer for all hours spent on committee business.

50.12 Subd. 3. **Facilities with existing programs.** A facility that has already adopted a
50.13 safe patient handling policy that satisfies the requirements of subdivision 1, and established
50.14 a safe patient handling committee by July 1, 2008, is considered to be in compliance
50.15 with those requirements. The committee must continue to satisfy the requirements of
50.16 subdivision 2, paragraph (b), on an ongoing basis.

50.17 Subd. 4. **Committee duties.** A safe patient handling committee shall:

50.18 (1) complete a patient handling hazard assessment that:

50.19 (i) considers patient handling tasks, types of nursing units, patient populations, and
50.20 the physical environment of patient care areas;

50.21 (ii) identifies problems and solutions;

50.22 (iii) identifies areas of highest risk for lifting injuries; and

50.23 (iv) recommends a mechanism to report, track, and analyze injury trends;

50.24 (2) make recommendations on the purchase, use, and maintenance of an adequate
50.25 supply of appropriate safe patient handling equipment;

50.26 (3) make recommendations on training of nurses and other direct patient care
50.27 workers on use of safe patient handling equipment, initially when the equipment arrives at
50.28 the facility and periodically afterwards;

50.29 (4) conduct annual evaluations of the safe patient handling implementation plan and
50.30 progress toward goals established in the safe patient handling policy; and

50.31 (5) recommend procedures to ensure that, when remodeling of patient care areas
50.32 occurs, the plans incorporate safe patient handling equipment or the physical space and
50.33 construction design needed to accommodate safe patient handling equipment at a later date.

50.34 Subd. 5. **Training materials.** The commissioner shall make training materials on
50.35 implementation of this section available to all health care facilities at no cost as part of the
50.36 training and education duties of the commissioner under section 182.673.

51.1 Subd. 6. **Enforcement.** This section shall be enforced by the commissioner under
51.2 section 182.661. A violation of this section is subject to the penalties provided under
51.3 section 182.666.

51.4 Subd. 7. **Grant program.** The commissioner may make grants to health care
51.5 facilities to acquire safe patient handling equipment and for training on safe patient
51.6 handling and safe patient handling equipment. Grants to any one facility may not exceed
51.7 \$40,000. A grant must be matched on a dollar-for-dollar basis by the grantee. The
51.8 commissioner shall establish a grant application process. The commissioner may give
51.9 priority for grants to facilities that demonstrate that acquiring safe patient handling
51.10 equipment will impose a financial hardship on the facility. For health care facilities
51.11 that provide evidence of hardship, the commissioner may waive the 50 percent match
51.12 requirement and may grant such a facility more than \$40,000. Health care facilities that
51.13 the commissioner determines are experiencing hardship shall not be required to meet the
51.14 safe patient handling requirements until July 1, 2012.

51.15 Sec. 26. Minnesota Statutes 2006, section 268.196, is amended by adding a subdivision
51.16 to read:

51.17 Subd. 5. **Unemployment insurance benefits telephone system.** The commissioner
51.18 must ensure that the telephone system used for unemployment insurance benefits provides
51.19 an option for any caller to speak to an unemployment insurance specialist. An individual
51.20 who calls any of the publicized telephone numbers seeking information about applying for
51.21 benefits or on the status of a claim must have the option to speak on the telephone to a
51.22 specialist who can provide direct assistance or can direct the caller to the person or office
51.23 that is able to respond to the caller's needs.

51.24 Sec. 27. Minnesota Statutes 2006, section 268A.01, subdivision 13, is amended to read:

51.25 Subd. 13. **Supported employment.** (a) "Supported employment" means
51.26 employment of a person with a disability so severe that the person needs ongoing training
51.27 and support to get and keep a job in which:

51.28 (1) the person engages in paid work in a position removed from the service vendor's
51.29 site where individuals without disabilities who do not require public subsidies also may
51.30 be employed;

51.31 (2) public funds are necessary to provide ongoing training and support services
51.32 throughout the period of the person's employment; and

51.33 (3) the person has the opportunity for social interaction with individuals who do not
51.34 have disabilities and who are not paid caregivers.

52.1 (b) If the commissioner has certified a rehabilitation facility setting as integrated,
52.2 then employment at that site may be considered supported employment.

52.3 Sec. 28. Minnesota Statutes 2006, section 268A.01, is amended by adding a
52.4 subdivision to read:

52.5 Subd. 14. **Affirmative business enterprise employment.** "Affirmative business
52.6 enterprise employment" means employment which provides paid work on the premises of
52.7 an affirmative business enterprise as certified by the commissioner.

52.8 Affirmative business enterprise employment is considered community employment
52.9 for purposes of funding under Minnesota Rules, parts 3300.1000 to 3300.2055, provided
52.10 that the wages for individuals reported must be at or above customary wages for the
52.11 same employer. The employer must also provide one benefit package that is available to
52.12 all employees.

52.13 Sec. 29. Minnesota Statutes 2006, section 268A.085, subdivision 1, is amended to read:

52.14 Subdivision 1. **Appointment; membership.** Every city, town, county, nonprofit
52.15 corporation, or combination thereof establishing a rehabilitation facility shall appoint a
52.16 rehabilitation facility board of no fewer than ~~nine~~ seven voting members before becoming
52.17 eligible for the assistance provided by sections 268A.06 to 268A.15. When any city,
52.18 town, or county singly establishes such a rehabilitation facility, the board shall be
52.19 appointed by the chief executive officer of the city or the chair of the governing board
52.20 of the county or town. When any combination of cities, towns, counties, or nonprofit
52.21 corporations establishes a rehabilitation facility, the chief executive officers of the cities,
52.22 nonprofit corporations, and the chairs of the governing bodies of the counties or towns
52.23 shall appoint the board. If a nonprofit corporation singly establishes a rehabilitation
52.24 facility, the corporation shall appoint the board of directors. Membership on a board
52.25 shall be representative of the community served and shall include a person with a
52.26 disability. ~~One-third to one-half of the board shall be representative of industry or~~
52.27 ~~business. The remaining members should be representative of lay associations for persons~~
52.28 ~~with a disability, labor, the general public, and education, welfare, medical, and health~~
52.29 ~~professions. Nothing in sections 268A.06 to 268A.15 shall be construed to preclude~~
52.30 ~~the appointment of elected or appointed public officials or members of the board of~~
52.31 ~~directors of the sponsoring nonprofit corporation to the board, so long as the representation~~
52.32 ~~described above is preserved.~~ If a county establishes an extended employment program
52.33 and manages the program with county employees, the governing board shall be the county

53.1 board of commissioners, and other provisions of this chapter pertaining to membership on
53.2 the governing board do not apply.

53.3 Sec. 30. Minnesota Statutes 2006, section 268A.15, is amended by adding a
53.4 subdivision to read:

53.5 Subd. 9. **Integrated setting.** At the commissioner's discretion, paid work on the
53.6 premises of a rehabilitation facility may be certified as an integrated setting after a site
53.7 review by the department.

53.8 Sec. 31. **[325E.60] RESTROOM ACCESS.**

53.9 Subdivision 1. **Short title.** This section may be cited as the Restroom Access Act.

53.10 Subd. 2. **Definitions.** For purposes of this section:

53.11 (a) "Customer" means an individual who is lawfully on the premises of a retail
53.12 establishment.

53.13 (b) "Eligible medical condition" means Crohn's disease, ulcerative colitis, any other
53.14 inflammatory bowel disease, irritable bowel syndrome, or any other medical condition
53.15 that requires immediate access to a restroom facility.

53.16 (c) "Retail establishment" means a place of business open to the general public for
53.17 the sale of goods or services. Retail establishment does not include a filling station or
53.18 service station with a structure of 800 square feet or less that has an employee restroom
53.19 facility located within that structure.

53.20 Subd. 3. **Retail establishment; customer access to restroom facilities.** A retail
53.21 establishment that has a restroom facility for its employees shall allow a customer to
53.22 use that facility during normal business hours if the restroom facility is reasonably safe
53.23 and all of the following conditions are met:

53.24 (1) the customer requesting the use of the employee restroom facility suffers from an
53.25 eligible medical condition or uses an ostomy device, provided that the existence of the
53.26 condition or device is documented in writing by the customer's physician or a nonprofit
53.27 organization whose purpose includes serving individuals who suffer from the condition;

53.28 (2) three or more employees of the retail establishment are working at the time the
53.29 customer requests use of the employee restroom facility;

53.30 (3) the retail establishment does not normally make a restroom available to the
53.31 public;

53.32 (4) the employee restroom facility is not located in an area where providing access
53.33 would create an obvious health or safety risk to the customer or an obvious security risk
53.34 to the establishment; and

54.1 (5) a public restroom is not immediately accessible to the customer.

54.2 Subd. 4. **Liability.** (a) A retail establishment or an employee of a retail
54.3 establishment is not civilly liable for an act or omission in allowing a customer who
54.4 claims to have an eligible medical condition to use an employee restroom facility that is
54.5 not a public restroom if the act or omission:

54.6 (1) is not negligent;

54.7 (2) occurs in an area of the retail establishment that is not accessible to the public; and

54.8 (3) results in an injury to or death of the customer or an individual other than an
54.9 employee accompanying the customer.

54.10 (b) This section does not require a retail establishment to make any physical changes
54.11 to an employee restroom facility.

54.12 Subd. 5. **Violation.** For a first violation of this section, the city or county attorney
54.13 shall issue a warning letter to the retail establishment or employee informing the
54.14 establishment or employee of the requirements of this section. A retail establishment or an
54.15 employee of a retail establishment that violates this section after receiving a warning letter
54.16 is guilty of a petty misdemeanor. The fine for a first offense must not exceed \$50.

54.17 Sec. 32. Minnesota Statutes 2006, section 462.39, is amended by adding a subdivision
54.18 to read:

54.19 Subd. 5. **Local planning assistance.** A regional development commission or,
54.20 in regions not served by regional development commissions, a regional organization
54.21 selected by the commissioner of employment and economic development, may develop a
54.22 program to support planning on behalf of local units of government. The local planning
54.23 must be related to issues of regional or statewide significance and may include, but is not
54.24 limited to, the following:

54.25 (1) local planning and development assistance, which may include local zoning
54.26 ordinances and land use plans;

54.27 (2) community or economic development plans, which may include workforce
54.28 development plans, housing development plans and market analysis, JOBZ administration,
54.29 grant writing assistance, and grant administration;

54.30 (3) environment and natural resources plans, which may include solid waste
54.31 management plans, wastewater management plans, and renewable energy development
54.32 plans;

54.33 (4) rural community health services; and

54.34 (5) development of geographical information systems to serve regional needs,
54.35 including hardware and software purchases and related labor costs.

55.1 Each regional development commission or organization shall submit to the
55.2 commissioner of employment and economic development an annual work program
55.3 that outlines the work items for the upcoming year and establishes the relationship of
55.4 the work items to development issues of regional or statewide significance. The entity
55.5 completing the annual work program and identifying the statewide development issues
55.6 shall consider input from the Departments of Employment and Economic Development,
55.7 Natural Resources, Transportation, Agriculture, Commerce, and other state agencies as
55.8 appropriate to the issues.

55.9 Sec. 33. Minnesota Statutes 2006, section 469.334, is amended to read:

55.10 **469.334 DESIGNATION OF ZONE.**

55.11 Subdivision 1. **Commissioner to designate.** (a) The commissioner, in consultation
55.12 with the commissioner of revenue and the director of the Office of Strategic and
55.13 Long-Range Planning, ~~shall~~ may designate ~~one or more~~ biotechnology and health sciences
55.14 industry zones. Priority must be given to applicants with a development plan that links a
55.15 higher education/research institution with a biotechnology and health sciences industry
55.16 facility.

55.17 (b) The commissioner may consult with the applicant prior to the designation of the
55.18 zone. The commissioner may modify the development plan, including the boundaries
55.19 of the zone or subzones, if in the commissioner's opinion a modified plan would better
55.20 meet the objectives of the biotechnology and health sciences industry zone program. The
55.21 commissioner shall notify the applicant of the modifications and provide a statement of
55.22 the reasons for the modifications.

55.23 Subd. 2. **Need indicators.** (a) In evaluating applications to determine the need for
55.24 designation of a biotechnology and health sciences industry zone, the commissioner shall
55.25 consider the following factors as indicators of need:

55.26 (1) the extent to which land in proximity to a significant scientific research institution
55.27 could be developed as a higher and better use for biotechnology and health sciences
55.28 industry facilities;

55.29 (2) the amount of property in or near the zone that is deteriorated or underutilized;
55.30 and

55.31 (3) the extent to which property in the area would remain underdeveloped or
55.32 nonperforming due to physical characteristics.

55.33 (b) The commissioner may require applicants to provide data to demonstrate how
55.34 the area meets one or more of the indicators of need.

Subd. 3. **Success indicators.** In determining the likelihood of success of a proposed zone, the commissioner shall consider:

(1) applicants that show a viable link between a higher education/research institution, the biotechnology and/or medical devices business sectors, and one or more units of local government with a development plan;

(2) the extent to which the area has substantial real property with adequate infrastructure and energy to support new or expanded development;

(3) the strength and viability of the proposed development goals, objectives, and strategies in the development plan;

(4) whether the development plan is creative and innovative in comparison to other applications;

(5) local public and private commitment to development of a biotechnology and health sciences industry facility or facilities in the proposed zone and the potential cooperation of surrounding communities;

(6) existing resources available to the proposed zone;

(7) how the designation of the zone would relate to other economic and community development projects and to regional initiatives or programs;

(8) how the regulatory burden will be eased for biotechnology and health sciences industry facilities located in the proposed zone;

(9) proposals to establish and link job creation and job training in the biotechnology and health sciences industry with research/educational institutions; and

(10) the extent to which the development is directed at encouraging, and that designation of the zone is likely to result in, the creation of high-paying jobs.

Subd. 4. **Designation schedule.** (a) The schedule in paragraphs (b) to (e) applies to the designation of the first biotechnology and health sciences industry zone.

(b) The commissioner shall publish the form for applications and any procedural, form, or content requirements for applications by no later than August 1, 2003. The commissioner may publish these requirements on the Internet, in the State Register, or by any other means the commissioner determines appropriate to disseminate the information to potential applicants for designation.

(c) Applications must be submitted by October 15, 2003.

(d) The commissioner shall designate the zones by no later than December 31, 2003.

(e) The designation of the zones takes effect January 1, 2004.

(f) Additional zones may be designated in later years, ~~following substantially the same application and designation process as provided in paragraphs (b) to (e)~~ only after the commissioner of employment and economic development has established criteria for

57.1 expanding the number of zones. The criteria must limit designating a new zone to a
57.2 community that has adequate resources and infrastructure to support bioindustry, including
57.3 postsecondary institutions, strong health care systems, and existing bioscience companies.
57.4 It must also require that a new zone be located on a transportation corridor.

57.5 Sec. 34. **WORKFORCE ENHANCEMENT FEE.**

57.6 If the commissioner of employment and economic development determines that
57.7 the need for services under the dislocated worker program substantially exceeds the
57.8 resources that will be available for the program, the commissioner may increase the
57.9 special assessment levied under Minnesota Statutes, section 116L.20, subdivision 1, to no
57.10 more than .12 percent of taxable wages.

57.11 Sec. 35. **WORKING GROUP ON STATE ROLE IN TRADE POLICY.**

57.12 Subdivision 1. **Work group members.** The Department of Employment and
57.13 Economic Development must convene a working group to develop recommendations for
57.14 establishing policies and procedures regarding the role of the state in federal trade policy
57.15 and trade agreements. The working group must be comprised of 17 members as follows:

57.16 (1) the governor or his designee;

57.17 (2) the commissioner of the Department of Employment and Economic Development
57.18 or his designee;

57.19 (3) the commissioner of the Department of Agriculture or his designee;

57.20 (4) the commissioner of the Department of Administration or his designee;

57.21 (5) the attorney general or her designee;

57.22 (6) two members of the Minnesota senate one of whom is appointed by the senate
57.23 majority leader and one appointed by the minority leader;

57.24 (7) two members of the Minnesota house of representatives, one of whom is
57.25 appointed by the speaker and one appointed by the minority leader;

57.26 (8) two members designated by the Minnesota AFL-CIO;

57.27 (9) two members representing labor organizations other than the AFL-CIO with one
57.28 to be appointed by the speaker of the Minnesota house of representatives and one to be
57.29 appointed by the majority leader of the Minnesota senate;

57.30 (10) two members designated by the Minnesota Chamber of Commerce; and

57.31 (11) two members representing business organizations other than the Minnesota
57.32 Chamber of Commerce appointed by the governor.

57.33 The Department of Employment and Economic Development must provide
57.34 administrative support to the working group.

