

A bill for an act

relating to construction professions; modifying provisions relating to the electrical, plumbing, water conditioning, boiler, and high-pressure piping professions; amending Minnesota Statutes 2006, sections 299F.011, subdivision 3; 326.244, subdivision 1; 327.32, subdivision 1; 327.33, by adding subdivisions; 327A.04, subdivision 2; 327A.07; 327B.06, subdivision 1; Minnesota Statutes 2007 Supplement, sections 16B.64, subdivision 8; 181.723, subdivision 2; 183.60, subdivision 2; 326.01, subdivisions 4b, 5; 326.2415, subdivisions 2, 6; 326.242, subdivisions 2, 3d, 5, 12, by adding subdivisions; 326.244, subdivision 5; 326.37, subdivisions 1a, 4; 326.3705, subdivision 1; 326.40, subdivisions 2, 3, by adding a subdivision; 326.47, subdivision 2; 326.48, subdivisions 1, 2, 2a, 2b, 5; 326.50; 326.505, subdivisions 1, 2, 8; 326.62; 326.84, subdivision 1; 326.86, subdivision 1; 326.87, subdivision 5; 326.93, subdivision 4; 326.94, subdivision 2; 326.97, subdivision 1a; 326B.082, subdivisions 8, 10, 11, 12, 13; 326B.083, subdivision 3; 326B.42, by adding a subdivision; 326B.89, subdivisions 5, 6, 12, 14; 327B.04, subdivision 4; Laws 2007, chapter 140, article 4, section 12; repealing Minnesota Statutes 2006, section 16B.69; Minnesota Statutes 2007 Supplement, sections 326.2411; 326.372; 326.471; Laws 2007, chapter 9, section 1; Laws 2007, chapter 135, article 4, sections 2; 8; article 6, section 3; Laws 2007, chapter 140, article 12, section 9; Minnesota Rules, part 3800.3510.

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

Section 1. Minnesota Statutes 2007 Supplement, section 16B.64, subdivision 8, is amended to read:

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

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Sec. 2. Minnesota Statutes 2007 Supplement, section 181.723, subdivision 2, is amended to read:

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.~~ Building construction and improvement services do not include: (1) the manufacture, supply, or sale of products, materials, or merchandise; (2) landscaping services for the maintenance or removal of existing plants, shrubs, trees, and other vegetation, whether or not the services are provided as part of a contract for the building construction or improvement services; and (3) all other landscaping services, unless the other landscaping services are provided as part of a contract for the building construction or improvement services.

Sec. 3. Minnesota Statutes 2007 Supplement, section 183.60, subdivision 2, is amended to read:

Subd. 2. **Repair violation.** ~~No~~ A person who repairs a boiler or pressure vessel by welding or riveting ~~so as not to~~ must meet the minimum requirements established by the current edition of the National Board of Boiler and Pressure Vessel Inspectors inspection code and the rules of the department.

Sec. 4. Minnesota Statutes 2006, section 299F.011, subdivision 3, is amended to read:

Subd. 3. **Rules for code administration and enforcement.** The commissioner of public safety shall adopt rules as may be necessary to administer and enforce the code, specifically including but not limited to rules for inspection of buildings and other structures covered by the code and conforming the code to the governmental organization of Minnesota state agencies, political subdivisions and local governments.

Sec. 5. Minnesota Statutes 2007 Supplement, section 326.01, subdivision 4b, is amended to read:

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

Sec. 6. Minnesota Statutes 2007 Supplement, section 326.01, subdivision 5, is amended to read:

Subd. 5. **Contractor.** "Contractor" means a person who performs or offers to perform any electrical work, with or without compensation, who is licensed as a contractor by the commissioner. A contractor's license does not of itself qualify its holder to perform or supervise the electrical work authorized by holding any class of electrician's or other personal ~~electrical~~ license. Contractor includes electrical contractors and technology system contractors.

Sec. 7. Minnesota Statutes 2007 Supplement, section 326.2415, subdivision 2, is amended to read:

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

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

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

(3) adopt the Minnesota Electrical Code ~~shall~~, which must be the most current edition of the National Electrical Code ~~upon its adoption by the board~~ and any amendments thereto ~~as adopted by the board~~. The board shall adopt the most current edition of the National Electrical Code and any amendments thereto pursuant to chapter 14 and as provided in subdivision 6, paragraphs (b) and (c);

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

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

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

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

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

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

(10) approve license reciprocity agreements;

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

(12) recommend the fees for licenses and certifications.

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

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

(c) The commissioner shall coordinate the board's rulemaking and recommendations with the recommendations and rulemaking conducted by all of the other boards created pursuant to chapter 326B. The commissioner shall provide staff support to the board. The support includes professional, legal, technical, and clerical staff necessary to perform rulemaking and other duties assigned to the board. The commissioner of labor and industry shall supply necessary office space and supplies to assist the board in its duties.

Sec. 8. Minnesota Statutes 2007 Supplement, section 326.2415, subdivision 6, is amended to read:

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

(b) Each electrical code amendment considered by the board that receives an affirmative two-thirds or more majority vote of all of the voting members of the board shall be included in the next electrical code rulemaking proceeding initiated by the board. If an electrical code amendment considered, or reconsidered, by the board receives less than a two-thirds majority vote of all of the voting members of the board, the electrical

code amendment shall not be included in the next electrical code rulemaking proceeding initiated by the board.

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

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

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

Sec. 9. Minnesota Statutes 2007 Supplement, section 326.242, subdivision 2, is amended to read:

Subd. 2. **Journeyman electrician.** (a) Except as otherwise provided by law, no individual shall perform and supervise any electrical work except for planning or laying out of electrical work unless:

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

(2) the electrical work is:

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

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

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

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

Sec. 10. Minnesota Statutes 2007 Supplement, section 326.242, subdivision 3d, is amended to read:

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

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

(2) the electrical work is:

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

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

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

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

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

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

Sec. 11. Minnesota Statutes 2007 Supplement, section 326.242, is amended by adding a subdivision to read:

Subd. 3e. **Elevator constructor.** (a) An individual licensed as an elevator constructor may install, maintain, and repair electrical wiring, apparatus, and equipment for elevators and escalators while in the employ of an elevator contractor or Class A electrical contractor.

(b) An applicant for an elevator constructor's license shall have at least 36 months' experience, acceptable to the commissioner, in wiring for, installing, and repairing electrical wiring, apparatus, or equipment for elevators and escalators, provided, however, that one year of experience credit for the completion of a two-year post-high school electrical course approved by the commissioner may be allowed.

Sec. 12. Minnesota Statutes 2007 Supplement, section 326.242, is amended by adding a subdivision to read:

Subd. 3f. **Lineman.** (a) An individual licensed as a lineman may install, maintain, and repair transmission and distribution systems that are or will be owned or leased by an electric utility.

(b) An applicant for a lineman's license shall have at least 48 months' experience, acceptable to the commissioner, in wiring for, installing, and repairing electrical wiring, apparatus, or equipment for an electrical utility.

Sec. 13. Minnesota Statutes 2007 Supplement, section 326.242, is amended by adding a subdivision to read:

Subd. 3g. **Maintenance electrician.** (a) An individual licensed as a maintenance electrician may maintain and repair electrical wiring, apparatus, and equipment while in the employ of a contractor, or as a full-time employee of a single employer while engaged

in the maintenance and repair of electrical wiring, apparatus, and equipment owned or leased by the employer and located within the limits of property owned or leased by the employer.

(b) An applicant for a maintenance electrician's license shall have at least 48 months' experience, acceptable to the commissioner, in wiring for, installing, and repairing electrical wiring, apparatus, or equipment, provided, however, that one year of experience credit for the completion of a two-year post-high school electrical course approved by the commissioner may be allowed.

Sec. 14. Minnesota Statutes 2007 Supplement, section 326.242, is amended by adding a subdivision to read:

Subd. 3h. **Master elevator constructor.** (a) An individual licensed as a master elevator constructor may, while licensed as an elevator electrical contractor or while in the employ of an elevator contractor or Class A electrical contractor, plan, lay out, supervise and install, maintain, and repair wiring, apparatus, and equipment for elevators and escalators.

(b) An applicant for a master elevator constructor's license shall have at least 60 months' experience, acceptable to the commissioner, in wiring for, installing, and repairing electrical wiring, apparatus, or equipment for elevators and escalators, provided, however, that one year of experience credit for the completion of a two-year post-high school electrical course approved by the commissioner may be allowed.

Sec. 15. Minnesota Statutes 2007 Supplement, section 326.242, subdivision 5, is amended to read:

Subd. 5. Unlicensed individuals. (a) An unlicensed individual means an individual who has not been licensed by the department to perform specific electrical work. An unlicensed individual shall not perform electrical work required to be performed by a licensed individual unless the individual has first registered with the department as an unlicensed individual. Thereafter, an unlicensed individual shall not perform electrical work required to be performed by a licensed individual unless the work is performed under the direct supervision of an individual actually licensed to perform such work. The licensed individual and unlicensed individual must be employed by the same employer. Licensed individuals shall not permit unlicensed individuals to perform electrical work except under the direct supervision of an individual actually licensed to perform such work. Unlicensed individuals shall not supervise the performance of electrical work or make assignments of electrical work to unlicensed individuals. Except for technology

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~~circuit circuits or system systems~~ work, licensed individuals shall supervise no more than two unlicensed individuals. For technology ~~circuit circuits or system systems~~ work, licensed individuals shall supervise no more than three unlicensed individuals.

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

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

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

Sec. 16. Minnesota Statutes 2007 Supplement, section 326.242, subdivision 12, is amended to read:

Subd. 12. **Exemptions from licensing.** (a) An individual who is a maintenance electrician is not required to hold or obtain a license under sections 326B.31 to 326B.399 if:

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

(2) the individual is supervised by:

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

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

(3) the individual's employer has filed with the commissioner a certificate of responsible person, signed by the responsible master electrician of the contractor, the licensed master electrician, the licensed maintenance electrician, the electrical engineer, or the licensed power limited technician, and stating that the person signing the certificate is

10.1 responsible for ensuring that the maintenance and repair work performed by the employer's
10.2 employees complies with the Minnesota Electrical Act and the rules adopted under that act.

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

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

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

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

10.17 (c) Companies and their employees that plan, lay out, install, alter, or repair class
10.18 2 and class 3 remote control wiring associated with plug or cord and plug connected
10.19 appliances other than security or fire alarm systems installed in a residential dwelling are
10.20 not required to hold a license under sections 326B.31 to 326B.399.

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

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

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

10.33 (i) are used exclusively for the generation, transformation, distribution, transmission,
10.34 or metering of electric current, or the operation of railway signals, or the transmission
10.35 of intelligence and do not have as a principal function the consumption or use of electric

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11.1 current or provided service by or for the benefit of any person other than such utility, cable
11.2 communications company, or telephone company, and

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

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

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

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

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

11.15 Sec. 17. Minnesota Statutes 2006, section 326.244, subdivision 1, is amended to read:

11.16 Subdivision 1. **Required inspection.** Except where any political subdivision has by
11.17 ordinance provided for electrical inspection similar to that herein provided, every new
11.18 electrical installation in any construction, remodeling, replacement, or repair, except
11.19 minor repair work as the same is defined ~~by the board~~ by rule, shall be inspected by the
11.20 ~~board~~ commissioner for compliance with accepted standards of construction for safety
11.21 to life and property.

11.22 Sec. 18. Minnesota Statutes 2007 Supplement, section 326.244, subdivision 5, is
11.23 amended to read:

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

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

11.29 (2) when owned or leased, and operated and maintained by any electrical,
11.30 communications, or railway utility, cable communications company as defined in section
11.31 238.02, or telephone company as defined under section 237.01, in the exercise of its
11.32 utility, antenna, or telephone function; and

11.33 (i) are used exclusively for the generations, transformation, distribution,
11.34 transmission, or metering of electric current, or the operation of railway signals, or the

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12.1 transmission of intelligence, and do not have as a principal function the consumption or
12.2 use of electric current by or for the benefit of any person other than such utility, cable
12.3 communications company, or telephone company; and

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

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

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

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

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

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

12.24 Sec. 19. Minnesota Statutes 2007 Supplement, section 326.37, subdivision 1a, is
12.25 amended to read:

12.26 Subd. 1a. **Agreements with municipalities.** The commissioner may enter into an
12.27 agreement with a municipality, in which the municipality agrees to perform plan and
12.28 specification reviews required to be performed by the commissioner under Minnesota
12.29 Rules, part 4715.3130, if:

12.30 (a) the municipality has adopted:

12.31 (1) the plumbing code;

12.32 (2) an ordinance that requires plumbing plans and specifications to be submitted to,
12.33 reviewed, and approved by the municipality, except as provided in paragraph ~~(h)~~ (n);

12.34 (3) an ordinance that authorizes the municipality to perform inspections required by
12.35 the plumbing code; and

13.1 (4) an ordinance that authorizes the municipality to enforce the plumbing code in its
13.2 entirety, except as provided in paragraph (p);

13.3 (b) the municipality agrees to review plumbing plans and specifications for all
13.4 construction for which the plumbing code requires the review of plumbing plans and
13.5 specifications, except as provided in paragraph (n);

13.6 (c) the municipality agrees that, when it reviews plumbing plans and specifications
13.7 under paragraph (b), the review will:

13.8 (1) reflect the degree to which the plans and specifications affect the public health
13.9 and conform to the provisions of the plumbing code;

13.10 (2) ensure that there is no physical connection between water supply systems that
13.11 are safe for domestic use and those that are unsafe for domestic use; and

13.12 (3) ensure that there is no apparatus through which unsafe water may be discharged
13.13 or drawn into a safe water supply system;

13.14 (d) the municipality agrees to perform all inspections required by the plumbing
13.15 code in connection with projects for which the municipality reviews plumbing plans and
13.16 specifications under paragraph (b);

13.17 (e) the commissioner determines that the individuals who will conduct the
13.18 inspections and the plumbing plan and specification reviews for the municipality do not
13.19 have any conflict of interest in conducting the inspections and the plan and specification
13.20 reviews;

13.21 (f) individuals who will conduct the plumbing plan and specification reviews for
13.22 the municipality are:

13.23 (1) licensed master plumbers;

13.24 (2) licensed professional engineers; or

13.25 (3) individuals who are working under the supervision of a licensed professional
13.26 engineer or licensed master plumber and who are licensed master or journeyman plumbers
13.27 or hold a postsecondary degree in engineering;

13.28 (g) individuals who will conduct the plumbing plan and specification reviews for
13.29 the municipality have passed a competency assessment required by the commissioner to
13.30 assess the individual's competency at reviewing plumbing plans and specifications;

13.31 (h) individuals who will conduct the plumbing inspections for the municipality
13.32 are licensed master or journeyman plumbers, or inspectors meeting the competency
13.33 requirements established in rules adopted under section 16B.655;

13.34 (i) the municipality agrees to enforce in its entirety the plumbing code on all
13.35 projects, except as provided in paragraph (p);

14.1 (j) the municipality agrees to keep official records of all documents received,
14.2 including plans, specifications, surveys, and plot plans, and of all plan reviews, permits
14.3 and certificates issued, reports of inspections, and notices issued in connection with
14.4 plumbing inspections and the review of plumbing plans and specifications;

14.5 (k) the municipality agrees to maintain the records described in paragraph (j) in the
14.6 official records of the municipality for the period required for the retention of public
14.7 records under section 138.17, and shall make these records readily available for review at
14.8 the request of the commissioner;

14.9 (l) the municipality and the commissioner agree that if at any time during the
14.10 agreement the municipality does not have in effect the plumbing code or any of ordinances
14.11 described in ~~item~~ paragraph (a), or if the commissioner determines that the municipality
14.12 is not properly administering and enforcing the plumbing code or is otherwise not
14.13 complying with the agreement:

14.14 (1) the commissioner may, effective 14 days after the municipality's receipt of
14.15 written notice, terminate the agreement;

14.16 (2) the municipality may challenge the termination in a contested case before the
14.17 commissioner pursuant to the Administrative Procedure Act; and

14.18 (3) while any challenge is pending under ~~item~~ clause (2), the commissioner shall
14.19 perform plan and specification reviews within the municipality under Minnesota Rules,
14.20 part 4715.3130;

14.21 (m) the municipality and the commissioner agree that the municipality may terminate
14.22 the agreement with or without cause on 90 days' written notice to the commissioner;

14.23 (n) the municipality and the commissioner agree that the municipality shall forward
14.24 to the state for review all plumbing plans and specifications for the following types of
14.25 projects within the municipality:

14.26 (1) hospitals, nursing homes, supervised living facilities, and similar
14.27 health-care-related facilities regulated by the Minnesota Department of Health;

14.28 (2) buildings owned by the federal or state government; and

14.29 (3) projects of a special nature for which department review is requested by either
14.30 the municipality or the state;

14.31 (o) where the municipality forwards to the state for review plumbing plans and
14.32 specifications, as provided in paragraph (n), the municipality shall not collect any fee for
14.33 plan review, and the commissioner shall collect all applicable fees for plan review; and

14.34 (p) no municipality shall revoke, suspend, or place restrictions on any plumbing
14.35 license issued by the state.

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15.1 Sec. 20. Minnesota Statutes 2007 Supplement, section 326.37, subdivision 4, is
15.2 amended to read:

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

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

15.8 Sec. 21. Minnesota Statutes 2007 Supplement, section 326.3705, subdivision 1,
15.9 is amended to read:

15.10 Subdivision 1. **Composition.** (a) The Plumbing Board shall consist of 14 members.
15.11 Twelve members shall be appointed by the governor with the advice and consent of the
15.12 senate and shall be voting members. Appointments of members by the governor shall be
15.13 made in accordance with section 15.066. If the senate votes to refuse to consent to an
15.14 appointment of a member made by the governor, the governor shall appoint a new member
15.15 with the advice and consent of the senate. One member shall be the commissioner of
15.16 labor and industry or the commissioner of labor and industry's designee, who shall be a
15.17 voting member. One member shall be the commissioner of health or the commissioner of
15.18 health's designee, who shall not be a voting member. Of the 12 appointed members, the
15.19 composition shall be as follows:

15.20 (1) two members shall be municipal plumbing inspectors, one from the metropolitan
15.21 area and one from greater Minnesota;

15.22 (2) one member shall be a licensed professional engineer specializing in plumbing
15.23 designs or systems;

15.24 (3) two members shall be commercial/industrial plumbing contractors, one from the
15.25 metropolitan area and one from greater Minnesota;

15.26 (4) one member shall be a residential plumbing contractor;

15.27 (5) two members shall be commercial/industrial journeymen, one from the
15.28 metropolitan area and one from greater Minnesota;

15.29 (6) one member shall be a residential plumbing journeyman;

15.30 (7) one member shall be a water conditioning contractor;

15.31 (8) one member shall be a municipal public water supply system operator or
15.32 superintendent; and

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

15.34 One of the municipal plumbing inspectors shall be appointed for an initial term to end on
15.35 December 31, 2010. The other municipal plumbing inspector shall be appointed for an

initial term to end on December 31, 2011. The professional engineer shall be appointed for an initial term to end on December 31, 2011. One of the commercial/industrial plumbing contractors shall be appointed for an initial term to end on December 31, 2010. The other commercial/industrial plumbing contractor shall be appointed for an initial term to end on December 31, 2011. The residential plumbing contractor shall be appointed for an initial term to end on December 31, 2010. One of the commercial/industrial plumbing journeymen shall be appointed for an initial term to end on December 31, 2011. The other commercial/industrial plumbing journeyman shall be appointed for an initial term to end on December 31, 2010. The residential plumbing journeyman shall be appointed for an initial term to end on December 31, 2011. The water conditioning contractor shall be appointed for an initial term to end on December 31, 2011. The municipal public water supply system operator or superintendent shall be appointed for an initial term to end on December 31, 2010. The public member shall be appointed for a term to end December 31, 2010.

(b) The licensed professional engineer must possess a current Minnesota professional engineering license and maintain the license for the duration of their term. All other appointed members, except for the water conditioning contractor, the public member, and the municipal public water supply system operator or superintendent, must possess a current plumbing license issued by the Department of Labor and Industry and maintain that license for the duration of their term. The water conditioning contractor must be licensed as a water conditioning contractor by the Department of Labor and Industry and maintain the license for the duration of the term on the board. All appointed members must be residents of Minnesota at the time of and throughout the member's appointment. The term of any appointed member that does not maintain membership qualification status shall end on the date of the status change and the governor shall appoint a new member. It is the responsibility of the member to notify the board of the member's status change.

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

17.1 Sec. 22. Minnesota Statutes 2007 Supplement, section 326.40, subdivision 2, is
17.2 amended to read:

17.3 Subd. 2. **Bond; insurance.** Any person contracting to do plumbing work must give
17.4 bond to the state in the amount of \$25,000 for all work entered into within the state. The
17.5 bond shall be for the benefit of persons injured or suffering financial loss by reason of
17.6 failure to comply with the requirements of the State Plumbing Code. The bond shall
17.7 be filed with the commissioner and shall be written by a corporate surety licensed to
17.8 do business in the state.

17.9 In addition, each applicant for a master plumber license or restricted master plumber
17.10 license, or renewal thereof, shall provide evidence of public liability insurance, including
17.11 products liability insurance with limits of at least \$50,000 per person and \$100,000 per
17.12 occurrence and property damage insurance with limits of at least \$10,000. The insurance
17.13 shall be written by an insurer licensed to do business in the state of Minnesota and
17.14 each licensed master plumber shall maintain on file with the commissioner a certificate
17.15 evidencing the insurance providing that the insurance shall not be canceled without the
17.16 insurer first giving 15 days written notice to the commissioner. The term of the insurance
17.17 shall be concurrent with the term of the license.

17.18 Sec. 23. Minnesota Statutes 2007 Supplement, section 326.40, subdivision 3, is
17.19 amended to read:

17.20 Subd. 3. **Bond and insurance exemption.** If a master plumber or restricted master
17.21 plumber who is in compliance with the bond and insurance requirements of subdivision 2,
17.22 employs ~~another master~~ a licensed plumber, the employee ~~master~~ plumber shall not be
17.23 required to meet the bond and insurance requirements of subdivision 2. ~~A master plumber~~
17.24 An individual who is an employee working on the maintenance and repair of plumbing
17.25 equipment, apparatus, or facilities owned or leased by ~~their~~ the individual's employer and
17.26 which is within the limits of property owned or leased, and operated or maintained by
17.27 ~~their~~ the individual's employer, shall not be required to meet the bond and insurance
17.28 requirements of subdivision 2.

17.29 Sec. 24. Minnesota Statutes 2007 Supplement, section 326.40, is amended by adding a
17.30 subdivision to read:

17.31 Subd. 6. **Exterior connections.** Persons licensed as manufactured home installers
17.32 under chapter 327B are not required to be licensed under sections 326B.42 to 326B.49
17.33 when connecting the exterior building drain sewer outlets to the above ground building
17.34 sewer system and when connecting the exterior water line to the above ground water

18.1 system to the manufactured home as described in National Manufactured Housing
18.2 Construction and Safety Standards Act of 1974, United States Code, title 42, section 5401
18.3 et seq. No additional licensure, bond, or insurance related to the scope of work permitted
18.4 under this subdivision may be required of a licensed manufactured home installer by
18.5 any unit of government.