Subd. 2. **Duties; responsibilities.** The working group may obtain input from other state and federal agencies as appropriate and may conduct public hearings to allow input from interested stakeholders. The working group must:

(1) determine the state's jurisdiction regarding federal trade policy and trade agreements;

(2) assess the state's current policies, procedures, roles and responsibilities for providing advice and consent on federal trade policy and trade agreements;

(3) review the current means through which the state interacts with the Office of the United States Trade Representative (USTR) and Congress regarding trade policy and trade agreements;

(4) inventory the federal trade policies and trade agreements that the state of Minnesota has formally approved or signed on to;

(5) examine trade policy models established by other states;

(6) develop recommendations for defining responsibilities and procedures for the state's role in federal trade policy and trade agreements; and

(7) prepare legislative recommendations to implement the recommendations of the working group.

The working group must report its findings and recommendations to the governor and the legislature by December 1, 2007.

Sec. 36. STUDY; SAFE PATIENT HANDLING.

(a) The commissioner of labor and industry shall study ways to require workers' compensation insurers to recognize compliance with Minnesota Statutes, section 182.6553, in the workers' compensation premiums of health care and long-term care facilities. The commissioner shall report by January 15, 2008, the results of the study to the chairs of the policy committees of the legislature with primary jurisdiction over workers' compensation issues.

(b) By January 15, 2008, the commissioner must make recommendations to the legislature regarding funding sources available to health care facilities for safe patient handling programs and equipment, including, but not limited to, low interest loans, interest free loans, and federal, state, or county grants.

Sec. 37. WORK GROUP; SAFE PATIENT HANDLING.

The Minnesota State Council on Disability shall convene a work group comprised of representatives from the Minnesota Medical Association and other organizations representing clinics, disability advocates, and direct care workers, to do the following:

(1) assess the current options for and use of safe patient handling equipment in unlicensed outpatient clinics, physician offices, and dental settings;

(2) identify barriers to the use of safe patient handling equipment in these settings; and

(3) define clinical settings that move patients to determine applicability of the Safe Patient Handling Act.

The work group must report to the legislature by January 15, 2008, including reports to the chairs of the senate and house of representatives committees on workforce development.

Sec. 38. EFFECT ON RULES.

The commissioner of labor and industry shall amend Minnesota Rules, part 5200.0910, to conform to Minnesota Statutes, section 181A.115. The commissioner may use the good cause exemption in Minnesota Statutes, section 14.388, in adopting the amendment required by this section.

Sec. 39. PUBLIC FACILITIES AUTHORITY FUNDING.

To the greatest practical extent, projects on the Public Facilities Authority's 2007 intended use plan, the listings for which were based on the Pollution Control Agency's 2006 project priority list, shall be carried over to the 2008 intended use plan. Projects that qualified for funding from the Public Facilities Authority under Laws 2006, chapter 258, section 21, that could not be certified by the Pollution Control Agency by the applicable deadline shall have until May 1, 2008, or six months after the Minnesota Supreme Court issues an opinion in the cities of Maple Lake and Annandale matter, whichever is later, to obtain the required certification from the Pollution Control Agency.

Sec. 40. REPEALER.

(a) Minnesota Statutes 2006, sections 16B.747, subdivision 4; 16C.18, subdivision 2; 183.375, subdivision 5; 183.545, subdivision 9; 326.241; 326.44; 326.52; and 326.64, are repealed.

(b) Minnesota Statutes 2006, section 326.975, is repealed effective December 1, 2007.

**ARTICLE 3
LICENSING AND WAGES**

Section 1. Minnesota Statutes 2006, section 16B.63, subdivision 5, is amended to read:

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 for which the commissioner has final interpretative authority. ~~A request~~ 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~~ a final interpretation within ten business days from ~~after the receipt of the recommendation from the review final interpretative 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 final interpretation may be appealed appeal 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 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, or the High Pressure Piping Code.

61.1 Sec. 2. Minnesota Statutes 2006, section 154.003, is amended to read:

61.2 **154.003 FEES.**

61.3 (a) The fees collected, as required in this chapter, chapter 214, and the rules of the
61.4 board, shall be paid to the executive secretary of the board. The executive secretary shall
61.5 deposit the fees in the general fund in the state treasury.

61.6 (b) The board shall charge the following fees:

61.7 (1) examination and certificate, registered barber, \$65;

61.8 (2) examination and certificate, apprentice, \$60;

61.9 (3) examination, instructor, \$160;

61.10 (4) certificate, instructor, \$45;

61.11 (5) temporary teacher or apprentice permit, \$50;

61.12 (6) renewal of license, registered barber, \$50;

61.13 (7) renewal of license, apprentice, \$45;

61.14 (8) renewal of license, instructor, \$60;

61.15 (9) renewal of temporary teacher permit, \$35;

61.16 (10) student permit, \$25;

61.17 (11) initial shop registration, \$60;

61.18 (12) initial school registration, \$1,010;

61.19 (13) renewal shop registration, \$60;

61.20 (14) renewal school registration, \$260;

61.21 (15) restoration of registered barber license, \$75;

61.22 (16) restoration of apprentice license, \$70;

61.23 (17) restoration of shop registration, \$85;

61.24 (18) change of ownership or location, \$35;

61.25 (19) duplicate license, \$20; ~~and~~

61.26 (20) home study course, \$75; and

61.27 (21) registration of hair braiders, \$20 per year.

61.28 Sec. 3. **[154.465] HAIR BRAIDING.**

61.29 Subdivision 1. **Registration.** Any person engaged in hair braiding solely for
61.30 compensation as a profession, except persons licensed as cosmetologists, shall register
61.31 with the Minnesota Board of Barber and Cosmetology Examiners in a form determined
61.32 by the board.

61.33 Subd. 2. **Definition.** "Hair braiding" means a natural form of hair manipulation that
61.34 results in tension on hair strands by beading, braiding, cornrowing, extending, lacing,
61.35 locking, sewing, twisting, weaving, or wrapping human hair, natural fibers, synthetic

62.1 fibers, and hair extensions into a variety of shapes, patterns, and textures predominantly by
62.2 hand and by only using simple braiding devices, and maintenance thereof. Hair braiding
62.3 includes what is commonly known as "African-style hair braiding" or "natural hair care"
62.4 but is not limited to any particular cultural, ethnic, racial, or religious forms of hair styles.
62.5 Hair braiding includes the making of customized wigs from natural hair, natural fibers,
62.6 synthetic fibers, and hair extensions. Hair braiding includes the use of topical agents such
62.7 as conditioners, gels, moisturizers, oils, pomades, and shampoos. Hair braiding does not
62.8 involve the use of penetrating chemical hair treatments, chemical hair coloring agents,
62.9 chemical hair straightening agents, chemical hair joining agents, permanent wave styles,
62.10 or chemical hair bleaching agents applied to growing human hair. For purposes of this
62.11 section, "simple hair braiding devices" means clips, combs, curlers, curling irons, hairpins,
62.12 rollers, scissors, needles, thread, and hair binders including adhesives, if necessary, that
62.13 are required solely for hair braiding.

62.14 Subd. 3. **Requirements.** In order to qualify for initial registration, any person
62.15 engaged in hair braiding solely for compensation as a profession, except persons licensed
62.16 as cosmetologists, shall satisfactorily complete instruction at either an accredited school,
62.17 professional association, or by an individual approved by the board. Instruction includes
62.18 coursework covering the topics of health, safety, sanitation, and state laws related to
62.19 cosmetology not to exceed 30 hours. The coursework is encouraged to be provided in
62.20 a foreign language format and such availability shall be reported to and posted by the
62.21 Minnesota Board of Barber and Cosmetology Examiners.

62.22 Subd. 4. **Curriculum.** An accredited school, professional association, or an
62.23 individual approved by the board desiring to provide the coursework required under
62.24 subdivision 3 shall have curriculum in place by January 1, 2008.

62.25 **EFFECTIVE DATE.** This section is effective July 1, 2008, except subdivision 4 is
62.26 effective the day following final enactment.

62.27 Sec. 4. Minnesota Statutes 2006, section 177.27, subdivision 1, is amended to read:

62.28 Subdivision 1. **Examination of records.** The commissioner may enter during
62.29 reasonable office hours or upon request and inspect the place of business or employment of
62.30 any employer of employees working in the state, to examine and inspect books, registers,
62.31 payrolls, and other records of any employer that in any way relate to wages, hours, and
62.32 other conditions of employment of any employees. The commissioner may transcribe any
62.33 or all of the books, registers, payrolls, and other records as the commissioner deems
62.34 necessary or appropriate and may question the employees to ascertain compliance with
62.35 sections 177.21 to ~~177.35~~ 177.435. The commissioner may investigate wage claims or

63.1 complaints by an employee against an employer if the failure to pay a wage may violate
63.2 Minnesota law or an order or rule of the department.

63.3 Sec. 5. Minnesota Statutes 2006, section 177.27, subdivision 4, is amended to read:

63.4 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
63.5 employer to comply with sections 177.21 to ~~177.35~~ 177.435, 181.02, 181.03, 181.031,
63.6 181.032, 181.101, 181.11, 181.12, 181.13, 181.14, 181.145, 181.15, and 181.79, or with
63.7 any rule promulgated under section 177.28. The department shall serve the order upon
63.8 the employer or the employer's authorized representative in person or by certified mail
63.9 at the employer's place of business. An employer who wishes to contest the order must
63.10 file written notice of objection to the order with the commissioner within 15 calendar
63.11 days after being served with the order. A contested case proceeding must then be held
63.12 in accordance with sections 14.57 to 14.69. If, within 15 calendar days after being
63.13 served with the order, the employer fails to file a written notice of objection with the
63.14 commissioner, the order becomes a final order of the commissioner.

63.15 Sec. 6. Minnesota Statutes 2006, section 177.27, subdivision 8, is amended to read:

63.16 Subd. 8. **Court actions; suits brought by private parties.** An employee may bring
63.17 a civil action seeking redress for a violation or violations of sections 177.21 to ~~177.35~~
63.18 177.44 directly to district court. An employer who pays an employee less than the wages
63.19 and overtime compensation to which the employee is entitled under sections 177.21 to
63.20 ~~177.35~~ 177.44 is liable to the employee for the full amount of the wages, gratuities, and
63.21 overtime compensation, less any amount the employer is able to establish was actually
63.22 paid to the employee and for an additional equal amount as liquidated damages. In
63.23 addition, in an action under this subdivision the employee may seek damages and other
63.24 appropriate relief provided by subdivision 7 and otherwise provided by law. An agreement
63.25 between the employee and the employer to work for less than the applicable wage is not
63.26 a defense to the action.

63.27 Sec. 7. Minnesota Statutes 2006, section 177.27, subdivision 9, is amended to read:

63.28 Subd. 9. **District court jurisdiction.** Any action brought under subdivision 8 may
63.29 be filed in the district court of the county wherein a violation or violations of sections
63.30 177.21 to ~~177.35~~ 177.44 are alleged to have been committed, where the respondent resides
63.31 or has a principal place of business, or any other court of competent jurisdiction. The
63.32 action may be brought by one or more employees.

H.F. No. 122, 2nd Engrossment - 85th Legislative Session (2007-2008)

64.1 Sec. 8. Minnesota Statutes 2006, section 177.27, subdivision 10, is amended to read:

64.2 Subd. 10. **Attorney fees and costs.** In any action brought pursuant to subdivision 8,
64.3 the court shall order an employer who is found to have committed a violation or violations
64.4 of sections 177.21 to ~~177.35~~ 177.44 to pay to the employee or employees reasonable costs,
64.5 disbursements, witness fees, and attorney fees.

64.6 Sec. 9. Minnesota Statutes 2006, section 177.28, subdivision 1, is amended to read:

64.7 Subdivision 1. **General authority.** The commissioner may adopt rules, including
64.8 definitions of terms, to carry out the purposes of sections 177.21 to ~~177.35~~ 177.44, to
64.9 prevent the circumvention or evasion of those sections, and to safeguard the minimum
64.10 wage and overtime rates established by sections 177.24 and 177.25.

64.11 Sec. 10. Minnesota Statutes 2006, section 177.30, is amended to read:

64.12 **177.30 KEEPING RECORDS; PENALTY.**

64.13 Every employer subject to sections 177.21 to ~~177.35~~ 177.44 must make and keep a
64.14 record of:

64.15 (1) the name, address, and occupation of each employee;

64.16 (2) the rate of pay, and the amount paid each pay period to each employee;

64.17 (3) the hours worked each day and each workweek by the employee; ~~and~~

64.18 (4) for each employer subject to sections 177.41 to 177.44, and while performing
64.19 work on public works projects funded in whole or in part with state funds, the prevailing
64.20 wage master job classification of each employee working on the project for each hour
64.21 worked; and

64.22 ~~(4)~~ (5) other information the commissioner finds necessary and appropriate to
64.23 enforce sections 177.21 to 177.35. The records must be kept for three years in or near the
64.24 premises where an employee works except each employer subject to sections 177.41 to
64.25 177.44, and while performing work on public works projects funded in whole or in part
64.26 with state funds, the records must be kept for three years after the contracting authority
64.27 has made final payment on the public works project.

64.28 The commissioner may fine an employer up to \$1,000 for each failure to maintain
64.29 records as required by this section. This penalty is in addition to any penalties provided
64.30 under section 177.32, subdivision 1. In determining the amount of a civil penalty under
64.31 this subdivision, the appropriateness of such penalty to the size of the employer's business
64.32 and the gravity of the violation shall be considered.

64.33 Sec. 11. Minnesota Statutes 2006, section 177.43, subdivision 3, is amended to read:

65.1 Subd. 3. **Contract requirements.** The contract must specifically state the prevailing
65.2 wage rates, prevailing hours of labor, and hourly basic rates of pay. The contract must also
65.3 provide that the contracting agency shall demand, and the contractor and subcontractor
65.4 shall furnish to the contracting agency, copies of any or all payrolls not more than 14 days
65.5 after the end of each pay period. The payrolls must contain all the data required by section
65.6 177.30. The contracting authority may examine all records relating to wages paid laborers
65.7 or mechanics on work to which sections 177.41 to 177.44 apply.

65.8 Sec. 12. Minnesota Statutes 2006, section 177.43, subdivision 4, is amended to read:

65.9 Subd. 4. **Determination by commissioner; posting; petition for reconsideration.**
65.10 The prevailing wage rates, prevailing hours of labor, and hourly basic rates of pay for all
65.11 trades and occupations required in any project must be ascertained before the state asks for
65.12 bids. The commissioner of labor and industry shall investigate as necessary to ascertain
65.13 the information. ~~The commissioner~~ Each contractor and subcontractor performing work
65.14 on a public project shall keep the information posted on the project in at least one
65.15 conspicuous place for the information of the employees working on the project. A person
65.16 aggrieved by a final determination of the commissioner may petition the commissioner for
65.17 reconsideration of findings. A person aggrieved by a decision of the commissioner after
65.18 reconsideration may, within 20 days after the decision, petition the commissioner for a
65.19 public hearing in the manner of a contested case under sections 14.57 to 14.61.

65.20 Sec. 13. Minnesota Statutes 2006, section 177.43, subdivision 6, is amended to read:

65.21 Subd. 6. **Examination of records; investigation by the department.** The
65.22 Department of Labor and Industry shall enforce this section. The department may
65.23 demand, and the contractor and subcontractor shall furnish to the department, copies
65.24 of any or all payrolls. The department may examine all records relating to wages paid
65.25 laborers or mechanics on work to which sections 177.41 to 177.44 apply. The department
65.26 shall employ at least three investigators to perform on-site project reviews, receive and
65.27 investigate complaints of violations of this section, and conduct training and outreach to
65.28 contractors and contracting authorities for public works projects financed in whole or
65.29 in part with state funds.

65.30 Sec. 14. Minnesota Statutes 2006, section 177.43, is amended by adding a subdivision
65.31 to read:

65.32 Subd. 6a. **Prevailing wage violations.** Upon issuing a compliance order to an
65.33 employer pursuant to section 177.27, subdivision 4, for violation of sections 177.41 to

177.44, the commissioner shall issue a withholding order to the contracting authority ordering the contracting authority to withhold payment of sufficient sum to the prime or general contractor on the project to satisfy the back wages assessed or otherwise cure the violation, and the contracting authority must withhold the sum ordered until the compliance order has become a final order of the commissioner and has been fully paid or otherwise resolved by the employer.

During an investigation of a violation of sections 177.41 to 177.44 which the commissioner reasonably determines is likely to result in the finding of a violation of sections 177.41 to 177.44 and the issuance of a compliance order pursuant to section 177.27, subdivision 4, the commissioner may notify the contracting authority of the determination and the amount expected to be assessed and the contracting authority shall give the commissioner 90 days' prior notice of the date the contracting authority intends to make final payment.

Sec. 15. **[181.723] INDEPENDENT CONTRACTORS.**

Subdivision 1. **Definitions.** The definitions in this subdivision apply to this section.

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

(b) "Department" means the Department of Labor and Industry.

(c) "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 person working under contract with the Department of Labor and Industry.

(d) "Individual" means a human being.

(e) "Day" means calendar day unless otherwise provided.

(f) "Knowingly" means knew or could have known with the exercise of reasonable diligence.

(g) "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. 2. **Limited application.** This section only applies to individuals performing public or private sector commercial or residential building construction or improvement services, as defined in section 326.83.

Subd. 3. **Employee-employer relationship.** Except as provided in subdivision 4, for purposes of chapters 176, 177, 181A, 182, and 268, as of January 1, 2009, an individual who performs services for a person that are in the course of the person's trade, business, profession, or occupation is an employee of that person and that person is an employer of the individual.

Subd. 4. **Independent contractor.** An individual is an independent contractor and not an employee of the person for whom the individual is performing services in the course of the person's trade, business, profession, or occupation only if (1) the individual holds a current independent contractor exemption certificate issued by the commissioner; and (2) the individual is performing services for the person under the independent contractor exemption certificate as provided in subdivision 6. The requirements in clauses (1) and (2) must be met in order to qualify as an independent contractor and not as an employee of the person for whom the individual is performing services in the course of the person's trade, business, profession, or occupation.

Subd. 5. **Application.** To obtain an independent contractor exemption certificate, the individual must submit, in the manner prescribed by the commissioner, a complete application and the certificate fee required under subdivision 14.

(a) A complete application must include all of the following information:

(1) the individual's full name;

(2) the individual's residence address and telephone number;

(3) the individual's business name, address, and telephone number;

(4) the services for which the individual is seeking an independent contractor exemption certificate;

(5) the individual's Social Security number;

(6) the individual's or the individual's business federal employer identification number, if a number has been issued to the individual or the individual's business;

(7) any information or documentation that the commissioner requires by rule that will assist the department in determining whether to grant or deny the individual's application; and

(8) the individual's sworn statement that the individual meets all of the following conditions:

(i) maintains a separate business with the individual's own office, equipment, materials, and other facilities;

(ii) holds or has applied for a federal employer identification number or has filed business or self-employment income tax returns with the federal Internal Revenue Service

68.1 if the person has performed services in the previous year for which the individual is
68.2 seeking the independent contractor exemption certificate;

68.3 (iii) operates under contracts to perform specific services for specific amounts of
68.4 money and under which the individual controls the means of performing the services;

68.5 (iv) incurs the main expenses related to the service that the individual performs
68.6 under contract;

68.7 (v) is responsible for the satisfactory completion of services that the individual
68.8 contracts to perform and is liable for a failure to complete the service;

68.9 (vi) receives compensation for service performed under a contract on a commission
68.10 or per-job or competitive bid basis and not on any other basis;

68.11 (vii) may realize a profit or suffer a loss under contracts to perform service;

68.12 (viii) has continuing or recurring business liabilities or obligations; and

68.13 (ix) the success or failure of the individual's business depends on the relationship of
68.14 business receipts to expenditures.

68.15 (b) Individuals who are applying for or renewing a residential building contractor
68.16 or residential remodeler license under sections 326.83 to 326.992 and any rules

68.17 promulgated pursuant thereto may simultaneously apply for or renew an independent

68.18 contractor exemption certificate. The commissioner shall create an application form

68.19 that allows for the simultaneous application for both a residential building contractor

68.20 or residential remodeler license and an independent contractor exemption certificate.

68.21 If individuals simultaneously apply for or renew a residential building contractor or

68.22 residential remodeler license and an independent contractor exemption certificate using

68.23 the form created by the commissioner, individuals shall only be required to provide, in

68.24 addition to the information required by section 326.89 and rules promulgated pursuant

68.25 thereto, the sworn statement required by paragraph (a), clause (8), and any additional

68.26 information required by this subdivision that is not also required by section 326.89 and

68.27 any rules promulgated thereto. When individuals submit a simultaneous application on the

68.28 form created by the commissioner for both a residential building contractor or residential

68.29 remodeler license and an independent contractor exemption certificate, the application

68.30 fee shall be \$150. An independent contractor exemption certificate that is in effect

68.31 before March 1, 2009, shall remain in effect until March 1, 2011, unless revoked by the

68.32 commissioner or cancelled by the individual.

68.33 (c) Within 30 days of receiving a complete application and the certificate fee, the

68.34 commissioner must either grant or deny the application. The commissioner may deny

68.35 an application for an independent contractor exemption certificate if the individual has

68.36 not submitted a complete application and certificate fee or if the individual does not

69.1 meet all of the conditions for holding the independent contractor exemption certificate.

69.2 The commissioner may revoke an independent contractor exemption certificate if the
69.3 commissioner determines that the individual no longer meets all of the conditions for
69.4 holding the independent contractor exemption certificate, commits any of the actions
69.5 set out in subdivision 7, or fails to cooperate with a department investigation into the
69.6 continued validity of the individual's certificate. Once issued, an independent contractor
69.7 exemption certificate remains in effect for two years unless:

69.8 (1) revoked by the commissioner; or

69.9 (2) canceled by the individual.

69.10 (d) If the department denies an individual's original or renewal application for
69.11 an independent contractor exemption certificate or revokes an independent contractor
69.12 exemption certificate, the commissioner shall issue to the individual an order denying or
69.13 revoking the certificate. The commissioner may issue an administrative penalty order to
69.14 an individual or person who commits any of the actions set out in subdivision 7.

69.15 (e) An individual or person to whom the commissioner issues an order under
69.16 paragraph (d) shall have 30 days after service of the order to request a hearing. The
69.17 request for hearing must be in writing and must be served on or faxed to the commissioner
69.18 at the address or facsimile number specified in the order by the 30th day after service of
69.19 the order. If the individual does not request a hearing or if the individual's request for a
69.20 hearing is not served on or faxed to the commissioner by the 30th day after service of the
69.21 order, the order shall become a final order of the commissioner and will not be subject to
69.22 review by any court or agency. The date on which a request for hearing is served by mail
69.23 shall be the postmark date on the envelope in which the request for hearing is mailed. If
69.24 the individual serves or faxes a timely request for hearing, the hearing shall be a contested
69.25 case hearing and shall be held in accordance with chapter 14.

69.26 Subd. 6. **Performing services under exemption certificate.** An individual is
69.27 performing services for a person under an independent contractor exemption certificate if:

69.28 (a) the individual is performing services listed on the individual's independent
69.29 contractor exemption certificate; and

69.30 (b) at the time the individual is performing services listed on the individual's
69.31 independent contractor exemption certificate, the individual meets all of the following
69.32 conditions:

69.33 (1) maintains a separate business with the individual's own office, equipment,
69.34 materials, and other facilities;

69.35 (2) holds or has applied for a federal employer identification number or has filed
69.36 business or self-employment income tax returns with the federal Internal Revenue Service

if the individual performed services in the previous year for which the individual has the independent contractor exemption certificate;

(3) is operating under contract to perform the specific services for the person for specific amounts of money and under which the individual controls the means of performing the services;

(4) is incurring the main expenses related to the services that the individual is performing for the person under the contract;

(5) is responsible for the satisfactory completion of the services that the individual has contracted to perform for the person and is liable for a failure to complete the services;

(6) receives compensation from the person for the services performed under the contract on a commission or per-job or competitive bid basis and not on any other basis;

(7) may realize a profit or suffers a loss under the contract to perform services for the person;

(8) has continuing or recurring business liabilities or obligations; and

(9) the success or failure of the individual's business depends on the relationship of business receipts to expenditures.

Subd. 7. **Prohibited activities.** (a) An individual shall not:

(1) perform work as an independent contractor who meets the qualifications under subdivision 6 without first obtaining from the department an independent contractor exemption certificate;

(2) perform work as an independent contractor when the department has denied or revoked the individual's independent contractor exemption certificate;

(3) transfer to another individual or allow another individual to use the individual's independent contractor exemption certificate;

(4) alter or falsify an independent contractor exemption certificate;

(5) misrepresent the individual's status as an independent contractor; or

(6) make a false material statement, representation, or certification; omit material information; or alter, conceal, or fail to file a document required by this section or any rule promulgated by the commissioner under rulemaking authority set out in this section.

(b) A person shall not:

(1) require an individual through coercion, misrepresentation, or fraudulent means to adopt independent contractor status;

(2) knowingly misrepresent that an individual who has not been issued an independent contractor exemption certificate or is not performing services for the person under an independent contractor exemption certificate is an independent contractor; or

71.1 (3) make a false material statement, representation, or certification; omit material
71.2 information; or alter, conceal, or fail to file a document required by this section or any rule
71.3 promulgated by the commissioner under rulemaking authority set out in this section.

71.4 (c) A person for whom an individual is performing services must obtain a copy of the
71.5 individual's independent contractor exemption certificate before services may commence.
71.6 A copy of the independent contractor exemption certificate must be retained for five years
71.7 from the date of receipt by the person for whom an individual is performing services.

71.8 Subd. 8. Remedies. An individual or person who violates any provision of
71.9 subdivision 7 is subject to a penalty to be assessed by the department of up to \$5,000 for
71.10 each violation. The department shall deposit penalties in the assigned risk safety account.

71.11 Subd. 9. Commissioner's powers. (a) In order to carry out the purposes of this
71.12 section, the commissioner may:

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

71.15 (2) request, examine, take possession of, photograph, record, and copy any
71.16 documents, equipment, or materials;

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

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

71.22 (5) subject to paragraph (c), with or without notice, enter without delay upon
71.23 any property, public or private, for the purpose of taking any action authorized under
71.24 this subdivision or the applicable law, including obtaining information or conducting
71.25 inspections or investigations.

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

71.30 (c) Upon the refusal or anticipated refusal of a property owner, lessee, property
71.31 owner's representative, or lessee's representative to permit the commissioner's entry onto
71.32 property as provided in paragraph (a), the commissioner may apply for an administrative
71.33 inspection order in the Ramsey County District Court or, at the commissioner's discretion,
71.34 in the district court in the county in which the property is located. The commissioner may
71.35 anticipate that a property owner or lessee will refuse entry if the property owner, lessee,
71.36 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. 10. **Notice requirements.** Unless otherwise specified, service of a document on a person under this section 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. 11. **Facsimile; timely service.** When this section permits a request for hearing to be served by facsimile on the commissioner, the facsimile shall not exceed 15 pages in length. The request shall be considered timely served if the facsimile is received by the commissioner, at the facsimile number identified by the commissioner in the order, 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. 12. **Time period 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. 13. **Rulemaking.** The commissioner may, in consultation with the commissioner of revenue and the commissioner of employment and economic development, adopt, amend, suspend, and repeal rules under the rulemaking provisions of chapter 14 that relate to the commissioner's responsibilities under this section. This subdivision is effective the day following final enactment.

Subd. 14. **Fee.** The certificate fee for the original application and for the renewal of an independent contractor exemption certificate shall be \$150.

Subd. 15. **Notice to commissioner; review by commissioner of revenue.** When the commissioner has reason to believe that an individual who holds a certificate has failed to maintain all the conditions required by subdivision 6 or is not performing services for a person under the independent contractor exemption certificate, the commissioner must notify the commissioner of revenue and the commissioner of employment and economic development. Upon receipt of notification from the commissioner that an individual who holds a certificate has failed to maintain all the conditions required by subdivision 6 or is not performing services for a person under the independent contractor exemption certificate, the commissioner of revenue must review the information returns required under section 6041A of the Internal Revenue Code. The commissioner of revenue shall also review the submitted certification that is applicable to returns audited or investigated under section 289A.35.

Subd. 16. **Data classified.** Data in applications for an independent contractor exemption certificate and any required documentation submitted to the commissioner are private data on individuals as defined in section 13.02. Data in exemption certificates issued by the commissioner are public data. Data that document a revocation or cancellation of an exemption certificate are public data. Upon request of the Department of Revenue or Department of Employment and Economic Development, the commissioner may release to the requesting department data classified as private under this subdivision or investigative data that are not public under section 13.39 that relate to the issuance or denial of applications or revocations of certificates.

EFFECTIVE DATE. This section is effective July 1, 2008.

Sec. 16. Minnesota Statutes 2006, section 181.932, subdivision 1, is amended to read:

Subdivision 1. **Prohibited action.** An employer shall not discharge, discipline, threaten, otherwise discriminate against, or penalize an employee regarding the employee's compensation, terms, conditions, location, or privileges of employment because:

(a) the employee, or a person acting on behalf of an employee, in good faith, reports a violation or suspected violation of any federal or state law or rule adopted pursuant to law to an employer or to any governmental body or law enforcement official;

(b) the employee is requested by a public body or office to participate in an investigation, hearing, inquiry;

(c) the employee refuses an employer's order to perform an action that the employee has an objective basis in fact to believe violates any state or federal law or rule or regulation adopted pursuant to law, and the employee informs the employer that the order is being refused for that reason; ~~or~~

74.1 (d) the employee, in good faith, reports a situation in which the quality of health care
74.2 services provided by a health care facility, organization, or health care provider violates a
74.3 standard established by federal or state law or a professionally recognized national clinical
74.4 or ethical standard and potentially places the public at risk of harm; or

74.5 (e) a public employee communicates the findings of a scientific or technical study
74.6 that the employee, in good faith, believes to be truthful and accurate, including reports to a
74.7 governmental body or law enforcement official.

74.8 The disclosures protected pursuant to this section do not authorize the disclosure of data
74.9 otherwise protected by law.

74.10 Sec. 17. Minnesota Statutes 2006, section 181.935, is amended to read:

74.11 **181.935 INDIVIDUAL REMEDIES; PENALTY.**

74.12 (a) In addition to any remedies otherwise provided by law, an employee injured by
74.13 a violation of section 181.932 may bring a civil action to recover any and all damages
74.14 recoverable at law, together with costs and disbursements, including reasonable attorney's
74.15 fees, and may receive such injunctive and other equitable relief as determined by the court.

74.16 (b) An employer who failed to notify, as required under section 181.933 or 181.934,
74.17 an employee injured by a violation of section 181.932 is subject to a civil penalty of \$25
74.18 per day per injured employee not to exceed \$750 per injured employee.

74.19 (c) If the district court determines that a violation of section 181.932 occurred,
74.20 the court may order any appropriate relief, including but not limited to reinstatement,
74.21 back-pay, restoration of lost service credit, if appropriate, compensatory damages, and the
74.22 expungement of any adverse records of an employee who was the subject of the alleged
74.23 acts of misconduct.

74.24 Sec. 18. Minnesota Statutes 2006, section 325E.37, subdivision 6, is amended to read:

74.25 Subd. 6. **Scope; limitations.** (a) This section applies to a sales representative who,
74.26 during some part of the period of the sales representative agreement:

74.27 (1) is a resident of Minnesota or maintains that person's principal place of business
74.28 in Minnesota; or

74.29 (2) whose geographical territory specified in the sales representative agreement
74.30 includes part or all of Minnesota.

74.31 (b) To be effective, any demand for arbitration under subdivision 5 must be made
74.32 in writing and delivered to the principal on or before one year after the effective date of
74.33 the termination of the agreement.

75.1 (c) A provision in any contract between a sales representative dealing in plumbing
75.2 equipment or supplies and a principal purporting to waive any provision of this act,
75.3 whether by express waiver or by a provision stipulating that the contract is subject to the
75.4 laws of another state, shall be void.

75.5 Sec. 19. Minnesota Statutes 2006, section 326.37, subdivision 1, is amended to read:

75.6 Subdivision 1. **Rules.** ~~The state commissioner of health~~ Plumbing Board may, by
75.7 rule, prescribe minimum standards which shall be uniform, and which ~~standards~~ shall
75.8 ~~thereafter~~ be effective for all new plumbing installations, including additions, extensions,
75.9 alterations, and replacements connected with any water or sewage disposal system owned
75.10 or operated by or for any municipality, institution, factory, office building, hotel, apartment
75.11 building, or any other place of business regardless of location or the population of the city
75.12 or town in which the installation is to be located. Notwithstanding the provisions of
75.13 Minnesota Rules, part 4715.3130, as they apply to review of plans and specifications,
75.14 the commissioner may allow plumbing construction, alteration, or extension to proceed
75.15 without approval of the plans or specifications by the commissioner.

75.16 Except for powers granted to the Plumbing Board, the commissioner of labor and
75.17 industry shall administer the provisions of sections 326.37 to 326.45 and for such purposes
75.18 may employ plumbing inspectors and other assistants.

75.19 Sec. 20. Minnesota Statutes 2006, section 326.37, is amended by adding a subdivision
75.20 to read:

75.21 Subd. 4. **Air admittance valves and water-free urinals prohibited.** (a)
75.22 Mechanical devices and fittings with internal moving parts are prohibited from installation
75.23 in plumbing venting systems.

75.24 (b) All urinals covered under the jurisdiction of the state Plumbing Code must have
75.25 a water flush device with a volume of not more than one gallon per use.