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

18.7 Sec. 25. Minnesota Statutes 2007 Supplement, section 326.47, subdivision 2, is
18.8 amended to read:

18.9 Subd. 2. **Permissive municipal regulation.** The commissioner may enter into an
18.10 agreement with a municipality, in which the municipality agrees to perform inspections
18.11 and issue permits for the construction and installation of high pressure piping systems
18.12 within the municipality's geographical area of jurisdiction, if:

18.13 (a) The municipality has adopted:

18.14 (1) the code for power piping systems, Minnesota Rules, parts 5230.0250 to
18.15 5230.6200;

18.16 (2) an ordinance that authorizes the municipality to issue permits to persons holding
18.17 a high pressure piping business license issued by the department and only for construction
18.18 or installation that would, if performed properly, fully comply with all Minnesota Statutes
18.19 and Minnesota Rules;

18.20 (3) an ordinance that authorizes the municipality to perform the inspections that are
18.21 required under Minnesota Statutes or Minnesota Rules ~~of governing~~ governing the construction and
18.22 installation of high pressure piping systems; and

18.23 (4) an ordinance that authorizes the municipality to enforce the code for power
18.24 piping systems in its entirety.

18.25 (b) The municipality agrees to issue permits only to persons holding a high pressure
18.26 piping business license as required by law at the time of the permit issuance, and only for
18.27 construction or installation that would, if performed properly, comply with all Minnesota
18.28 Statutes and Minnesota Rules governing the construction or installation of high pressure
18.29 piping systems.

18.30 (c) The municipality agrees to issue permits only on forms approved by the
18.31 department.

18.32 (d) The municipality agrees that, for each permit issued by the municipality, the
18.33 municipality shall perform one or more inspections of the construction or installation to
18.34 determine whether the construction or installation complies with all Minnesota Statutes

19.1 and Minnesota Rules governing the construction or installation of high pressure piping
19.2 systems, and shall prepare a written report of each inspection.

19.3 (e) The municipality agrees to notify the commissioner within 24 hours after the
19.4 municipality discovers any violation of the licensing laws related to high pressure piping.

19.5 (f) The municipality agrees to notify the commissioner immediately if the
19.6 municipality discovers that any entity has failed to meet a deadline set by the municipality
19.7 for correction of a violation of the high pressure piping laws.

19.8 (g) The commissioner determines that the individuals who will conduct the
19.9 inspections for the municipality do not have any conflict of interest in conducting the
19.10 inspections.

19.11 (h) Individuals who will conduct the inspections for the municipality are permanent
19.12 employees of the municipality and are licensed contracting high pressure pipefitters or
19.13 licensed journeyman high pressure pipefitters.

19.14 (i) The municipality agrees to notify the commissioner within ten days of any
19.15 changes in the names or qualifications of the individuals who conduct the inspections
19.16 for the municipality.

19.17 (j) The municipality agrees to enforce in its entirety the code for power piping
19.18 systems on all projects.

19.19 (k) The municipality shall not approve any piping installation unless the installation
19.20 conforms to all applicable provisions of the high pressure piping laws in effect at the
19.21 time of the installation.

19.22 (l) The municipality agrees to promptly require compliance or revoke a permit that
19.23 it has issued if there is noncompliance with any of the applicable provisions of the high
19.24 pressure piping laws in connection with the work covered by the permit. The municipality
19.25 agrees to revoke the permit if any laws regulating the licensing of pipefitters have been
19.26 violated.

19.27 (m) The municipality agrees to keep official records of all documents received,
19.28 including permit applications, and of all permits issued, reports of inspections, and notices
19.29 issued in connection with inspections.

19.30 (n) The municipality agrees to maintain the records described in paragraph (m) in
19.31 the official records of the municipality for the period required for the retention of public
19.32 records under section 138.17, and shall make these records readily available for review
19.33 according to section 13.37.

19.34 (o) Not later than the tenth day of each month, the municipality shall submit to the
19.35 commissioner a report of all high pressure piping permits issued by the municipality during

20.1 the preceding month. This report shall be in a format approved by the commissioner
20.2 and shall include:

- 20.3 (1) the name of the contractor;
- 20.4 (2) the license number of the contractor's license issued by the commissioner;
- 20.5 (3) the permit number;
- 20.6 (4) the address of the job;
- 20.7 (5) the date the permit was issued;
- 20.8 (6) a brief description of the work; and
- 20.9 (7) the amount of the inspection fee.

20.10 (p) Not later than the 31st day of January of each year, the municipality shall submit
20.11 a summary report to the commissioner identifying the status of each high pressure piping
20.12 project for which the municipality issued a permit during the preceding year, and the
20.13 status of high pressure piping projects for which the municipality issued a permit during a
20.14 prior year where no final inspection had occurred by the first day of the preceding year.

20.15 This summary report shall include:

- 20.16 (1) the permit number;
- 20.17 (2) the date of any final inspection; and
- 20.18 (3) identification of any violation of high pressure piping laws related to work
20.19 covered by the permit.

20.20 (q) The municipality and the commissioner agree that if at any time during the
20.21 agreement the municipality does not have in effect the code for high pressure piping
20.22 systems or any of the ordinances described in paragraph (a), or if the commissioner
20.23 determines that the municipality is not properly administering and enforcing the code for
20.24 high pressure piping or is otherwise not complying with the agreement:

- 20.25 (1) the commissioner may, effective 14 days after the municipality's receipt of
20.26 written notice, terminate the agreement and have the administration and enforcement of
20.27 the high pressure piping code in the involved municipality undertaken by the department;

- 20.28 (2) the municipality may challenge the termination in a contested case before the
20.29 commissioner pursuant to the Administrative Procedure Act; and

- 20.30 (3) while any challenge under clause (2) is pending, the commissioner may exercise
20.31 oversight of the municipality to the extent needed to ensure that high pressure piping
20.32 inspections are performed and permits are issued in accordance with the high pressure
20.33 piping laws.

20.34 (r) The municipality and the commissioner agree that the municipality may terminate
20.35 the agreement with or without cause on 90 days' written notice to the commissioner.

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21.1 (s) The municipality and the commissioner agree that no municipality shall
21.2 revoke, suspend, or place restrictions on any high pressure piping license issued by the
21.3 commissioner. If the municipality identifies during an inspection any violation that
21.4 may warrant revocation, suspension, or placement of restrictions on a high pressure
21.5 piping license issued by the commissioner, the municipality shall promptly notify the
21.6 commissioner of the violation and the commissioner shall determine whether revocation,
21.7 suspension, or placement of restrictions on any high pressure piping license issued by
21.8 the commissioner is appropriate.

21.9 Sec. 26. Minnesota Statutes 2007 Supplement, section 326.48, subdivision 1, is
21.10 amended to read:

21.11 Subdivision 1. **License required; rules; time credit.** No individual shall engage in
21.12 or work at the business of a contracting high pressure pipefitter unless issued ~~an individual~~
21.13 a contracting high pressure pipefitter license to do so by the department under rules
21.14 adopted by the board. No license shall be required for repairs on existing installations. No
21.15 individual shall engage in or work at the business of journeyman high pressure pipefitter
21.16 unless issued ~~an individual~~ a journeyman high pressure pipefitter competency license to do
21.17 so by the department under rules adopted by the board. ~~A person~~ An individual possessing
21.18 ~~an individual~~ a contracting high pressure pipefitter competency license may also work
21.19 as a journeyman high pressure pipefitter.

21.20 No person shall construct or install high pressure piping, nor install high pressure
21.21 piping in connection with the dealing in and selling of high pressure pipe material and
21.22 supplies, unless, at all times, an individual possessing a contracting high pressure pipefitter
21.23 ~~individual~~ competency license or a journeyman high pressure pipefitter ~~individual~~
21.24 competency license is responsible for ensuring that the high pressure pipefitting work is in
21.25 conformity with Minnesota Statutes and Minnesota Rules.

21.26 The board shall prescribe rules, not inconsistent herewith, for the examination and
21.27 ~~individual~~ competency licensing of contracting high pressure pipefitters and journeyman
21.28 high pressure pipefitters and for issuance of permits by the department and municipalities
21.29 for the installation of high pressure piping.