75.26 Sec. 21. **[326.372] PLUMBING BOARD.**

75.27 Subdivision 1. **Composition.** (a) The Plumbing Board shall consist of 13 members.
75.28 Eleven members shall be appointed by the governor with the advice and consent of the
75.29 senate and shall be voting members. Appointments of members by the governor shall be
75.30 made in accordance with section 15.066. If the senate votes to refuse to consent to an
75.31 appointment of a member made by the governor, the governor shall appoint a new member
75.32 with the advice and consent of the senate. One member shall be the commissioner of labor
75.33 and industry or the designee, who shall be a voting member. One member shall be the

commissioner of health or the designee, who shall not be a voting member. Of the 11 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; and

(8) one member shall be a municipal public water supply system operator or superintendent.

One of the municipal plumbing inspectors shall be appointed for an initial term to end on December 31, 2010, and one 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, and one 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, and one 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, 2010. The municipal public water supply system operator or superintendent shall be appointed for an initial term to end on December 31, 2011.

(b) The licensed professional engineer must possess a current Minnesota professional engineering license and maintain the license for the duration of the term served on the board. All other appointed members, except 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 terms. The water conditioning contractor must be licensed

as a water conditioning contractor by the department and maintain the license for the duration of the term served on the board. All appointed members must be residents of Minnesota at the time of and throughout their terms. The term of any appointed member who does not maintain membership qualification status shall end on the date of status change and the governor shall appoint a replacement member. It is the responsibility of the member to notify the board of a change in the member's status.

(c) For appointed members, except the initial terms designated in paragraph (a), each term shall be three years with the terms ending on the first Monday in January. 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 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 contain 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 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 plumbing inspectors;

78.1 (7) refer complaints or other communications, whether oral or written, that allege
78.2 or imply a violation of a statute, rule, or order that the commissioner has the authority to
78.3 enforce pertaining to code compliance, licensure, or an offering to perform or performance
78.4 of unlicensed plumbing services to the commissioner under subdivision 8;

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

78.7 (9) approve license reciprocity agreements;

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

78.10 (11) recommend the fees for licenses and certifications.

78.11 Except for the powers granted to the Plumbing Board, the commissioner of labor
78.12 and industry shall administer and enforce the provisions of sections 326.37 to 326.45 and
78.13 any rules promulgated pursuant thereto.

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

78.15 (c) The commissioner shall coordinate the board's rulemaking and recommendations
78.16 with the recommendations and rulemaking conducted by the other boards. The
78.17 commissioner shall provide staff support to the board. The support includes professional,
78.18 legal, technical, and clerical staff necessary to perform rulemaking and other duties
78.19 assigned to the board. The commissioner of labor and industry shall supply necessary
78.20 office space and supplies to assist the board in its duties.

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

78.27 (b) Members who are state employees or employees of the political subdivisions
78.28 of the state must not receive the daily payment for activities that occur during working
78.29 hours for which they are compensated by the state or political subdivision. However, a
78.30 state or political subdivision employee may receive the daily payment if the employee
78.31 uses vacation time or compensatory time accumulated in accordance with a collective
78.32 bargaining agreement or compensation plan for board activities. Members who are state
78.33 employees or employees of the political subdivisions of the state may receive the expenses
78.34 provided for in this subdivision unless the expenses are reimbursed by another source.
78.35 Members who are state employees or employees of political subdivisions of the state

79.1 may be reimbursed for child care expenses only for time spent on board activities that
79.2 are outside their working hours.

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

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

79.14 (b) Vacancies shall be filled pursuant to section 15.0597, subdivisions 5 and 6.

79.15 Subd. 5. **Membership vacancies within three months of appointment.**
79.16 Notwithstanding any law to the contrary, when a seat on the board becomes vacant within
79.17 three months after being filled through the appointment process, the governor may,
79.18 upon notification to the Office of the Secretary of State, choose a new member from the
79.19 applications on hand and need not repeat the process.

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

79.26 (b) Except as provided in paragraph (c), each Plumbing Code amendment considered
79.27 by the board that receives an affirmative two-thirds or more majority vote of all of the
79.28 voting members of the board shall be included in the next Plumbing Code rulemaking
79.29 proceeding initiated by the board. If a Plumbing Code amendment considered, or
79.30 reconsidered, by the board receives less than a two-thirds majority vote of all of the voting
79.31 members of the board, the Plumbing Code amendment shall not be included in the next
79.32 Plumbing Code rulemaking proceeding initiated by the board.

79.33 (c) If the Plumbing Code amendment considered by the board is to replace the
79.34 Minnesota Plumbing Code with a model Plumbing Code, then the amendment may only
79.35 be included in the next Plumbing Code rulemaking proceeding if it receives an affirmative
79.36 two-thirds or more majority vote of all of 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 of 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) Except as provided in paragraph (f), 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.

(f) The board may reconsider a 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 a failed proposed rule or rule amendment 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.

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

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

81.9 If telephone or other electronic means is used to conduct a regular, special, or
81.10 emergency meeting, the board shall provide notice of the regular meeting location, of the
81.11 fact that some members may participate by telephone or other electronic means, and that a
81.12 person may monitor the meeting electronically from a remote location. The timing and
81.13 method of providing notice is governed by section 13D.04.

81.14 Subd. 8. **Complaints.** (a) The board shall promptly forward to the commissioner
81.15 the substance of any complaint or communication it receives, whether written or oral,
81.16 that alleges or implies a violation of a statute, rule, or order that the commissioner has
81.17 the authority to enforce pertaining to the license or registration of any person authorized
81.18 by the department to provide plumbing services, the performance or offering to perform
81.19 plumbing services requiring licensure by an unlicensed person, or Plumbing Code
81.20 compliance. Each complaint or communication that is forwarded to the commissioner
81.21 shall be submitted on a form provided by the commissioner.

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

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

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

81.34 Sec. 22. Minnesota Statutes 2006, section 326.38, is amended to read:

81.35 **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. 23. Minnesota Statutes 2006, section 326.40, subdivision 1, is amended to read:

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.~~

Sec. 24. Minnesota Statutes 2006, section 326.401, subdivision 2, is amended to read:

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.

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

84.3 Sec. 25. **[326.402] RESTRICTED PLUMBER LICENSE.**

84.4 Subdivision 1. **Licensure.** The commissioner of labor and industry shall grant a
84.5 restricted journeyman or restricted master plumber license to an individual if:

84.6 (1) the individual completes an application with information required by the
84.7 commissioner of labor and industry;

84.8 (2) the completed application is accompanied by a fee of \$30;

84.9 (3) the commissioner of labor and industry receives the completed application and
84.10 fee before January 1, 2008;

84.11 (4) the completed application demonstrates that the applicant has had at least two
84.12 years for a restricted journeyman plumber license or four years for a restricted master
84.13 plumber license of practical plumbing experience in the plumbing trade prior to the
84.14 application; and

84.15 (5) during the entire time for which the applicant is claiming experience in
84.16 contracting for plumbing work under clause (4), the applicant was in compliance with all
84.17 applicable requirements of section 326.40.

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

84.21 Subd. 3. **Application period.** Applications for restricted master plumber and
84.22 restricted journeyman plumber licenses must be submitted to the commissioner prior
84.23 to January 1, 2008.

84.24 Subd. 4. **Renewal; use period for license.** A restricted master plumber and
84.25 restricted journeyman plumber license must be renewed annually for as long as that
84.26 licensee engages in the plumbing trade. Failure to renew a restricted master plumber and
84.27 restricted journeyman plumber license within 12 months after the expiration date will
84.28 result in permanent forfeiture of the restricted master plumber and restricted journeyman
84.29 plumber license.

84.30 Subd. 5. **Prohibition of transference.** A restricted master plumber and restricted
84.31 journeyman plumber license may not be transferred or sold to any other person.

84.32 Subd. 6. **Bond; insurance.** A restricted master plumber licensee is subject to the
84.33 bond and insurance requirements of section 326.40, subdivision 2, unless the exemption
84.34 provided by section 326.40, subdivision 3, applies.

85.1 Subd. 7. **Fee.** The annual fee for the restricted master plumber and restricted
85.2 journeyman plumber licenses is the same fee as for a master or journeyman plumber
85.3 license, respectively.

85.4 Sec. 26. Minnesota Statutes 2006, section 326.405, is amended to read:

85.5 **326.405 RECIPROCITY WITH OTHER STATES.**

85.6 ~~The commissioner of health may license without examination, upon payment of the~~
85.7 ~~required fee, nonresident applicants who are licensed under the laws of a state having~~
85.8 ~~standards for licensing plumbers which the commissioner determines are substantially~~
85.9 ~~equivalent to the standards of this state if the other state grants similar privileges to~~
85.10 ~~Minnesota residents duly licensed in this state.~~ The commissioner may enter into
85.11 reciprocity agreements for personal licenses with another state if approved by the board.
85.12 Once approved by the board, the commissioner may issue a plumber's license without
85.13 requiring the applicant to pass an examination provided the applicant:

- 85.14 (a) submits an application under section 326.42;
85.15 (b) pays the fee required under section 326.42; and
85.16 (c) holds a valid comparable license in the state participating in the agreement.

85.17 Agreements are subject to the following:

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

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

85.24 (3) The applicant must have acquired the license in the qualifying state through an
85.25 examination deemed equivalent to the same class of license examination in Minnesota.
85.26 A lesser class of license may be granted where the applicant has acquired a greater
85.27 class of license in the qualifying state and the applicant otherwise meets the conditions
85.28 of this subdivision.

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

85.32 (5) An applicant is not eligible for a license under this subdivision if the applicant
85.33 has failed the same or greater class of license examination in Minnesota, or if the
85.34 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. 27. Minnesota Statutes 2006, section 326.42, subdivision 1, is amended to read:

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.

Sec. 28. **[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 of labor and industry to administer and enforce the provisions of the laws 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.

87.1 Subd. 2. **Deposits.** All remaining balances as of June 30, 2007, in the state
87.2 government special revenue fund and special revenue fund accounts maintained for
87.3 the Building Codes and Standards Division, Board of Electricity, and plumbing and
87.4 engineering unit are transferred to the construction code fund. Unless otherwise
87.5 specifically designated by law: (1) all money collected under chapter 183 and sections
87.6 16B.59 to 16B.76; 144.122, paragraph (f); 181.723; 326.241 to 326.248; 326.37 to
87.7 326.521; 326.57 to 326.65; 326.83 to 326.992; 327.31 to 327.36; and 327B.01 to
87.8 327B.12, except penalties, is credited to the construction code fund; (2) all fees collected
87.9 under section 45.23 in connection with continuing education for residential contractors,
87.10 residential remodelers, and residential roofers are credited to the construction code fund;
87.11 and (3) all penalties assessed under the sections set forth in clauses (1) and (2) and all
87.12 penalties assessed under sections 144.99 to 144.993 in connection with any violation of
87.13 sections 326.37 to 326.45 or 326.57 to 327.65 or the rules adopted under those sections
87.14 are credited to the assigned risk safety account established by section 79.253.

87.15 **Sec. 29. [326B.89] CONTRACTOR RECOVERY FUND.**

87.16 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms
87.17 have the meanings given them.

87.18 (b) "Gross annual receipts" means the total amount derived from residential
87.19 contracting or residential remodeling activities, regardless of where the activities are
87.20 performed, and must not be reduced by costs of goods sold, expenses, losses, or any
87.21 other amount.

87.22 (c) "Licensee" means a person licensed as a residential contractor or residential
87.23 remodeler.

87.24 (d) "Residential real estate" means a new or existing building constructed for
87.25 habitation by one to four families, and includes detached garages.

87.26 (e) "Fund" means the contractor recovery fund.

87.27 Subd. 2. **Generally.** The contractor recovery fund is created in the state treasury
87.28 and shall be administered by the commissioner for the purposes described in this section.
87.29 Any interest or profit accruing from investment of money in the fund shall be credited
87.30 to the contractor recovery fund.

87.31 Subd. 3. **Fund fees.** In addition to any other fees, a person who applies for or
87.32 renews a license under sections 326.83 to 326.98 shall pay a fee to the fund. The person
87.33 shall pay, in addition to the appropriate application or renewal fee, the following additional
87.34 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:

<u>Fee</u>	<u>Gross Annual Receipts</u>
<u>\$160</u>	<u>under \$1,000,000</u>
<u>\$210</u>	<u>\$1,000,000 to \$5,000,000</u>
<u>\$260</u>	<u>over \$5,000,000</u>

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

89.1 residential real estate that has never been occupied or that was occupied by the licensee
89.2 for less than one year prior to purchase by the owner;

89.3 (5) that the residential real estate is located in Minnesota;

89.4 (6) that the owner or the lessee is not the spouse of the licensee or the personal
89.5 representative of the licensee;

89.6 (7) the amount of the final judgment, any amount paid in satisfaction of the final
89.7 judgment, and the amount owing on the final judgment as of the date of the verified
89.8 application; and

89.9 (8) that the verified application is being served within two years after the judgment
89.10 became final.

89.11 The owner's and the lessee's actual and direct out-of-pocket loss shall not include
89.12 attorney fees, interest on the loss, and interest on the final judgment obtained as a result of
89.13 the loss. An owner or lessee may serve a verified application regardless of whether the
89.14 final judgment has been discharged by a bankruptcy court. A judgment issued by a court is
89.15 final if all proceedings on the judgment have either been pursued and concluded or been
89.16 forgone, including all reviews and appeals. For purposes of this section, owners who are
89.17 joint tenants or tenants in common are deemed to be a single owner. For purposes of this
89.18 section, owners and lessees eligible for payment of compensation from the fund shall not
89.19 include government agencies, political subdivisions, financial institutions, and any other
89.20 entity that purchases, guarantees, or insures a loan secured by real estate.

89.21 Subd. 7. **Commissioner review.** The commissioner shall within 120 days after
89.22 receipt of the verified application:

89.23 (1) enter into an agreement with an owner or a lessee that resolves the verified
89.24 application for compensation from the fund; or

89.25 (2) issue an order to the owner or the lessee accepting, modifying, or denying the
89.26 verified application for compensation from the fund.

89.27 Upon receipt of an order issued under clause (2), the owner or the lessee shall have
89.28 30 days to serve upon the commissioner a written request for a hearing. If the owner or
89.29 the lessee does not serve upon the commissioner a timely written request for hearing, the
89.30 order issued under clause (2) shall become a final order of the commissioner that may not
89.31 be reviewed by any court or agency. The commissioner shall order compensation from
89.32 the fund only if the owner or the lessee has filed a verified application that complies with
89.33 subdivision 6 and if the commissioner determines based on review of the application that
89.34 compensation should be paid from the fund. The commissioner shall not be bound by any
89.35 prior settlement, compromise, or stipulation between the owner or the lessee and the
89.36 licensee.

90.1 Subd. 8. **Administrative hearing.** If an owner or a lessee timely serves a request
90.2 for hearing under subdivision 7, the commissioner shall request that an administrative law
90.3 judge be assigned and that a hearing be conducted under the contested case provisions
90.4 of chapter 14 within 30 days after the service of the request for hearing upon the
90.5 commissioner. Upon petition of the commissioner, the administrative law judge shall
90.6 continue the hearing up to 60 days and upon a showing of good cause may continue the
90.7 hearing for such additional period as the administrative law judge deems appropriate.
90.8 At the hearing the owner or the lessee shall have the burden of proving by substantial
90.9 evidence under subdivision 6, clauses (1) to (8). The administrative law judge shall issue
90.10 findings of fact, conclusions of law, and order. If the administrative law judge finds that
90.11 compensation should be paid to the owner or the lessee, the administrative law judge
90.12 shall order the commissioner to make payment from the fund of the amount it finds to be
90.13 payable pursuant to the provisions of and in accordance with the limitations contained in
90.14 this section. The order of the administrative law judge shall constitute the final decision of
90.15 the agency in the contested case. Judicial review of the administrative law judge's findings
90.16 of fact, conclusions of law, and order shall be in accordance with sections 14.63 to 14.69.

90.17 Subd. 9. **Satisfaction of applications for compensation.** The commissioner shall
90.18 pay compensation from the fund to an owner or a lessee pursuant to the terms of an
90.19 agreement that has been entered into under subdivision 7, clause (1), or pursuant to a final
90.20 order that has been issued under subdivision 7, clause (2), or subdivision 8 by December 1
90.21 of the fiscal year following the fiscal year during which the agreement was entered into or
90.22 during which the order became final, subject to the limitations of this section. At the end
90.23 of each fiscal year the commissioner shall calculate the amount of compensation to be
90.24 paid from the fund pursuant to agreements that have been entered into under subdivision
90.25 7, clause (1), and final orders that have been issued under subdivision 7, clause (2), or
90.26 subdivision 8. If the calculated amount exceeds the amount available for payment, then
90.27 the commissioner shall allocate the amount available among the owners and the lessees
90.28 in the ratio that the amount agreed to or ordered to be paid to each owner or lessee
90.29 bears to the amount calculated. The commissioner shall mail notice of the allocation to
90.30 all owners and lessees not less than 45 days following the end of the fiscal year. Any
90.31 compensation paid by the commissioner in accordance with this subdivision shall be
90.32 deemed to satisfy and extinguish any right to compensation from the fund based upon the
90.33 verified application of the owner or lessee.

90.34 Subd. 10. **Right of subrogation.** If the commissioner pays compensation from the
90.35 fund to an owner or a lessee pursuant to an agreement under subdivision 7, clause (1), or a
90.36 final order issued under subdivision 7, clause (2), or subdivision 8, then the commissioner

91.1 shall be subrogated to all of the rights, title, and interest in the owner's or lessee's final
91.2 judgment in the amount of compensation paid from the fund and the owner or the lessee
91.3 shall assign to the commissioner all rights, title, and interest in the final judgment in
91.4 the amount of compensation paid. The commissioner shall deposit in the fund money
91.5 recovered under this subdivision.

91.6 Subd. 11. **Effect of section on commissioner's authority.** Nothing contained
91.7 in this section shall limit the authority of the commissioner to take disciplinary action
91.8 against a licensee under the provisions of this chapter. A licensee's repayment in full of
91.9 obligations to the fund shall not nullify or modify the effect of any other disciplinary
91.10 proceeding brought under the provisions of this chapter.

91.11 Subd. 12. **Limitation.** Nothing may obligate the fund to compensate:

91.12 (1) insurers or sureties under subrogation or similar theories; or

91.13 (2) owner of residential property for final judgments against a prior owner of the
91.14 residential property unless the claim is brought and judgment is rendered for breach of the
91.15 statutory warranty set forth in chapter 327A.

91.16 Subd. 13. **Condominiums or townhouses.** For purposes of this section, the owner
91.17 or the lessee of a condominium or townhouse is considered an owner or a lessee of
91.18 residential property regardless of the number of residential units per building.

91.19 Subd. 14. **Accelerated compensation.** (a) Payments made from the fund to
91.20 compensate owners and lessees that do not exceed the jurisdiction limits for conciliation
91.21 court matters as specified in section 491A.01 may be paid on an accelerated basis if all of
91.22 the requirements in paragraphs (b) and (c) have been satisfied.

91.23 (b) The owner or the lessee has served upon the commissioner a verified application
91.24 for compensation that complies with the requirements set out in subdivision 6 and the
91.25 commissioner determines based on review of the application that compensation should be
91.26 paid from the fund. The commissioner shall calculate the actual and direct out-of-pocket
91.27 loss in the transaction, minus attorney fees, interest on the loss and on the judgment
91.28 obtained as a result of the loss, and any satisfaction of the judgment, and make payment
91.29 to the owner or the lessee up to the conciliation court jurisdiction limits within 15 days
91.30 after the owner or lessee serves the verified application.

91.31 (c) The commissioner may pay compensation to owners or lessees that totals not
91.32 more than \$50,000 per licensee per fiscal year under this accelerated process. The
91.33 commissioner may prorate the amount of compensation paid to owners or lessees under
91.34 this subdivision if applications submitted by owners and lessees seek compensation in
91.35 excess of \$50,000 against a licensee. Any unpaid portion of a verified application that

92.1 has been prorated under this subdivision shall be satisfied in the manner set forth in
92.2 subdivision 9.

92.3 Subd. 15. **Appropriation.** Money in the fund is appropriated to the commissioner
92.4 for the purposes of this section.

92.5 Subd. 16. **Additional assessment.** If the balance in the fund is at any time less than
92.6 the commissioner determines is necessary to carry out the purposes of this section, every
92.7 licensee, when renewing a license, shall pay, in addition to the annual renewal fee and
92.8 the fee set forth in subdivision 3 an assessment not to exceed \$100. The commissioner
92.9 shall set the amount of assessment based on a reasonable determination of the amount
92.10 that is necessary to restore a balance in the fund that is adequate to carry out the purposes
92.11 of this section.

92.12 **EFFECTIVE DATE.** This section is effective December 1, 2007, except that
92.13 subdivisions 1, 3, and 15 are effective July 1, 2007.

92.14 Sec. 30. Minnesota Statutes 2006, section 341.21, is amended by adding a subdivision
92.15 to read:

92.16 Subd. 8. **Mixed martial arts.** "Mixed martial arts" means any combination of
92.17 boxing, kick boxing, wrestling, grappling, or other recognized martial arts.

92.18 Sec. 31. Minnesota Statutes 2006, section 341.22, is amended to read:

92.19 **341.22 BOXING COMMISSION.**

92.20 There is hereby created the Minnesota Boxing Commission consisting of ~~five~~ nine
92.21 members who are citizens of this state. The members must be appointed by the governor.
92.22 One member of the commission must be a retired judge of the Minnesota district court,
92.23 Minnesota Court of Appeals, Minnesota Supreme Court, the United States District Court
92.24 for the District of Minnesota, or the Eighth Circuit Court of Appeals, and at least three
92.25 members must have knowledge of the boxing industry. At least four members must have
92.26 knowledge of the mixed martial arts industry. The governor shall make serious efforts to
92.27 appoint qualified women to serve on the commission. Membership terms, compensation
92.28 of members, removal of members, the filling of membership vacancies, and fiscal year and
92.29 reporting requirements must be as provided in sections 214.07 to 214.09. The provision of
92.30 staff, administrative services, and office space; the review and processing of complaints;
92.31 the setting of fees; and other provisions relating to commission operations must be as
92.32 provided in chapter 214. The purpose of the commission is to protect health, promote
92.33 safety, and ensure fair events.

93.1 Sec. 32. Minnesota Statutes 2006, section 341.25, is amended to read:

93.2 **341.25 RULES.**

93.3 (a) The commission may adopt rules that include standards for the physical
93.4 examination and condition of boxers and referees.

93.5 (b) The commission may adopt other rules necessary to carry out the purposes of
93.6 this chapter, including, but not limited to, the conduct of boxing exhibitions, bouts, and
93.7 fights, and their manner, supervision, time, and place.

93.8 (c) The commission must adopt unified rules for mixed martial arts.

93.9 Sec. 33. Minnesota Statutes 2006, section 341.27, is amended to read:

93.10 **341.27 COMMISSION DUTIES.**

93.11 The commission shall:

93.12 (1) issue, deny, renew, suspend, or revoke licenses;

93.13 (2) make and maintain records of its acts and proceedings including the issuance,
93.14 denial, renewal, suspension, or revocation of licenses;

93.15 (3) keep public records of the commission open to inspection at all reasonable times;

93.16 (4) assist the director in the development of rules to be implemented under this
93.17 chapter; ~~and~~

93.18 (5) conform to the rules adopted under this chapter; and

93.19 (6) develop policies and procedures for regulating mixed martial arts.

93.20 Sec. 34. Minnesota Statutes 2006, section 341.28, subdivision 2, is amended to read:

93.21 Subd. 2. **Regulatory authority; tough person contests.** All tough person contests,
93.22 including amateur tough person contests, are subject to this chapter. All tough person
93.23 contests are subject to American Boxing Commission (ABC) rules. Every contestant
93.24 in a tough person contest shall have a physical examination prior to their bouts. Every
93.25 contestant in a tough person contest shall wear padded gloves that weigh at least 12
93.26 ounces. All tough person bouts are limited to two-minute rounds and a maximum of four
93.27 total rounds. Officials at tough person bouts shall be licensed under this chapter.

93.28 Sec. 35. Minnesota Statutes 2006, section 341.28, is amended by adding a subdivision
93.29 to read:

93.30 Subd. 3. **Regulatory authority; similar sporting events.** All mixed martial arts,
93.31 ultimate fight contests, and similar sporting events are subject to this chapter.

93.32 Sec. 36. Minnesota Statutes 2006, section 341.32, subdivision 2, is amended to read:

94.1 Subd. 2. **Expiration and renewal.** A license ~~expires December 31 at midnight in~~
94.2 ~~the year of its issuance~~ issued after the effective date of this act is valid for one year from
94.3 the date it is issued and may be renewed by filing an application for renewal with the
94.4 commission and payment of the license fee. An application for a license and renewal of a
94.5 license must be on a form provided by the commission. There is a 30-day grace period
94.6 during which a license may be renewed if a late filing penalty fee equal to the license fee
94.7 is submitted with the regular license fee. A licensee that files late shall not conduct any
94.8 activity regulated by this chapter until the commission has renewed the license. If the
94.9 licensee fails to apply to the commission within the 30-day grace period, the licensee must
94.10 apply for a new license under subdivision 1.

94.11 Sec. 37. Minnesota Statutes 2006, section 341.321, is amended to read:

94.12 **341.321 FEE SCHEDULE.**

94.13 (a) The fee schedule for licenses issued by the Minnesota Boxing Commission
94.14 is as follows:

94.15 (1) referees, ~~\$35~~ \$45 for each initial license and each renewal;

94.16 (2) promoters, \$400 for each initial license and each renewal;

94.17 (3) judges and knockdown judges, ~~\$25~~ \$45 for each initial license and each renewal;

94.18 (4) trainers, ~~\$35~~ \$45 for each initial license and each renewal;

94.19 (5) ring announcers, ~~\$25~~ \$45 for each initial license and each renewal;

94.20 (6) boxers' seconds, ~~\$25~~ \$45 for each initial license and each renewal;

94.21 (7) timekeepers, ~~\$25~~ \$45 for each initial license and each renewal; ~~and~~

94.22 (8) boxers, ~~\$35~~ \$45 for each initial license and each renewal;

94.23 (9) managers, \$45 for each initial license and each renewal; and

94.24 (10) ringside physicians, \$45 for each initial license and each renewal.

94.25 (b) The commission shall establish and assess an event fee for each sporting event.

94.26 The event fee is set at a minimum of \$1,500 per event or a percentage of the ticket sales as
94.27 determined by the commission when the sporting event is scheduled.

94.28 (c) All fees collected by the Minnesota Boxing Commission must be deposited in
94.29 the Boxing Commission account in the special revenue fund.

94.30 Sec. 38. Minnesota Statutes 2006, section 471.471, subdivision 4, is amended to read:

94.31 Subd. 4. **Application process.** A person seeking a waiver shall apply to the
94.32 ~~Building Code and Standards Division of the Department of Administration~~ Labor and
94.33 Industry on a form prescribed by the board and pay a \$70 fee to the construction code
94.34 fund. The division shall review the application to determine whether it appears to be

95.1 meritorious, using the standards set out in subdivision 3. The division shall forward
95.2 applications it considers meritorious to the board, along with a list and summary of
95.3 applications considered not to be meritorious. The board may require the division to
95.4 forward to it an application the division has considered not to be meritorious. The board
95.5 shall issue a decision on an application within 90 days of its receipt. A board decision
95.6 to approve an application must be unanimous. An application that contains false or
95.7 misleading information must be rejected.

95.8 Sec. 39. **WHISTLE-BLOWER PROTECTION ADMINISTRATIVE**
95.9 **PROCEDURES.**

95.10 By January 15, 2008, the commissioner of labor and industry shall report to the
95.11 legislature its recommendations for implementing an administrative review procedure to
95.12 address whistle-blower protection complaints under section 181.932.

95.13 Sec. 40. **TRANSFER OF AUTHORITY; PLUMBING BOARD.**

95.14 The commissioner of administration may not use the authority under Minnesota
95.15 Statutes, section 16B.37, to modify the transfers of authority in this act.

95.16 Sec. 41. **FIRST MEETING; APPOINTMENTS FOR PLUMBING BOARD.**

95.17 The governor must complete the appointments required by Minnesota Statutes,
95.18 section 326.372, no later than July 1, 2007. The commissioner of labor and industry shall
95.19 convene the first meeting of the Plumbing Board no later than September 1, 2007.

95.20 Sec. 42. **REPEALER.**

95.21 Minnesota Statutes 2006, sections 176.042; 268.035, subdivision 9; and 326.45, are
95.22 repealed.

95.23 **EFFECTIVE DATE.** Sections 176.042 and 286.035, subdivision 9, are repealed
95.24 effective January 1, 2009.

95.25 **ARTICLE 4**
95.26 **HIGH PRESSURE PIPING**

95.27 Section 1. Minnesota Statutes 2006, section 326.46, is amended to read:

95.28 **326.46 ~~SUPERVISION OF~~ DEPARTMENT TO SUPERVISE HIGH**
95.29 **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 326.47, subdivision 2, is amended to read:

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~~ board. The ~~Department of Labor and Industry~~ board shall specify by rule the minimum qualifications for municipal inspectors.

Sec. 3. **[326.471] BOARD OF HIGH PRESSURE PIPING SYSTEMS.**

Subdivision 1. **Composition.** (a) The Board of High Pressure Piping Systems 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 a high pressure piping inspector;

(2) one member shall be a licensed professional 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; and

(6) two members shall be representatives of industrial companies which use high pressure piping systems in their industrial processes.

97.1 (b) The high pressure piping inspector shall be appointed for a term to end December
97.2 31, 2011. The professional mechanical engineer shall be appointed for a term to end
97.3 December 31, 2010. The representative of the high pressure piping industry shall be
97.4 appointed for a term to end December 31, 2011. Two of the high pressure piping
97.5 contractors shall be appointed for a term to end December 31, 2011, and two high pressure
97.6 piping contractors shall be appointed for a term to end December 31, 2010. One of the
97.7 high pressure piping journeymen shall be appointed for a term to end December 31, 2011,
97.8 and one high pressure piping journeyman shall be appointed for a term to end December
97.9 31, 2010. The two representatives of industrial companies that use high pressure piping
97.10 systems in their industrial process shall be appointed for a term to end December 31, 2010.

97.11 (c) The licensed professional mechanical engineer must possess a current Minnesota
97.12 professional engineering license and maintain the license for the duration of the term
97.13 served on the board. All other appointed members, except for the representative of the
97.14 piping industry and the representatives of industrial companies that use high pressure
97.15 piping systems in their industrial processes must possess a current high pressure piping
97.16 license issued by the Department of Labor and Industry and maintain that license for the
97.17 duration of their terms. All appointed members must be residents of Minnesota at the time
97.18 of and throughout their terms. The term of any appointed member who does not maintain
97.19 membership qualification status shall end on the date of status change and the governor
97.20 shall appoint a replacement member. It is the responsibility of the member to notify the
97.21 board of a change in the member's status.

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

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

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

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

98.1 (3) adopt the High Pressure Piping Code that must be followed in this state and any
98.2 High Pressure Piping Code amendments thereto pursuant to chapter 14 and as provided in
98.3 subdivision 6, paragraphs (b), (c), and (d);

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

98.6 (5) adopt rules that regulate the licensure or registration of high pressure piping
98.7 contractors, journeymen, and other persons engaged in the design, installation, and
98.8 alteration of high pressure piping systems, except for those individuals licensed under
98.9 section 326.02, subdivisions 2 and 3. The board shall adopt these rules pursuant to chapter
98.10 14 and as provided in subdivision 6, paragraph (e);

98.11 (6) adopt rules that regulate continuing education for individuals licensed or
98.12 registered as high pressure piping contractors, journeymen, or other persons engaged in
98.13 the design, installation, and alteration of high pressure piping systems. The board shall
98.14 adopt these rules pursuant to chapter 14 and as provided in subdivision 6, paragraph (e);

98.15 (7) advise the commissioner regarding educational requirements for high pressure
98.16 piping inspectors;

98.17 (8) refer complaints or other communications, whether orally or in writing, that
98.18 allege or imply a violation of a statute, rule, or order that the commissioner has the
98.19 authority to enforce pertaining to code compliance, licensure, or an offering to perform
98.20 or performance of unlicensed high pressure piping services to the commissioner under
98.21 subdivision 8;

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

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

98.26 (11) recommend the fees for licenses and certifications.

98.27 Except for the powers granted to the Board of High Pressure Piping Systems, the
98.28 commissioner of labor and industry shall administer and enforce the provisions of sections
98.29 326.46 to 326.521 and any rules promulgated pursuant thereto.

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

98.31 (c) The commissioner shall coordinate the board's rulemaking and recommendations
98.32 with the recommendations and rulemaking conducted by the other boards. The
98.33 commissioner shall provide staff support to the board. The support includes professional,
98.34 legal, technical, and clerical staff necessary to perform rulemaking and other duties
98.35 assigned to the board. The commissioner of labor and industry shall supply necessary
98.36 office space and supplies to assist the board in its duties.

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

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

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

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

99.29 (b) Vacancies shall be filled pursuant to section 15.0597, subdivisions 5 and 6.

99.30 Subd. 5. **Membership vacancies within three months of appointment.**
99.31 Notwithstanding any law to the contrary, when a seat on the board becomes vacant within
99.32 three months after being filled through the appointment process, the governor may,
99.33 upon notification to the Office of the Secretary of State, choose a new member from the
99.34 applications on hand and need not repeat the process.

99.35 Subd. 6. **Officers, quorum, voting.** (a) The board shall elect annually from its
99.36 members a chair, vice-chair, and secretary. A quorum of the board shall consist of a

100.1 majority of members of the board qualified to vote on the matter in question. All questions
100.2 concerning the manner in which a meeting is conducted or called that are not covered
100.3 by statute shall be determined by Robert's Rules of Order (revised) unless otherwise
100.4 specified by the bylaws.