21.30 An employee performing the duties of inspector for the department in regulating
21.31 pipefitting shall not receive time credit for the inspection duties when making an
21.32 application for a license required by this section.

21.33 Sec. 27. Minnesota Statutes 2007 Supplement, section 326.48, subdivision 2, is
21.34 amended to read:

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

22.4 A person must have at all times as a full-time employee at least one individual
22.5 holding ~~an individual~~ a contracting high pressure pipefitter competency license. Only
22.6 full-time employees who hold ~~individual~~ contracting high pressure pipefitter licenses
22.7 are authorized to obtain high pressure piping permits in the name of the business. The
22.8 ~~individual~~ contracting high pressure pipefitter competency license holder can be the
22.9 employee of only one high pressure piping business at a time.

22.10 To retain its business license without reapplication, a person holding a high pressure
22.11 piping business license that ceases to employ an individual holding ~~an individual~~ a
22.12 contracting high pressure pipefitter competency license shall have 60 days from the last
22.13 day of employment of its previous ~~individual~~ contracting pipefitter competency license
22.14 holder to employ another license holder. The department must be notified no later than
22.15 five days after the last day of employment of the previous license holder.

22.16 No high pressure pipefitting work may be performed during any period when the
22.17 high pressure pipefitting business does not have ~~an individual~~ a contracting high pressure
22.18 pipefitter competency license holder on staff. If a license holder is not employed within
22.19 60 days after the last day of employment of the previous license holder, the pipefitting
22.20 business license shall lapse.

22.21 The board shall prescribe by rule procedures for application for and issuance of
22.22 business licenses.

22.23 Sec. 28. Minnesota Statutes 2007 Supplement, section 326.48, subdivision 2a, is
22.24 amended to read:

22.25 Subd. 2a. **Registration requirement.** All unlicensed individuals, other than
22.26 pipefitter apprentices, must be registered under subdivision 2b. No licensed high pressure
22.27 piping business shall employ an unlicensed individual to assist in the practical construction
22.28 and installation of high pressure piping and appurtenances unless the unlicensed individual
22.29 is registered with the department. A pipefitter apprentice or registered unlicensed
22.30 individual employed by a high pressure piping business may assist in the practical
22.31 construction and installation of high pressure piping and appurtenances only while under
22.32 direct supervision of a licensed ~~individual~~ contracting high pressure pipefitter or licensed
22.33 journeyman high pressure pipefitter employed by the same high pressure piping business.
22.34 The licensed ~~individual~~ contracting high pressure pipefitter or licensed journeyman high
22.35 pressure pipefitter shall supervise no more than two pipefitter apprentices or registered

unlicensed individuals. The licensed ~~individual~~ contracting high pressure pipefitter or journeyman high pressure pipefitter is responsible for ensuring that all high pressure piping work performed by the pipefitter apprentice or registered unlicensed individual complies with Minnesota Statutes and Minnesota Rules.

The board shall make recommendations by October 1, 2008, to the chairs of the standing committees of the senate and house of representatives having jurisdiction over high pressure piping regulation on the ratio of licensed ~~individual~~ contracting high pressure pipefitters or licensed journeyman high pressure pipefitters to pipefitter apprentices or registered unlicensed individuals for purposes of supervision.

Sec. 29. Minnesota Statutes 2007 Supplement, section 326.48, subdivision 2b, is amended to read:

Subd. 2b. **Registration with commissioner.** An unlicensed individual may register to assist in the practical construction and installation of high pressure piping and appurtenances while in the employ of a licensed high pressure piping business by completing and submitting to the commissioner a registration form provided by the commissioner. The board of ~~High Pressure Piping Systems~~ may prescribe rules, not inconsistent with this section, for the registration of unlicensed individuals.

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

Sec. 30. Minnesota Statutes 2007 Supplement, section 326.48, subdivision 5, is amended to read:

Subd. 5. **License fee.** The department shall charge the following license fees:

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

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

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

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

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

24.1 (f) application to inactivate a contracting high pressure ~~pipng~~ pipefitter competency
24.2 license or inactivate a journeyman high pressure ~~pipng~~ pipefitter competency license,
24.3 \$40; and

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

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

24.10 Payment must accompany the application for a license or renewal of a license. There
24.11 shall be no refund of fees paid.

24.12 Sec. 31. Minnesota Statutes 2007 Supplement, section 326.50, is amended to read:

24.13 **326.50 LICENSE APPLICATION AND RENEWAL.**

24.14 Application for ~~an individual~~ a contracting high pressure pipefitter competency or ~~an~~
24.15 ~~individual~~ a journeyman high pressure pipefitter competency license shall be made to the
24.16 department, with fees. The applicant shall be licensed only after passing an examination
24.17 developed and administered by the department in accordance with rules adopted by the
24.18 board. A competency license issued by the department shall expire on December 31 of
24.19 each year. A renewal application must be received by the department within one year
24.20 after expiration of the competency license. A license that has been expired for more
24.21 than one year cannot be renewed, and can only be reissued if the applicant submits a
24.22 new application for the competency license, pays a new application fee, and retakes and
24.23 passes the applicable license examination.

24.24 Sec. 32. Minnesota Statutes 2007 Supplement, section 326.505, subdivision 1, is
24.25 amended to read:

24.26 Subdivision 1. **Composition.** (a) The Board of High Pressure Piping Systems
24.27 shall consist of 13 members. Twelve members shall be appointed by the governor with
24.28 the advice and consent of the senate and shall be voting members. Appointments of
24.29 members by the governor shall be made in accordance with section 15.066. If the senate
24.30 votes to refuse to consent to an appointment of a member made by the governor, the
24.31 governor shall appoint a new member with the advice and consent of the senate. One
24.32 member shall be the commissioner of labor and industry or the commissioner of labor and
24.33 industry's designee, who shall be a voting member. Of the 12 appointed members, the
24.34 composition shall be as follows:

- 25.1 (1) one member shall be a high pressure piping inspector;
- 25.2 (2) one member shall be a licensed mechanical engineer;
- 25.3 (3) one member shall be a representative of the high pressure piping industry;
- 25.4 (4) four members shall be contracting high pressure piping contractors pipefitters
- 25.5 engaged in the ~~scope~~ business of high pressure piping, two from the metropolitan area
- 25.6 and two from greater Minnesota;
- 25.7 (5) two members shall be journeyman high pressure piping journeymen pipefitters
- 25.8 engaged in the ~~scope~~ business of high pressure piping systems installation, one from the
- 25.9 metropolitan area and one from greater Minnesota;
- 25.10 (6) one member shall be a representative of industrial companies that use high
- 25.11 pressure piping systems in their industrial process;
- 25.12 (7) one member shall be a representative from utility companies in Minnesota; and
- 25.13 (8) one member shall be a public member as defined by section 214.02.

25.14 The high pressure piping inspector shall be appointed for a term to end December

25.15 31, 2011. The professional mechanical engineer shall be appointed for a term to end

25.16 December 31, 2010. The representative of the high pressure piping industry shall be

25.17 appointed for a term to end December 31, 2011. Two of the contracting high pressure

25.18 piping contractors pipefitters shall be appointed for a term to end December 31, 2011. The

25.19 other two contracting high pressure piping contractors pipefitters shall be appointed for a

25.20 term to end December 31, 2010. One of the journeyman high pressure piping journeymen

25.21 pipefitters shall be appointed for a term to end December 31, 2011. The other journeyman

25.22 high pressure piping journeyman pipefitter shall be appointed for a term to end December

25.23 31, 2010. The one representative of industrial companies that use high pressure piping

25.24 systems in their industrial process shall be appointed for a term to end December 31,

25.25 2010. The one representative of a utility company in Minnesota shall be appointed for

25.26 a term to end December 31, 2010. The public member shall be appointed for a term to

25.27 end December 31, 2010.