100.5 (b) Except as provided in paragraph (c), each High Pressure Piping Code amendment
100.6 considered by the board that receives an affirmative two-thirds or more majority vote
100.7 of all of the voting members of the board shall be included in the next High Pressure
100.8 Piping Code rulemaking proceeding initiated by the board. If a High Pressure Piping Code
100.9 amendment considered, or reconsidered, by the board receives less than a two-thirds
100.10 majority vote of all of the voting members of the board, the High Pressure Piping Code
100.11 amendment shall not be included in the next High Pressure Piping Code rulemaking
100.12 proceeding initiated by the board.

100.13 (c) If the High Pressure Piping Code amendment considered by the board is to
100.14 replace the Minnesota High Pressure Piping Code with a model High Pressure Piping
100.15 Code, then the amendment may only be included in the next High Pressure Piping Code
100.16 rulemaking proceeding if it receives an affirmative two-thirds or more majority vote
100.17 of all of the voting members of the board.

100.18 (d) The board may reconsider High Pressure Piping Code amendments during
100.19 an active High Pressure Piping Code rulemaking proceeding in which the amendment
100.20 previously failed to receive a two-thirds or more majority vote of all of the voting
100.21 members of the board only if new or updated information that affects the High Pressure
100.22 Piping Code amendment is presented to the board. The board may also reconsider failed
100.23 High Pressure Piping Code amendments in subsequent High Pressure Piping Code
100.24 rulemaking proceedings.

100.25 (e) Except as provided in paragraph (f), each proposed rule and rule amendment
100.26 considered by the board pursuant to the rulemaking authority specified in subdivision 2,
100.27 paragraph (a), clauses (5) and (6), that receives an affirmative majority vote of all of the
100.28 voting members of the board shall be included in the next rulemaking proceeding initiated
100.29 by the board. If a proposed rule or rule amendment considered, or reconsidered, by the
100.30 board receives less than an affirmative majority vote of all of the voting members of the
100.31 board, the proposed rule or rule amendment shall not be included in the next rulemaking
100.32 proceeding initiated by the board.

100.33 (f) The board may reconsider a proposed rule or rule amendment during an
100.34 active rulemaking proceeding in which the amendment previously failed to receive an
100.35 affirmative majority vote of all of the voting members of the board only if new or updated
100.36 information that affects the proposed rule or rule amendment is presented to the board.

101.1 The board may also reconsider a failed proposed rule or rule amendment in subsequent
101.2 rulemaking proceedings.

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

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

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

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

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

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

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

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

101.26 If telephone or other electronic means is used to conduct a regular, special, or
101.27 emergency meeting, the board shall provide notice of the regular meeting location, of the
101.28 fact that some members may participate by telephone or other electronic means, and that a
101.29 person may monitor the meeting electronically from a remote location. The timing and
101.30 method of providing notice is governed by section 13D.04.

101.31 Subd. 8. **Complaints.** (a) The board shall promptly forward to the commissioner
101.32 the substance of any complaint or communication it receives, whether in writing or orally,
101.33 that alleges or implies a violation of a statute, rule, or order that the commissioner has
101.34 the authority to enforce pertaining to the license or registration of any person authorized
101.35 by the department to provide high pressure piping services, the performance or offering
101.36 to perform high pressure piping services requiring licensure by an unlicensed person, or

102.1 high pressure code compliance. Each complaint or communication that is forwarded to the
102.2 commissioner shall be submitted on a form provided by the commissioner.

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

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

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

102.15 Sec. 4. Minnesota Statutes 2006, section 326.48, subdivision 1, is amended to read:

102.16 Subdivision 1. **License required; rules; time credit.** No ~~person~~ individual shall
102.17 engage in or work at the business of a contracting high pressure pipefitter unless issued an
102.18 individual contracting pipefitter license to do so by the department of ~~Labor and Industry~~
102.19 under rules adopted by the board. No license shall be required for repairs on existing
102.20 installations. No ~~person~~ individual shall engage in or work at the business of journeyman
102.21 high pressure pipefitter unless issued an individual journeyman pipefitter competency
102.22 license to do so by the department of ~~Labor and Industry~~ under rules adopted by the board.
102.23 A person possessing an individual contracting pipefitter competency license may also
102.24 work as a journeyman high pressure pipefitter.

102.25 No person, ~~partnership, firm, or corporation~~ shall construct or install high pressure
102.26 piping, nor install high pressure piping in connection with the dealing in and selling of high
102.27 pressure pipe material and supplies, unless, at all times, a ~~person~~ individual possessing a
102.28 contracting high pressure pipefitter individual competency license or a journeyman high
102.29 pressure pipefitter individual competency license is responsible for ensuring that the high
102.30 pressure pipefitting work ~~conducted by the person, partnership, firm, or corporation being~~
102.31 is in conformity with Minnesota Statutes and Minnesota Rules.

102.32 The ~~Department of Labor and Industry~~ board shall prescribe rules, not inconsistent
102.33 herewith, for the examination and individual competency licensing of contracting high
102.34 pressure pipefitters and journeyman high pressure pipefitters and for issuance of permits
102.35 by the department and municipalities for the installation of high pressure piping.

H.F. No. 122, 2nd Engrossment - 85th Legislative Session (2007-2008)

103.1 An employee performing the duties of inspector for the Department of Labor and
103.2 Industry in regulating pipefitting shall not receive time credit for the inspection duties
103.3 when making an application for a license required by this section.

103.4 Sec. 5. Minnesota Statutes 2006, section 326.48, subdivision 2, is amended to read:

103.5 Subd. 2. **High pressure pipefitting business license.** Before obtaining a permit
103.6 for high pressure piping work, a person, ~~partnership, firm, or corporation~~ must obtain or
103.7 utilize a business with a high pressure piping business license.

103.8 A person, ~~partnership, firm, or corporation~~ must have at all times as a full-time
103.9 employee at least one individual holding an individual contracting high pressure pipefitter
103.10 competency license. Only full-time employees who hold individual contracting high
103.11 pressure pipefitter licenses are authorized to obtain high pressure piping permits in the
103.12 name of the business. The individual contracting high pressure pipefitter competency
103.13 license holder can be the employee of only one high pressure piping business at a time.

103.14 To retain its business license without reapplication, a person, ~~partnership, firm, or~~
103.15 ~~corporation~~ holding a high pressure piping business license that ceases to employ ~~a person~~
103.16 an individual holding an individual contracting high pressure pipefitter competency
103.17 license shall have 60 days from the last day of employment of its previous individual
103.18 contracting pipefitter competency license holder to employ another license holder. The
103.19 department of ~~Labor and Industry~~ must be notified no later than five days after the last day
103.20 of employment of the previous license holder.

103.21 No high pressure pipefitting work may be performed during any period when the
103.22 high pressure pipefitting business does not have an individual contracting high pressure
103.23 pipefitter competency license holder on staff. If a license holder is not employed within
103.24 60 days after the last day of employment of the previous license holder, the pipefitting
103.25 business license shall lapse.

103.26 The ~~Department of Labor and Industry~~ board shall prescribe by rule procedures for
103.27 application for and issuance of business licenses ~~and fees~~.

103.28 Sec. 6. Minnesota Statutes 2006, section 326.48, is amended by adding a subdivision
103.29 to read:

103.30 Subd. 6. **Reciprocity with other states.** The commissioner may issue a temporary
103.31 license without examination, upon payment of the required fee, nonresident applicants
103.32 who are licensed under the laws of a state having standards for licensing which the
103.33 commissioner determines are substantially equivalent to the standards of this state if
103.34 the other state grants similar privileges to Minnesota residents duly licensed in this

state. Applicants who receive a temporary license under this section may acquire an aggregate of 24 months of experience before they have to apply and pass the licensing examination. Applicants must register with the commissioner of labor and industry and the commissioner shall set a fee for a temporary license. Applicants have five years in which to comply with this section.

Sec. 7. 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. 8. 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)~~ (b) The purpose of this fund is:

105.1 ~~(i)~~ (1) to compensate any aggrieved owner or lessee of residential property located
105.2 within this state who obtains a final judgment in any court of competent jurisdiction
105.3 against a licensee licensed under section 326.84, on grounds of fraudulent, deceptive, or
105.4 dishonest practices, conversion of funds, or failure of performance arising directly out
105.5 of any transaction when the judgment debtor was licensed and performed any of the
105.6 activities enumerated under section 326.83, subdivision 19, on the owner's residential
105.7 property or on residential property rented by the lessee, or on new residential construction
105.8 which was never occupied prior to purchase by the owner, or which was occupied by the
105.9 licensee for less than one year prior to purchase by the owner, and which cause of action
105.10 arose on or after April 1, 1994; and

105.11 ~~(ii)~~ (2) to reimburse the Department of ~~Commerce~~ Labor and Industry for all legal
105.12 and administrative expenses, including staffing costs, incurred in administering the fund;

105.13 ~~(3)~~ Nothing may obligate the fund for more than \$50,000 per claimant, nor more
105.14 than \$75,000 per licensee; ~~and~~.

105.15 ~~(4)~~ Nothing may obligate the fund for claims based on a cause of action that arose
105.16 before the licensee paid the recovery fund fee set in clause (1), or as provided in section
105.17 326.945, subdivision 3.

105.18 ~~(b)~~ (c) Should the commissioner pay from the contractor's recovery fund any amount
105.19 in settlement of a claim or toward satisfaction of a judgment against a licensee, the
105.20 license shall be automatically suspended upon the effective date of an order by the court
105.21 authorizing payment from the fund. No licensee shall be granted reinstatement until the
105.22 licensee has repaid in full, plus interest at the rate of 12 percent a year, twice the amount
105.23 paid from the fund on the licensee's account, and has obtained a surety bond issued by an
105.24 insurer authorized to transact business in this state in the amount of at least \$40,000.

105.25 Sec. 9. Minnesota Statutes 2006, section 326.992, is amended to read:

105.26 **326.992 BOND REQUIRED FOR CERTAIN CONTRACTORS.**

105.27 (a) A person contracting to do gas, heating, ventilation, cooling, air conditioning,
105.28 fuel burning, or refrigeration work must give bond to the state in the amount of
105.29 \$25,000 for all work entered into within the state. The bond must be for the benefit of
105.30 persons suffering financial loss by reason of the contractor's failure to comply with the
105.31 requirements of the State Mechanical Code. A bond given to the state must be filed with
105.32 the commissioner of ~~administration~~ labor and industry and is in lieu of all other bonds to
105.33 any political subdivision required for work covered by this section. The bond must be
105.34 written by a corporate surety licensed to do business in the state.

(b) The commissioner of ~~administration~~ labor and industry 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.~~

Sec. 10. **TRANSFER OF AUTHORITY; BOARD OF HIGH PRESSURE PIPING SYSTEMS.**

The commissioner of administration may not use the authority under Minnesota Statutes, section 16B.37, to modify transfers of authority in this act.

Sec. 11. **FIRST MEETING; APPOINTMENTS FOR BOARD OF HIGH PRESSURE PIPING SYSTEMS.**

The governor must complete the appointments required by Minnesota Statutes, section 326.471, no later than July 1, 2007. The commissioner of labor and industry shall convene the first meeting of the Board of High Pressure Piping Systems no later than September 1, 2007.

ARTICLE 5
IRON RANGE RESOURCES AND REHABILITATION BOARD

Section 1. Minnesota Statutes 2006, section 298.227, is amended to read:

298.227 TACONITE ECONOMIC DEVELOPMENT FUND.

An amount equal to that distributed pursuant to each taconite producer's taxable production and qualifying sales under section 298.28, subdivision 9a, shall be held by the Iron Range Resources and Rehabilitation Board in a separate taconite economic development fund for each taconite and direct reduced ore producer. Money from the fund for each producer shall be released by the commissioner after review by a joint committee consisting of an equal number of representatives of the salaried employees and the nonsalaried production and maintenance employees of that producer. The District 11 director of the United States Steelworkers of America, on advice of each local employee president, shall select the employee members. In nonorganized operations, the employee committee shall be elected by the nonsalaried production and maintenance employees. The review must be completed no later than six months after the producer presents a proposal for expenditure of the funds to the committee. The funds held pursuant to this section may be released only for acquisition of plant and stationary mining equipment and facilities for the producer or for research and development in Minnesota on new mining, or taconite, iron, or steel production technology, but only if the producer provides a matching

107.1 expenditure to be used for the same purpose of at least 50 percent of the distribution based
107.2 on 14.7 cents per ton beginning with distributions in 2002. Effective for proposals for
107.3 expenditures of money from the fund beginning the day following final enactment, the
107.4 commissioner may not release the funds before the next scheduled meeting of the board.
107.5 If the board rejects a proposed expenditure, the funds must be deposited in the Taconite
107.6 Environmental Protection Fund under sections 298.222 to 298.225. If a producer uses
107.7 money which has been released from the fund prior to the day following final enactment to
107.8 procure haulage trucks, mobile equipment, or mining shovels, and the producer removes
107.9 the piece of equipment from the taconite tax relief area defined in section 273.134 within
107.10 ten years from the date of receipt of the money from the fund, a portion of the money
107.11 granted from the fund must be repaid to the taconite economic development fund. The
107.12 portion of the money to be repaid is 100 percent of the grant if the equipment is removed
107.13 from the taconite tax relief area within 12 months after receipt of the money from the fund,
107.14 declining by ten percent for each of the subsequent nine years during which the equipment
107.15 remains within the taconite tax relief area. If a taconite production facility is sold after
107.16 operations at the facility had ceased, any money remaining in the fund for the former
107.17 producer may be released to the purchaser of the facility on the terms otherwise applicable
107.18 to the former producer under this section. If a producer fails to provide matching funds
107.19 for a proposed expenditure within six months after the commissioner approves release
107.20 of the funds, the funds are available for release to another producer in proportion to the
107.21 distribution provided and under the conditions of this section. Any portion of the fund
107.22 which is not released by the commissioner within two years of its deposit in the fund shall
107.23 be divided between the taconite environmental protection fund created in section 298.223
107.24 and the Douglas J. Johnson economic protection trust fund created in section 298.292 for
107.25 placement in their respective special accounts. Two-thirds of the unreleased funds shall be
107.26 distributed to the taconite environmental protection fund and one-third to the Douglas J.
107.27 Johnson economic protection trust fund.

107.28 **EFFECTIVE DATE.** This section is effective for proposals for expenditures of
107.29 money from the fund the day following final enactment.

107.30 Sec. 2. **APPROPRIATION; IRON RANGE RESOURCES AND**
107.31 **REHABILITATION BOARD.**

107.32 (a) \$575,000 is appropriated from the Iron Range Resources and Rehabilitation
107.33 Board fund for fiscal year 2008 for allocation in this section:

107.34 (1) \$225,000 is for Aitkin County Growth, Inc. to extend electric service and other
107.35 infrastructure to a peat project in Spencer Township in Aitkin County;

108.1 (2) \$75,000 is for a nonprofit organization for the preservation of the B'nai Abraham
108.2 Synagogue in Virginia, of which \$50,000 is for renovation and \$25,000 is for a permanent
108.3 endowment for the preservation;

108.4 (3) \$150,000 is for a grant to the Iron Range youth in action program to assist the
108.5 organization to employ youth for the construction of community centers;

108.6 (4) \$50,000 is for a grant to the Iron Range retriever club for pond and field
108.7 construction; and

108.8 (5) \$75,000 is for a grant to the city of Chisholm to improve infrastructure at the
108.9 city-owned baseball field.

108.10 These are onetime appropriations.

108.11 Sec. 3. **IRRRB BUILDING.**

108.12 The Iron Range Resources and Rehabilitation Board office building in Eveleth,
108.13 Minnesota is designated and named the Joe Begich Building and shall be signed as such
108.14 at every entrance.

108.15 **ARTICLE 6**
108.16 **ELECTRICAL**

108.17 Section 1. Minnesota Statutes 2006, section 326.01, subdivision 6g, is amended to read:

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

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

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

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

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

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

109.1 ~~(3)~~ (6) the licensed ~~person~~ individual is able to and does determine that all electrical
109.2 work performed by the unlicensed ~~person~~ individual is performed in compliance with
109.3 section 326.243.

109.4 The licensed ~~person~~ individual is responsible for the compliance with section
109.5 326.243 of all electrical work performed by the unlicensed ~~person~~ individual.

109.6 Sec. 2. **[326.2411] BOARD OF ELECTRICITY.**

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

- 109.15 (1) one member shall be an electrical inspector;
109.16 (2) two members shall be representatives of the electrical suppliers in rural areas;
109.17 (3) two members shall be master electricians, who shall be contractors;
109.18 (4) two members shall be journeyman electricians;
109.19 (5) one member shall be a registered consulting electrical engineer;
109.20 (6) two members shall be power limited technicians, who shall be technology
109.21 system contractors primarily engaged in the business of installing technology circuits
109.22 or systems; and
109.23 (7) one member shall be a public member as defined by section 214.02.

109.24 The electrical inspector shall be appointed to a term to end December 31, 2011. One
109.25 of the rural electrical suppliers shall be appointed for a term to end December 31, 2011,
109.26 and one rural electrical supplier shall serve for a term to end December 31, 2010. The
109.27 consulting electrical engineer shall be appointed for a term to end December 31, 2011.
109.28 One of the master electrician contractors shall be appointed for a term to end December
109.29 31, 2011, and one master electrician contractor shall be appointed for a term to end
109.30 December 31, 2010. One of the journeyman electricians shall be appointed for a term to
109.31 end December 31, 2011, and one journeyman electrician shall be appointed for a term to
109.32 end December 31, 2010. One of the power limited technicians shall be appointed for a
109.33 term to end December 31, 2011, and one power limited technician shall be appointed for
109.34 a term to end December 31, 2010. The public member shall be appointed for a term to
109.35 end December 31, 2010.

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

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

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

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

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

110.26 (3) the Minnesota Electrical Code shall be the most current edition of the National
110.27 Electrical Code upon its adoption by the board and any amendments thereto as adopted
110.28 by the board. The board shall adopt the most current edition of the National Electrical
110.29 Code and any amendments thereto pursuant to chapter 14 and as provided in subdivision
110.30 6, paragraphs (b) and (c);

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

110.33 (5) adopt rules that regulate the licensure or registration of electrical businesses,
110.34 electrical contractors, master electricians, journeyman electricians, class A installer, class
110.35 B installer, power limited technicians, and other persons who perform electrical work.

111.1 The board shall adopt these rules pursuant to chapter 14 and as provided in subdivision
111.2 6, paragraphs (d) and (e);

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

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

111.10 (8) refer complaints or other communications, whether orally or in writing, that
111.11 allege or imply a violation of a statute, rule, or order that the commissioner has the
111.12 authority to enforce pertaining to code compliance, licensure, or an offering to perform or
111.13 performance of unlicensed electrical services to the commissioner under subdivision 8;

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

111.16 (10) approve license reciprocity agreements;

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

111.19 (12) recommend the fees for licenses and certifications.

111.20 Except for the powers granted to the Board of Electricity, the commissioner of labor
111.21 and industry shall administer and enforce the provisions of sections 326.241 to 326.248
111.22 and any rules promulgated pursuant thereto.

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

111.24 (c) The commissioner shall coordinate the board's rulemaking and recommendations
111.25 with the recommendations and rulemaking conducted by the other boards. The
111.26 commissioner shall provide staff support to the board. The support includes professional,
111.27 legal, technical, and clerical staff necessary to perform rulemaking and other duties
111.28 assigned to the board. The commissioner of labor and industry shall supply necessary
111.29 office space and supplies to assist the board in its duties.

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

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

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

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

112.23 (b) Vacancies shall be filled pursuant to section 15.0597, subdivisions 5 and 6.

112.24 Subd. 5. **Membership vacancies within three months of appointment.**
112.25 Notwithstanding any law to the contrary, when a seat on the board becomes vacant within
112.26 three months after being filled through the appointment process, the governor may,
112.27 upon notification to the Office of the Secretary of State, choose a new member from the
112.28 applications on hand and need not repeat the process.

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

112.35 (b) Except as provided in paragraph (c), each Electrical Code amendment considered
112.36 by the board that receives an affirmative two-thirds or more majority vote of all of the

113.1 voting members of the board shall be included in the next Electrical Code rulemaking
113.2 proceeding initiated by the board. If an Electrical Code amendment considered, or
113.3 reconsidered, by the board receives less than a two-thirds majority vote of all of the voting
113.4 members of the board, the Electrical Code amendment shall not be included in the next
113.5 Electrical Code rulemaking proceeding initiated by the board.

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

113.12 (d) Except as provided in paragraph (e), each proposed rule and rule amendment
113.13 considered by the board pursuant to the rulemaking authority specified in subdivision 2,
113.14 paragraph (a), clauses (5) and (6), that receives an affirmative majority vote of the all the
113.15 voting members of the board shall be included in the next rulemaking proceeding initiated
113.16 by the board. If a proposed rule or rule amendment considered, or reconsidered, by the
113.17 board receives less than an affirmative majority vote of all of the voting members of the
113.18 board, the proposed rule or rule amendment shall not be included in the next rulemaking
113.19 proceeding initiated by the board.

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

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

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

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

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

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

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

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

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

114.13 If telephone or other electronic means is used to conduct a regular, special, or
114.14 emergency meeting, the board shall provide notice of the regular meeting location, of the
114.15 fact that some members may participate by telephone or other electronic means, and that a
114.16 person may monitor the meeting electronically from a remote location. The timing and
114.17 method of providing notice is governed by section 13D.04.

114.18 Subd. 8. **Complaints.** (a) The board shall promptly forward to the commissioner
114.19 the substance of any complaint or communication it receives, whether in writing or orally,
114.20 that alleges or implies a violation of a statute, rule, or order that the commissioner has the
114.21 authority to enforce pertaining to the license or registration of any person authorized by the
114.22 department to provide electrical services, the performance or offering to perform electrical
114.23 services requiring licensure by an unlicensed person, or Electrical Code compliance. Each
114.24 complaint or communication that is forwarded to the commissioner shall be submitted
114.25 on a form provided by the commissioner.

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

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

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

115.3 Sec. 3. Minnesota Statutes 2006, section 326.242, subdivision 3d, is amended to read:

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

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

115.10 (2) the electrical work is:

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

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

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

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

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

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

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

116.5 ~~(g)~~ (e) A person who has submitted an application by ~~September 30, 2005~~ December
116.6 31, 2007, to take the power limited technician examination administered by the ~~board~~
116.7 department is not required to meet the qualifications set forth in paragraph (b).

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

116.9 Sec. 4. Minnesota Statutes 2006, section 326.242, subdivision 5, is amended to read:

116.10 Subd. 5. **Unlicensed ~~persons~~ individuals.** (a) An unlicensed ~~person~~ individual
116.11 means an individual who has not been licensed by the department to perform specific
116.12 electrical work. An unlicensed individual shall not perform electrical work required to
116.13 be performed by a licensed individual unless the individual has first registered with the
116.14 department as an unlicensed individual. Thereafter, an unlicensed individual shall not
116.15 perform electrical work required to be performed by a licensed individual unless the work
116.16 is performed under the personal direct supervision of a person an individual actually
116.17 licensed to perform such work and. The licensed ~~electrician~~ individual and unlicensed
116.18 ~~persons are~~ individual must be employed by the same employer. Licensed ~~persons~~
116.19 individuals shall not permit unlicensed ~~persons~~ individuals to perform electrical work
116.20 except under the ~~personal~~ direct supervision of ~~a person~~ an individual actually licensed to
116.21 perform such work. Unlicensed ~~persons~~ individuals shall not supervise the performance of
116.22 electrical work or make assignments of electrical work to unlicensed ~~persons~~ individuals.
116.23 Except for technology circuit or system work, licensed ~~persons~~ individuals shall supervise
116.24 no more than two unlicensed ~~persons~~ individuals. For technology circuit or system
116.25 work, licensed ~~persons~~ individuals shall supervise no more than three unlicensed ~~persons~~
116.26 individuals.

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

116.31 (c) Contractors employing unlicensed ~~persons performing~~ individuals to perform
116.32 electrical work shall maintain records establishing compliance with this subdivision,
116.33 ~~which that~~ shall ~~designate~~ identify all unlicensed ~~persons~~ individuals performing electrical
116.34 work, except for persons working on circuits or systems exempted from personal licensing

117.1 by subdivision 12, paragraph (b), and shall permit the ~~board~~ department to examine and
117.2 copy all such records ~~as provided for in section 326.244, subdivision 6.~~

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

117.6 Sec. 5. Minnesota Statutes 2006, section 326.242, is amended by adding a subdivision
117.7 to read:

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

117.14 Sec. 6. Minnesota Statutes 2006, section 326.242, subdivision 8, is amended to read:

117.15 Subd. 8. **License, registration, and renewal fees; expiration.** All licenses issued
117.16 ~~hereunder shall expire in a manner as provided by the board.~~ (a) Unless revoked or
117.17 suspended under this chapter, all licenses issued or renewed under this section expire
117.18 on the date specified in this subdivision. Master licenses expire March 1 of each
117.19 odd-numbered year after issuance or renewal. Electrical contractor licenses expire March
117.20 1 of each even-numbered year after issuance or renewal. Technology system contractor
117.21 licenses expire August 1 of each even-numbered year after issuance or renewal. All
117.22 other personal licenses expire two years from the date of original issuance and every two
117.23 years thereafter. Registrations of unlicensed individuals expire one year from the date of
117.24 original issuance and every year thereafter.

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

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

117.28 ~~Class A Master.~~

117.29 ~~Class B Master.~~

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

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

117.33 ~~Class A Master; or master special electrician, including master elevator constructor:~~
117.34 \$40 per year;

118.1 Class B Master: \$25 per year;

118.2 Power Limited Technician: \$15 per year;

118.3 Class A Journeyman, Class B Journeyman, Installer, or Special Electrician: other
118.4 than master special electrician: \$15 per year;

118.5 ~~Electrical~~ contractor: \$100 per year.

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

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

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

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

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

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

118.21 Sec. 7. Minnesota Statutes 2006, section 326.242, subdivision 11, is amended to read:

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

118.32 (a) submits an application under section 326.242;

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

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

118.35 Agreements are subject to the following:

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

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

119.7 (3) The applicant must have acquired the license in the qualifying state through an
119.8 examination deemed equivalent to the same class of license examination in Minnesota.
119.9 A lesser class of license may be granted where the applicant has acquired a greater
119.10 class of license in the qualifying state and the applicant otherwise meets the conditions
119.11 of this subdivision.

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

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

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

119.20 Sec. 8. Minnesota Statutes 2006, section 326.2441, is amended to read:

119.21 **326.2441 INSPECTION FEE SCHEDULE.**

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

119.24 Subd. 2. **Fee for each separate inspection.** The minimum fee for each separate
119.25 inspection of an installation, replacement, alteration, or repair is ~~\$20.~~ \$35. Except as
119.26 otherwise provided in this section, the maximum number of separate inspections allowed
119.27 without payment of an additional fee is the whole number resulting from dividing by
119.28 35 the total fee calculated in accordance with this section. Where additional separate
119.29 inspections are necessary, additional fees are required to result in a value equal to the total
119.30 number of separate inspections multiplied by 35. The fee for any inspections needed after
119.31 a "final inspection" is performed shall be calculated without consideration of any fee
119.32 paid before the final inspection.

119.33 Subd. 3. **Fee for services, generators, other power supply sources, or feeders to**
119.34 **separate structures.** The inspection fee for the installation, addition, alteration, or repair

120.1 of each service, change of service, temporary service, generator, other power supply
120.2 source, or feeder to a separate structure is:

- 120.3 (1) 0 ampere to and including 400 ampere capacity, ~~\$25~~ \$35;
- 120.4 (2) 401 ampere to and including 800 ampere capacity, ~~\$50~~ \$60; and
- 120.5 (3) ampere capacity above 800, ~~\$75~~ \$100.

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

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

- 120.13 (1) 0 ampere to and including 200 ampere capacity, ~~\$5~~ \$6; and
- 120.14 (2) ampere capacity above 200, ~~\$10~~ \$15.

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

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

- 120.23 (1) the fee for each service or other source of power as provided in subdivision 3;
120.24 (2) \$100 for up to 30 feeders and circuits; and
120.25 (3) for each additional feeder or circuit, the fee as provided in subdivision 4.

120.26 This fee applies to each separate installation for new dwellings and ~~additions, alterations,~~
120.27 ~~or repairs to existing dwellings and includes not more than two inspections.~~ where 15
120.28 or more feeders or circuits are installed or extended in connection with any addition,
120.29 alteration, or repair to existing dwellings. Where existing feeders and circuits are
120.30 reconnected to overcurrent devices installed as part of the replacement of an existing
120.31 panelboard, the fee for each reconnected feeder or circuit is \$2. The maximum number
120.32 of separate inspections shall be determined in accordance with subdivision 2. The
120.33 fee for additional inspections or other installations is that specified in subdivisions 2
120.34 to, 4, 6, and 8. The installer may submit fees for additional inspections when filing the
120.35 request for electrical inspection. The fee for each detached accessory structure directly
120.36 associated with a dwelling unit shall be calculated in accordance with subdivisions 3 and

121.1 4. When included on the same request for electrical inspection form, inspection fees for
121.2 detached accessory structures directly associated with the dwelling unit may be combined
121.3 with the dwelling unit fees to determine the maximum number of separate inspections in
121.4 accordance with subdivision 2.

121.5 (b) The inspection fee for each dwelling unit of a multifamily dwelling with three
121.6 ~~to 12 or more dwelling units is \$50 and the fee for each additional dwelling unit is \$25.~~
121.7 \$70 for a combination of up to 20 feeders and circuits and \$6 for each additional feeder
121.8 or circuit. This fee applies to each separate installation for each new dwelling unit and
121.9 where ten or more feeders or circuits are installed or extended in connection with any
121.10 addition, alteration, or repair to existing dwelling units. Where existing feeders or circuits
121.11 are reconnected to overcurrent devices installed as part of the replacement of an existing
121.12 panelboard, the fee for each reconnected feeder or circuit is \$2. The maximum number
121.13 of separate inspections for each dwelling unit shall be determined in accordance with
121.14 subdivision 2. The fee for additional inspections or for inspection of other installations
121.15 is that specified in subdivisions 2, 4, 6, and 8. These fees include only inspection of the
121.16 wiring within individual dwelling units and the final feeder to that unit. ~~This limitation is~~
121.17 ~~subject to the following conditions:~~

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

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

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

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

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

H.F. No. 122, 2nd Engrossment - 85th Legislative Session (2007-2008)

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

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

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

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

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

122.18 (h) The fee for all wiring installed on center pivot irrigation booms is ~~\$40~~ \$35 plus
122.19 \$5 for each electrical drive unit.

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

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

122.24 (k) The fees required by subdivisions 3 and 4 are doubled for installations over
122.25 600 volts.

122.26 Subd. 7. **Investigation fees: work without a request for electrical inspection.**

122.27 (a) Whenever any work for which a request for electrical inspection is required ~~by the~~
122.28 ~~board~~ has begun without the request for electrical inspection form being filed with the
122.29 ~~board~~ commissioner, a special investigation shall be made before a request for electrical
122.30 inspection form is accepted ~~by the board.~~

122.31 (b) An investigation fee, in addition to the full fee required by subdivisions 1
122.32 to 6, shall be paid before an inspection is made. The investigation fee is two times the
122.33 ~~hourly rate~~ minimum fee specified in subdivision ~~10~~ 2 or the inspection fee required
122.34 by subdivisions 1 to 6, whichever is greater, not to exceed \$1,000. The payment of the
122.35 investigation fee does not exempt any person from compliance with all other provisions of
122.36 the ~~board~~ department rules or statutes nor from any penalty prescribed by law.

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

123.6 Subd. 9. **Supplemental fee.** When inspections scheduled by the installer are
123.7 preempted, obstructed, prevented, or otherwise not able to be completed as scheduled due
123.8 to circumstances beyond the control of the inspector, a supplemental inspection fee of
123.9 ~~\$20 may~~ \$35 shall be assessed in writing by the inspector.

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

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

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

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

123.30 (d) An owner, operator, or appointed representative of a transitory enterprise
123.31 including, but not limited to, festivals, fairs, carnivals, circuses, production companies,
123.32 shows, portable road construction plants, and similar enterprises shall notify the ~~board~~
123.33 commissioner of its itinerary or schedule and make application for initial inspection a
123.34 minimum of 14 days before its first engagement or setup. An owner, operator, or appointed
123.35 representative of a transitory enterprise who fails to notify the ~~board~~ commissioner 14
123.36 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.

ARTICLE 7

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

125.1 profitable employment and citizenship; to establish as a means to this end, a program
125.2 of voluntary apprenticeship under approved apprentice agreements providing facilities
125.3 for their training and guidance in the arts, skills, and crafts of industry and trade, with
125.4 concurrent, supplementary instruction in related subjects; to promote employment
125.5 opportunities under conditions providing adequate training and reasonable earnings;
125.6 to relate the supply of skilled workers to employment demands; to establish standards
125.7 for apprentice training; to establish an Apprenticeship ~~Advisory Council Board~~ and
125.8 apprenticeship committees to assist in effectuating the purposes of this chapter; to provide
125.9 for a Division of Labor Standards and Apprenticeship within the Department of Labor
125.10 and Industry; to provide for reports to the legislature regarding the status of apprentice
125.11 training in the state; to establish a procedure for the determination of apprentice agreement
125.12 controversies; and to accomplish related ends.