25.28 (b) The licensed professional mechanical engineer must possess a current Minnesota

25.29 professional engineering license and maintain the license for the duration of their term.

25.30 All other appointed members, except for the representative of the piping industry, the

25.31 representative of industrial companies that use high pressure piping systems, the public

25.32 member, and the representative of public utility companies in Minnesota, must possess

25.33 a current high pressure piping license issued by the Department of Labor and Industry

25.34 and maintain that license for the duration of their term. All appointed members must be

25.35 residents of Minnesota at the time of and throughout the member's appointment. The term

25.36 of any appointed member that does not maintain membership qualification status shall

end on the date of status change and the governor shall appoint a new member. It is the responsibility of the member to notify the board of the member's status change.

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

Sec. 33. Minnesota Statutes 2007 Supplement, section 326.505, subdivision 2, is amended to read:

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

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

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

(3) adopt the high pressure piping code that must be followed in this state and any high pressure piping code amendments thereto. The board shall adopt the high pressure piping code and any amendments thereto pursuant to chapter 14, and as provided in subdivision 6, paragraphs (b), (c), and (d);

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

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

(6) advise the commissioner regarding educational requirements for high pressure piping inspectors;

(7) refer complaints or other communications to the commissioner, whether oral or written, as provided in subdivision ~~7~~ 8 that ~~alleges~~ allege or ~~implies~~ imply a violation of

a statute, rule, or order that the commissioner has the authority to enforce pertaining to code compliance, licensure, or an offering to perform or performance of unlicensed high pressure piping services;

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

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

(10) recommend the fees for licenses and ~~certifications~~ registrations; and

(11) approve license reciprocity agreements.

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

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

(c) The commissioner shall coordinate the board's rulemaking and recommendations with the recommendations and rulemaking conducted by the other boards created pursuant to chapter 326B. The commissioner shall provide staff support to the board. The support includes professional, legal, technical, and clerical staff necessary to perform rulemaking and other duties assigned to the board. The commissioner of labor and industry shall supply necessary office space and supplies to assist the board in its duties.

Sec. 34. Minnesota Statutes 2007 Supplement, section 326.505, subdivision 8, is amended to read:

Subd. 8. Complaints. (a) The board shall promptly forward to the commissioner the substance of any complaint or communication it receives, whether written or oral, that alleges or implies a violation of a statute, rule, or order that the commissioner has the authority to enforce pertaining to the license or registration of any person authorized by the department to provide high pressure piping services, the performance or offering to perform high pressure piping services requiring licensure by an unlicensed person, or high pressure piping code compliance. Each complaint or communication that is forwarded to the commissioner shall be submitted on a form provided by the commissioner.

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

28.1 after the board's written submission is received. The commissioner shall annually report to
28.2 the board a summary of the actions taken in response to complaints referred by the board.

28.3 Sec. 35. Minnesota Statutes 2007 Supplement, section 326.62, is amended to read:

28.4 **326.62 FEES.**

28.5 ~~Unless examination fees have been set by a contract under section 326B.05,~~
28.6 Examination fees for both water conditioning contractors and water conditioning installers
28.7 shall be \$50 for each examination. Each water conditioning contractor and installer
28.8 license shall expire on December 31 of the year for which it was issued. The license
28.9 fee for each initial water conditioning contractor's license shall be \$70, except that the
28.10 license fee shall be \$35 if the application is submitted during the last three months of the
28.11 calendar year. The license fee for each renewal water conditioning contractor's license
28.12 shall be \$70. The license fee for each initial water conditioning installer license shall be
28.13 \$35, except that the license fee shall be \$17.50 if the application is submitted during the
28.14 last three months of the calendar year. The license fee for each renewal water conditioning
28.15 installer license shall be \$35. The commissioner may by rule prescribe for the expiration
28.16 and renewal of licenses. Any licensee who does not renew a license within two years after
28.17 the license expires is no longer eligible for renewal. Such an individual must retake and
28.18 pass the examination before a new license will be issued. A water conditioning contractor
28.19 or water conditioning installer who submits a license renewal application after the time
28.20 specified in rule but within two years after the license expired must pay all past due
28.21 renewal fees plus a late fee of \$25.

28.22 Sec. 36. Minnesota Statutes 2007 Supplement, section 326.84, subdivision 1, is
28.23 amended to read:

28.24 Subdivision 1. **Persons required to be licensed.** A person who meets the definition
28.25 of a residential building contractor as defined in section 326.83, subdivision 15, must be
28.26 licensed as a residential building contractor by the commissioner. A person who meets the
28.27 definition of a residential remodeler as defined in section 326.83, subdivision 16, must be
28.28 licensed by the commissioner as a residential remodeler or residential building contractor.
28.29 A person who meets the definition of a residential roofer as defined in section 326.83,
28.30 subdivision 18, must be licensed by the commissioner as a residential roofer, residential
28.31 building contractor, or residential remodeler. A person who meets the definition of a
28.32 manufactured home installer as defined in section 327.31, subdivision ~~6~~ 11, must be
28.33 licensed as a manufactured home installer by the commissioner.

29.1 Sec. 37. Minnesota Statutes 2007 Supplement, section 326.86, subdivision 1, is
29.2 amended to read:

29.3 Subdivision 1. **Licensing fee.** The licensing fee for persons licensed pursuant to
29.4 sections 326.83 to 326.98, except for manufactured home installers, is \$100 per year.
29.5 The licensing fee for manufactured home installers under section 326.841 is \$300 for a
29.6 three-year period.

29.7 Sec. 38. Minnesota Statutes 2007 Supplement, section 326.87, subdivision 5, is
29.8 amended to read:

29.9 Subd. 5. **Content.** (a) Continuing education consists of approved courses that
29.10 impart appropriate and related knowledge in the regulated industries pursuant to sections
29.11 326.83 to 326.98. Courses may include relevant materials that are included in licensing
29.12 exams subject to the limitations imposed in paragraph (e). The burden of demonstrating
29.13 that courses impart appropriate and related knowledge is upon the person seeking approval
29.14 or credit.

29.15 (b) Course examinations will not be required for continuing education courses
29.16 unless they are required by the sponsor.

29.17 (c) Textbooks are not required to be used for continuing education courses. If
29.18 textbooks are not used, the coordinator must provide students with a syllabus containing,
29.19 at a minimum, the course title, the times and dates of the course offering, the names and
29.20 addresses or telephone numbers of the course coordinator and instructor, and a detailed
29.21 outline of the subject materials to be covered. Any written or printed material given to
29.22 students must be of readable quality and contain accurate and current information.

29.23 (d) Upon completion of an approved course, licensees shall earn one hour of
29.24 continuing education credit for each hour approved by the commissioner. Each continuing
29.25 education course must be attended in its entirety in order to receive credit for the number
29.26 of approved hours. Courses may be approved for full or partial credit, and for more than
29.27 one regulated industry.

29.28 Continuing education credit in an approved course shall be awarded to presenting
29.29 instructors on the basis of one credit for each hour of preparation for the initial presentation,
29.30 which may not exceed three hours total credit for each approved course. Continuing
29.31 education credit may not be earned if the licensee has previously obtained credit for the
29.32 same course as a licensee or as an instructor within the three years immediately prior.

29.33 (e) The following courses will not be approved for credit:

29.34 (1) courses designed solely to prepare students for a license examination;

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(2) courses in mechanical office or business skills, including typing, speed reading, or other machines or equipment. Computer courses are allowed, if appropriate and related to the regulated industry of the licensee;

(3) courses in sales promotion, including meetings held in conjunction with the general business of the licensee;

(4) courses in motivation, salesmanship, psychology, time management, or communication; or

(5) courses that are primarily intended to impart knowledge of specific products of specific companies, if the use of the product or products relates to the sales promotion or marketing of one or more of the products discussed.