125.13 Sec. 2. Minnesota Statutes 2006, section 178.02, is amended to read:

125.14 **178.02 APPRENTICESHIP ~~ADVISORY COUNCIL~~ BOARD.**

125.15 Subdivision 1. **Members.** The commissioner of labor and industry, hereinafter
125.16 called the commissioner, shall appoint an Apprenticeship ~~Advisory Council Board~~,
125.17 hereinafter referred to as the ~~council board~~, composed of three representatives each from
125.18 employer and employee organizations, and two representatives of the general public. The
125.19 director of education responsible for career and technical education or designee shall be an
125.20 ex officio member of the ~~council board~~ and shall serve in an advisory capacity only.

125.21 Subd. 2. **Terms.** The ~~council board~~ shall expire and the terms, compensation, and
125.22 removal of appointed members shall be as provided in section 15.059, ~~except that the~~
125.23 ~~council shall not expire before June 30, 2003.~~

125.24 Subd. 4. **Duties.** The ~~council board~~ shall meet at the call of the commissioner. It
125.25 shall propose occupational classifications for apprenticeship programs; propose minimum
125.26 standards for apprenticeship programs and agreements; and advise on the establishment
125.27 of such policies, procedures, and rules as the ~~commissioner board~~ deems necessary in
125.28 implementing the intent of this chapter.

125.29 Sec. 3. Minnesota Statutes 2006, section 178.03, subdivision 3, is amended to read:

125.30 Subd. 3. **Duties and functions.** The director, under the supervision of the
125.31 commissioner, and with the advice and consultation of the Apprenticeship ~~Advisory~~
125.32 ~~Council Board~~, is authorized: to administer the provisions of this chapter; to promote
125.33 apprenticeship and other forms of on the job training; to establish, in cooperation and
125.34 consultation with the Apprenticeship ~~Advisory Council Board~~ and with the apprenticeship

126.1 committees, conditions and training standards for the approval of apprenticeship programs
126.2 and agreements, which conditions and standards shall in no case be lower than those
126.3 prescribed by this chapter; to promote equal employment opportunity in apprenticeship
126.4 and other on the job training and to establish a Minnesota plan for equal employment
126.5 opportunity in apprenticeship which shall be consistent with standards established
126.6 under Code of Federal Regulations, title 29, part 30, as amended; to issue certificates of
126.7 registration to sponsors of approved apprenticeship programs; to act as secretary of the
126.8 ~~Apprenticeship Advisory Council~~ Board; to approve, if of the opinion that approval is
126.9 for the best interest of the apprentice, any apprenticeship agreement which meets the
126.10 standards established hereunder; to terminate any apprenticeship agreement in accordance
126.11 with the provisions of such agreement; to keep a record of apprenticeship agreements and
126.12 their disposition; to issue certificates of completion of apprenticeship; and to perform
126.13 such other duties as the commissioner deems necessary to carry out the intent of this
126.14 chapter; provided, that the administration and supervision of supplementary instruction in
126.15 related subjects for apprentices; coordination of instruction on a concurrent basis with
126.16 job experiences, and the selection and training of teachers and coordinators for such
126.17 instruction shall be the function of state and local boards responsible for vocational
126.18 education. The director shall have the authority to make wage determinations applicable
126.19 to the graduated schedule of wages and journeyman wage rate for apprenticeship
126.20 agreements, giving consideration to the existing wage rates prevailing throughout the
126.21 state, except that no wage determination by the director shall alter an existing wage
126.22 provision for apprentices or journeymen that is contained in a bargaining agreement in
126.23 effect between an employer and an organization of employees, nor shall the director
126.24 make any determination for the beginning rate for an apprentice that is below the wage
126.25 minimum established by federal or state law.

126.26 Sec. 4. Minnesota Statutes 2006, section 178.041, subdivision 1, is amended to read:

126.27 Subdivision 1. **Rules.** The commissioner may, upon receipt of the ~~council's~~ board's
126.28 proposals, accept, adopt, and issue them by rule with any modifications or amendments
126.29 the commissioner finds appropriate. The commissioner may refer them back to the
126.30 ~~council~~ board with recommendations for further study, consideration and revision. If
126.31 the commissioner refuses to accept, adopt, and issue by rule or other appropriate action
126.32 a board proposal, the commissioner must provide a written explanation of the reason
126.33 for the refusal to the board within 30 days after the board submitted the proposal to the
126.34 commissioner. Additional rules may be issued as the commissioner may deem necessary.

ARTICLE 8

MISCELLANEOUS

Section 1. Minnesota Statutes 2006, section 190.096, is amended to read:

190.096 BATTLE FLAGS; REPAIR.

Subdivision 1. **Authority to repair.** Notwithstanding the provisions of Minnesota Statutes 1961, chapters 16 and 43, the adjutant general or the Minnesota Historical Society may contract for the repair, restoration, and preservation of regimental battle flags, standards, and guidons with persons or corporations skilled in such repair, restoration, and preservation, upon terms or conditions the adjutant general or the Minnesota Historical Society deems proper, ~~subject to the approval of the commissioner of administration.~~

Subd. 2. **Surrender.** Notwithstanding the provisions of this section or section 190.09, the adjutant general or the Minnesota Historical Society may, for the purposes of this section, surrender the immediate custody and control of regimental battle flags, standards, and guidons under conditions and safeguards the adjutant general or the Minnesota Historical Society deems necessary and proper, for such time as is reasonably necessary for their restoration, after which they shall at once be again properly stored or displayed. The adjutant general or the Minnesota Historical Society shall provide adequate storage and display space for flags, standards, and guidons which have been repaired and restored.

Subd. 3. **Battle flags; care and control.** (a) The flags and colors carried by Minnesota troops in the Civil War, Indian Wars, and the Spanish-American War shall be preserved under the care and control of the Minnesota Historical Society. They shall be suitably encased and marked, and, so far as the historical society may deem it consistent with the safety of the flags and colors, they shall be publicly displayed in the capitol.

(b) The flags and colors carried by Minnesota troops in subsequent wars shall be preserved under the care and control of the adjutant general. They shall be suitably encased and marked, and, so far as the adjutant general may deem it consistent with the safety of the flags and colors, shall be publicly displayed.

Sec. 2. **[325E.65] SALE OF AMERICAN FLAGS.**

No person in the business of offering goods at retail may sell or offer for sale in this state an American flag unless the flag was manufactured in the United States of America.

EFFECTIVE DATE. This section is effective January 1, 2008.

H.F. No. 122, 2nd Engrossment - 85th Legislative Session (2007-2008)

128.1 Sec. 3. Minnesota Statutes 2006, section 327.33, subdivision 2, is amended to read:

128.2 Subd. 2. **Fees.** The commissioner shall by rule establish reasonable fees for seals,
128.3 installation seals and inspections which are sufficient to cover all costs incurred in the
128.4 administration of sections 327.31 to 327.35. The commissioner shall also establish by
128.5 rule a monitoring inspection fee in an amount that will comply with the secretary's fee
128.6 distribution program. This monitoring inspection fee shall be an amount paid by the
128.7 manufacturer for each manufactured home produced in Minnesota. The monitoring
128.8 inspection fee shall be paid by the manufacturer to the secretary. The rules of the
128.9 fee distribution program require the secretary to distribute the fees collected from all
128.10 manufactured home manufacturers among states approved and conditionally approved
128.11 based on the number of new manufactured homes whose first location after leaving the
128.12 manufacturer is on the premises of a distributor, dealer or purchaser in that state. ~~All~~
128.13 ~~money collected by the commissioner through fees prescribed by sections 327.31 to~~
128.14 ~~327.36 shall be deposited in the state government special revenue fund and is appropriated~~
128.15 ~~to the commissioner for the purpose of administering and enforcing the Manufactured~~
128.16 ~~Home Building Code under sections 327.31 to 327.36.~~

128.17 Sec. 4. Minnesota Statutes 2006, section 327.33, subdivision 6, is amended to read:

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

128.33 Sec. 5. Minnesota Statutes 2006, section 327B.04, subdivision 7, is amended to read:

129.1 Subd. 7. **Fees; licenses; when granted.** Each application for a license or license
129.2 renewal must be accompanied by a fee in an amount established by the commissioner
129.3 by rule pursuant to section 327B.10. The fees shall be set in an amount which over
129.4 the fiscal biennium will produce revenues approximately equal to the expenses which
129.5 the commissioner expects to incur during that fiscal biennium while administering and
129.6 enforcing sections 327B.01 to 327B.12. ~~All money collected by the commissioner~~
129.7 ~~through fees prescribed in sections 327B.01 to 327B.12 shall be deposited in the state~~
129.8 ~~government special revenue fund and is appropriated to the commissioner for purposes of~~
129.9 ~~administering and enforcing the provisions of this chapter.~~ The commissioner shall grant
129.10 or deny a license application or a renewal application within 60 days of its filing. If the
129.11 license is granted, the commissioner shall license the applicant as a dealer or manufacturer
129.12 for the remainder of the calendar year. Upon application by the licensee, the commissioner
129.13 shall renew the license for a two year period, if:

- 129.14 (a) the renewal application satisfies the requirements of subdivisions 3 and 4;
129.15 (b) the renewal applicant has made all listings, registrations, notices and reports
129.16 required by the commissioner during the preceding year; and
129.17 (c) the renewal applicant has paid all fees owed pursuant to sections 327B.01 to
129.18 327B.12 and all taxes, arrearages, and penalties owed to the state.

129.19 Sec. 6. Minnesota Statutes 2006, section 462A.21, subdivision 8b, is amended to read:

129.20 Subd. 8b. **Family rental housing.** It may establish a family rental housing
129.21 assistance program to provide loans or direct rental subsidies for housing for families
129.22 with incomes of up to 80 percent of state median income, or to provide grants for the
129.23 operating cost of public housing. Priority must be given to those developments with
129.24 resident families with the lowest income. The development may be financed by the
129.25 agency or other public or private lenders. Direct rental subsidies must be administered by
129.26 the agency for the benefit of eligible families. Financial assistance provided under this
129.27 subdivision to recipients of aid to families with dependent children must be in the form
129.28 of vendor payments whenever possible. Loans, grants, and direct rental subsidies under
129.29 this subdivision may be made only with specific appropriations by the legislature. The
129.30 limitations on eligible mortgagors contained in section 462A.03, subdivision 13, do not
129.31 apply to loans for the rehabilitation of existing housing under this subdivision.

129.32 Sec. 7. Minnesota Statutes 2006, section 462A.33, subdivision 3, is amended to read:

129.33 Subd. 3. **Contribution requirement.** Fifty percent of the funds appropriated for
129.34 this section must be used for challenge grants or loans ~~which meet the requirements of this~~

130.1 ~~subdivision~~ for housing proposals with financial or in-kind contributions from nonstate
130.2 resources that reduce the need for deferred loan or grant funds from state resources. These
130.3 Challenge grants or loans must be used for economically viable homeownership or rental
130.4 housing proposals that:

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

130.8 Among comparable proposals, preference must be given to proposals that include
130.9 contributions from nonstate resources for the greatest portion of the total development
130.10 cost. Comparable proposals with contributions from local units of government or private
130.11 philanthropic, religious, or charitable organizations must be given preference in awarding
130.12 grants or loans.

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

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

130.18 Sec. 8. Minnesota Statutes 2006, section 469.021, is amended to read:

130.19 **469.021 PREFERENCES.**

130.20 As between applicants equally in need and eligible for occupancy of a dwelling
130.21 and at the rent involved, preference shall be given to disabled veterans, persons with
130.22 disabilities, and families of service persons who died in service and to families of veterans.
130.23 In admitting families of low income to dwelling accommodations in any housing project an
130.24 authority shall, as far as is reasonably practicable, give consideration to applications from
130.25 families ~~to which aid for dependent children is payable~~ receiving assistance under chapter
130.26 256J, and to resident families to whom public assistance or supplemental security income
130.27 for the aged, blind, and disabled is payable, when those families are otherwise eligible.

130.28 Sec. 9. **WORK GROUP.**

130.29 The commissioner of employment and economic development shall convene a work
130.30 group to evaluate the impact of the money appropriated for wage incentives and how the
130.31 wage incentive program works. The work group is to make recommendations to the
130.32 legislature by January 15, 2008.

130.33 Sec. 10. **EFFECTIVE DATE.**

131.1 Unless another effective date is expressly provided, this act is effective July 1, 2007.

APPENDIX
Article locations in h0122-2

ARTICLE 1	JOBS, ECONOMIC DEVELOPMENT, HOUSING AND MINNESOTA	Page.Ln 2.1
ARTICLE 2	EMPLOYMENT AND DEVELOPMENT-RELATED PROVISIONS	Page.Ln 32.27
ARTICLE 3	LICENSING AND WAGES	Page.Ln 59.30
ARTICLE 4	HIGH PRESSURE PIPING	Page.Ln 95.25
ARTICLE 5	IRON RANGE RESOURCES AND REHABILITATION BOARD ..	Page.Ln 106.15
ARTICLE 6	ELECTRICAL	Page.Ln 108.15
ARTICLE 7	APPRENTICESHIP BOARD	Page.Ln 124.30
ARTICLE 8	MISCELLANEOUS	Page.Ln 127.1

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.

16C.18 REPORTS.

Subd. 2. **Commissioner of employment and economic development.** The commissioner of employment and economic development shall submit an annual report to the governor and the legislature pursuant to section 3.195 with a copy to the commissioner of administration. This report shall include the following information:

- (1) the efforts undertaken to publicize the provisions of the small business and small targeted group business procurement program during the preceding fiscal year;
- (2) the efforts undertaken to identify small businesses and small targeted group businesses and the efforts undertaken to encourage participation in the targeted group purchasing program;
- (3) the efforts undertaken by the commissioner to remedy the inability of small businesses and small targeted group businesses to perform on potential awards; and
- (4) the commissioner's recommendations for strengthening the small business and small targeted group business procurement program and delivery of services to small businesses.

176.042 INDEPENDENT CONTRACTORS.

Subdivision 1. **General rule; independent contractors are employees.** Except as provided in subdivision 2, every independent contractor doing commercial or residential building construction or improvements in the public or private sector is, for the purpose of this chapter, an employee of any employer under this chapter for whom the independent contractor is performing service in the course of the trade, business, profession, or occupation of that employer at the time of the injury.

Subd. 2. **Exception.** An independent contractor, as described in subdivision 1, is not an employee of an employer for whom the independent contractor performs work or services if the independent contractor meets all of the following conditions:

- (1) maintains a separate business with the independent contractor's own office, equipment, materials, and other facilities;
- (2) holds or has applied for a federal employer identification number or has filed business or self-employment income tax returns with the federal Internal Revenue Service based on that work or service in the previous year;
- (3) operates under contracts to perform specific services or work for specific amounts of money and under which the independent contractor controls the means of performing the services or work;
- (4) incurs the main expenses related to the service or work that the independent contractor performs under contract;
- (5) is responsible for the satisfactory completion of work or services that the independent contractor contracts to perform and is liable for a failure to complete the work or service;
- (6) receives compensation for work or service performed under a contract on a commission or per-job or competitive bid basis and not on any other basis;
- (7) may realize a profit or suffer a loss under contracts to perform work or service;
- (8) has continuing or recurring business liabilities or obligations; and
- (9) the success or failure of the independent contractor's business depends on the relationship of business receipts to expenditures.

183.375 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.

183.545 FEES FOR INSPECTION.

APPENDIX
Repealed Minnesota Statutes: h0122-2

Subd. 9. **Deposit of fees.** Fees received under this section must be deposited in the state treasury and credited to the general fund.

268.035 DEFINITIONS.

Subd. 9. **Construction/independent contractor.** A worker doing commercial or residential building construction or improvement, in the public or private sector, performing services in the course of the trade, business, profession, or occupation of the employer, shall be considered an employee and not an "independent contractor" unless the worker meets all the following conditions:

(1) maintains a separate business with the independent contractor's own office, equipment, materials, and other facilities;

(2) holds or has applied for a federal employer identification number or has filed business or self-employment income tax returns with the federal Internal Revenue Service based on that work or service in the previous year;

(3) operates under contracts to perform specific services or work for specific amounts of money under which the independent contractor controls the means of performing the services or work;

(4) incurs the main expenses related to the service or work that the independent contractor performs under contract;

(5) is responsible for the satisfactory completion of work or services that the independent contractor contracts to perform and is liable for a failure to complete the work or service;

(6) receives compensation for work or service performed under a contract on a commission or per job or competitive bid basis and not on any other basis;

(7) may realize a profit or suffer a loss under contracts to perform work or service;

(8) has continuing or recurring business liabilities or obligations; and

(9) the success or failure of the independent contractor's business depends on the relationship of business receipts to expenditures.

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.

APPENDIX
Repealed Minnesota Statutes: h0122-2

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.

326.44 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.

326.52 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.

326.64 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.

326.975 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

APPENDIX

Repealed Minnesota Statutes: h0122-2

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.