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

Sec. 39. Minnesota Statutes 2007 Supplement, section 326.93, subdivision 4, is amended to read:

Subd. 4. **Service on commissioner.** (a) When a person, including any nonresident of this state, engages in conduct prohibited or made actionable by sections 326.83 to 326.98, or any rule or order under those sections, and the person has not consented to service of process under subdivision 3, that conduct is equivalent to an appointment of the commissioner and successors in office as the person's agent to receive service of process in any noncriminal suit, action, or proceeding against the person that is based on that conduct and is brought under sections 326.83 to 326.98, or any rule or order under those sections, with the same force and validity as if served personally on the person consenting to the appointment of the commissioner and successors in office. Service under this section shall be made in compliance with subdivision 5.

(b) Subdivision 5 applies in all other cases in which a person, including a nonresident of this state, has filed a consent to service of process. This paragraph supersedes any inconsistent provision of law.

(c) Subdivision 5 applies in all cases in which service of process is allowed to be made on the commissioner.

~~(d) Subdivision 5 applies to any document served by the commissioner or the department under section 326B.08.~~

Sec. 40. Minnesota Statutes 2007 Supplement, section 326.94, subdivision 2, is amended to read:

Subd. 2. **Insurance.** ~~Licenseses must have public liability insurance with limits of at least \$300,000 per occurrence, which must include at least \$10,000 property damage~~

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31.1 ~~coverage.~~ Each licensee shall have and maintain in effect commercial general liability
31.2 insurance, which includes premises and operations insurance and products and completed
31.3 operations insurance, with limits of at least \$100,000 per occurrence, \$300,000 aggregate
31.4 limit for bodily injury, and property damage insurance with limits of at least \$25,000
31.5 or a policy with a single limit for bodily injury and property damage of \$300,000 per
31.6 occurrence and \$300,000 aggregate limits. The insurance must be written by an insurer
31.7 licensed to do business in this state. Each licensee shall maintain on file with the
31.8 commissioner a certificate evidencing the insurance which provides that the insurance
31.9 shall not be canceled without the insurer first giving 15 days' written notice of cancellation
31.10 to the commissioner. The commissioner may increase the minimum amount of insurance
31.11 required for any licensee or class of licensees if the commissioner considers it to be in the
31.12 public interest and necessary to protect the interests of Minnesota consumers.

31.13 **EFFECTIVE DATE.** This section is effective August 1, 2008.

31.14 Sec. 41. Minnesota Statutes 2007 Supplement, section 326.97, subdivision 1a, is
31.15 amended to read:

31.16 Subd. 1a. **Annual renewal.** Any license issued or renewed after August 1, 1993,
31.17 must be renewed annually except for a manufactured home installer's license which shall
31.18 have a renewal period of three years, effective for all renewals and new licenses issued
31.19 after December 31, 2008.

31.20 Sec. 42. Minnesota Statutes 2007 Supplement, section 326B.082, subdivision 8,
31.21 is amended to read:

31.22 Subd. 8. **Hearings related to administrative orders.** (a) Within 30 days after the
31.23 commissioner issues an administrative order or within 20 days after the commissioner
31.24 issues the notice under section 326B.083, subdivision 3, paragraph (b), clause (3), the
31.25 person to whom the administrative order or notice is issued may request an expedited
31.26 hearing to review the commissioner's order or notice. The request for hearing must be
31.27 in writing and must be served on or faxed to the commissioner at the address or fax
31.28 number specified in the order or notice. If the person does not request a hearing or if the
31.29 person's written request for hearing is not served on or faxed to the commissioner by the
31.30 30th day after the commissioner issues the administrative order or the 20th day after the
31.31 commissioner issues the notice under section 326B.083, subdivision 3, paragraph (b),
31.32 clause (3), the order will become a final order of the commissioner and will not be subject
31.33 to review by any court or agency. The date on which a request for hearing is served by
31.34 mail shall be the postmark date on the envelope in which the request for hearing is mailed.

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The hearing request must specifically state the reasons for seeking review of the order or notice. The person to whom the order or notice is issued and the commissioner are the parties to the expedited hearing. The commissioner must notify the person to whom the order or notice is issued of the time and place of the hearing at least 15 days before the hearing. The expedited hearing must be held within 45 days after a request for hearing has been ~~served on~~ received by the commissioner unless the parties agree to a later date.

(b) Parties may submit written arguments if permitted by the administrative law judge. All written arguments must be submitted within ten days following the ~~close completion~~ completion of the hearing or the receipt of any late-filed exhibits that the parties and the administrative law judge have agreed should be received into the record, whichever is later. The hearing shall be conducted under Minnesota Rules, parts 1400.8510 to 1400.8612, as modified by this subdivision. The Office of Administrative Hearings may, in consultation with the agency, adopt rules specifically applicable to cases under this section.

(c) The administrative law judge shall issue a report making findings of fact, conclusions of law, and a recommended order to the commissioner within 30 days following the ~~close of the record~~ completion of the hearing, the receipt of late-filed exhibits, or the submission of written arguments, whichever is later.

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

(e) If a hearing has been held, the commissioner shall not issue a final order until at least five days after the date of the administrative law judge's report. Any person aggrieved by the administrative law judge's report may, within those five days, serve written comments to the commissioner on the report and the commissioner shall consider and enter the comments in the record. The commissioner's final order shall comply with sections 14.61, subdivision 2, and 14.62, subdivisions 1 and 2, may be appealed in the manner provided in sections 14.63 to 14.69.

Sec. 43. Minnesota Statutes 2007 Supplement, section 326B.082, subdivision 10, is amended to read:

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

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

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

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

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

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

33.12 (d) A stop order shall:

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

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

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

33.20 The request for hearing must be made in writing and must be served on or faxed to the
33.21 commissioner at the address or fax number specified in the order. If the person does not
33.22 request a hearing or if the person's written request for hearing is not served on or faxed to
33.23 the commissioner on or before the 30th day after the commissioner issued the stop order,
33.24 the order will become a final order of the commissioner and will not be subject to review
33.25 by any court or agency. The date on which a request for hearing is served by mail is the
33.26 postmark date on the envelope in which the request for hearing is mailed. The hearing
33.27 request must specifically state the reasons for seeking review of the order. The person who
33.28 requested the hearing and the commissioner are the parties to the expedited hearing. The
33.29 hearing shall be commenced within ten days after the commissioner receives the request
33.30 for hearing. The hearing shall be conducted under Minnesota Rules, parts 1400.8510 to
33.31 1400.8612, as modified by this subdivision. The administrative law judge shall issue a
33.32 report containing findings of fact, conclusions of law, and a recommended order within
33.33 ten days after the ~~conclusion~~ completion of the hearing, the receipt of late-filed exhibits,
33.34 or the submission of written arguments, whichever is later. Any party aggrieved by the
33.35 administrative law judge's report shall have five days after the date of the administrative
33.36 law judge's report to submit written exceptions and argument to the commissioner that

the commissioner shall consider and enter in the record. Within 15 days after receiving the administrative law judge's report, the commissioner shall issue an order vacating, modifying, or making permanent the stop order. The commissioner and the person requesting the hearing may by agreement lengthen any time periods described in this paragraph. The Office of Administrative Hearings may, in consultation with the agency, adopt rules specifically applicable to cases under this subdivision.

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

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

Sec. 44. Minnesota Statutes 2007 Supplement, section 326B.082, subdivision 11, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 45. Minnesota Statutes 2007 Supplement, section 326B.082, subdivision 12, is amended to read:

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

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

(b) Any order issued under paragraph (a) may include an assessment of monetary penalties and may require the person to cease and desist from committing the violation or committing the act, conduct, or practice set out in subdivision 11, paragraph (b). The monetary penalty may be up to \$10,000 for each violation or act, conduct, or practice

committed by the person. The procedures in section 326B.083 must be followed when issuing orders under paragraph (a).

(c) The permit holder, licensee, registrant, certificate holder, or applicant to whom the commissioner issues an order under paragraph (a) shall have 30 days after service of the order to request a hearing. The request for hearing must be in writing and must be served on or faxed to the commissioner at the address or fax number specified in the order by the 30th day after service of the order. If the person does not request a hearing or if the person's written request for hearing is not served on or faxed to the commissioner by the 30th day after service of the order, the order shall become a final order of the commissioner and will not be subject to review by any court or agency. The date on which a request for hearing is served by mail shall be the postmark date on the envelope in which the request for hearing is mailed. If the person submits to the commissioner a timely request for hearing, the order is stayed unless the commissioner summarily suspends the license, registration, certificate, or permit under subdivision 13, and a contested case hearing shall be held in accordance with chapter 14.

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

Sec. 46. Minnesota Statutes 2007 Supplement, section 326B.082, subdivision 13, is amended to read:

Subd. 13. **Summary suspension.** In any case where the commissioner has issued an order to revoke, ~~or suspend, or deny~~ a license, registration, certificate, or permit under ~~subdivision~~ subdivisions 11, paragraph (b), and 12, the commissioner may summarily suspend the person's permit, license, registration, or certificate before the order becomes final. The commissioner shall issue a summary suspension order when the safety of life or property is threatened or to prevent the commission of fraudulent, deceptive, untrustworthy, or dishonest acts against the public. The summary suspension shall not affect the deadline for submitting a request for hearing under subdivision 12. If the commissioner summarily suspends a person's permit, license, registration, or certificate, a timely request for hearing submitted under subdivision 12 shall also be considered a timely request for hearing on continuation of the summary suspension. If the commissioner summarily suspends a person's permit, license, registration, or certificate under this subdivision and the person submits a timely request for a hearing, then a hearing on continuation of the summary suspension must be held within ten days after the commissioner receives the request for hearing unless the parties agree to a later date.

Sec. 47. Minnesota Statutes 2007 Supplement, section 326B.083, subdivision 3, is amended to read:

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

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

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

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

(3) If the commissioner determines that the person to whom the order was issued has failed to correct the violation within the time set by the order or has failed to develop a correction plan acceptable to the commissioner within the time set by the order, then the forgivable portion of the penalty is due and payable ~~ten~~ 20 days after the commissioner serves notice of the determination on the person or on the date the administrative order becomes final, whichever is later.

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

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

Sec. 48. Minnesota Statutes 2007 Supplement, section 326B.42, is amended by adding a subdivision to read:

Subd. 7. **Plumber's apprentice.** A "plumber's apprentice" is any individual, other than a master, restricted master, journeyman, or restricted journeyman plumber who, as

38.1 a principal occupation, is engaged in working as an employee of a plumbing contractor
38.2 under the direct supervision of a master, restricted master, journeyman, or restricted
38.3 journeyman plumber and is learning and assisting in the installation of plumbing.

38.4 Sec. 49. Minnesota Statutes 2007 Supplement, section 326B.89, subdivision 5, is
38.5 amended to read:

38.6 Subd. 5. **Payment limitations.** Except as otherwise provided in this section,
38.7 the commissioner shall not pay compensation from the fund to an owner or a lessee
38.8 in an amount greater than \$75,000. Except as otherwise provided in this section, the
38.9 commissioner shall not pay compensation from the fund to owners and lessees in an
38.10 amount that totals more than \$150,000 per licensee. The commissioner shall not pay
38.11 compensation from the fund for a final judgment based on a cause of action that arose
38.12 before the commissioner's receipt of the licensee's fee required by subdivision 3. The
38.13 commissioner shall only pay compensation from the fund for a final judgment that is
38.14 based on a contract directly between the licensee and the homeowner or lessee that was
38.15 entered into prior to the cause of action and that requires licensure as a residential building
38.16 contractor or residential remodeler.

38.17 Sec. 50. Minnesota Statutes 2007 Supplement, section 326B.89, subdivision 6, is
38.18 amended to read:

38.19 Subd. 6. **Verified application.** To be eligible for compensation from the fund, an
38.20 owner or lessee shall serve on the commissioner a verified application for compensation
38.21 on a form approved by the commissioner. The application shall verify the following
38.22 information:

38.23 (1) the specific grounds upon which the owner or lessee seeks to recover from
38.24 the fund:

38.25 (2) that the owner or the lessee has obtained a final judgment in a court of competent
38.26 jurisdiction against a licensee licensed under section 326B.803;

38.27 (3) that the final judgment was obtained against the licensee on the grounds
38.28 of fraudulent, deceptive, or dishonest practices, conversion of funds, or failure of
38.29 performance that arose directly out of a ~~transaction~~ contract directly between the licensee
38.30 and the homeowner or lessee that was entered into prior to the cause of action and
38.31 that occurred when the licensee was licensed and performing any of the special skills
38.32 enumerated under section 326B.802, subdivision 19;

38.33 (4) the amount of the owner's or the lessee's actual and direct out-of-pocket loss on
38.34 the owner's residential real estate, on residential real estate leased by the lessee, or on new

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

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

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

39.6 (7) the amount of the final judgment, any amount paid in satisfaction of the final
39.7 judgment, and the amount owing on the final judgment as of the date of the verified
39.8 application; ~~and~~

39.9 (8) that the owner or lessee has diligently pursued remedies against all the judgment
39.10 debtors and all other persons liable to the judgment debtor in the contract for which the
39.11 owner or lessee seeks recovery from the fund; and

39.12 ~~(8)~~ (9) that the verified application is being served within two years after the
39.13 judgment became final.

39.14 The owner's and the lessee's actual and direct out-of-pocket loss shall not include
39.15 attorney fees, litigation costs or fees, interest on the loss, and interest on the final judgment
39.16 obtained as a result of the loss. Any amount paid in satisfaction of the final judgment shall
39.17 be applied to the owner's or lessee's actual and direct out-of-pocket loss. An owner or
39.18 lessee may serve a verified application regardless of whether the final judgment has been
39.19 discharged by a bankruptcy court. A judgment issued by a court is final if all proceedings
39.20 on the judgment have either been pursued and concluded or been forgone, including all
39.21 reviews and appeals. For purposes of this section, owners who are joint tenants or tenants
39.22 in common are deemed to be a single owner. For purposes of this section, owners and
39.23 lessees eligible for payment of compensation from the fund shall not include government
39.24 agencies, political subdivisions, financial institutions, and any other entity that purchases,
39.25 guarantees, or insures a loan secured by real estate.

39.26 Sec. 51. Minnesota Statutes 2007 Supplement, section 326B.89, subdivision 12,
39.27 is amended to read:

39.28 Subd. 12. **Limitation.** Notwithstanding subdivision 5, nothing may obligate the
39.29 fund ~~to compensate~~ for claims brought by:

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

39.31 (2) ~~an owner~~ owners of residential property ~~for final judgments against a prior owner~~
39.32 ~~of the residential property where the contracting activity complained of was the result of~~
39.33 a contract entered into with a prior owner, unless the claim is brought and judgment is
39.34 rendered for breach of the statutory warranty set forth in chapter 327A.

Sec. 52. Minnesota Statutes 2007 Supplement, section 326B.89, subdivision 14, is amended to read:

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

(b) The owner or the lessee has served upon the commissioner a verified application for compensation that complies with the requirements set out in subdivision 6 and the commissioner determines based on review of the application that compensation should be paid from the fund. The commissioner shall calculate the actual and direct out-of-pocket loss in the transaction, minus attorney fees, litigation costs or fees, interest on the loss and on the judgment obtained as a result of the loss, and any satisfaction of the judgment, and make payment to the owner or the lessee up to the conciliation court jurisdiction limits within ~~15~~ 45 days after the owner or lessee serves the verified application.

(c) The commissioner may pay compensation to owners or lessees that totals not more than \$50,000 per licensee per fiscal year under this accelerated process. The commissioner may prorate the amount of compensation paid to owners or lessees under this subdivision if applications submitted by owners and lessees seek compensation in excess of \$50,000 against a licensee. Any unpaid portion of a verified application that has been prorated under this subdivision shall be satisfied in the manner set forth in subdivision 9.

Sec. 53. Minnesota Statutes 2006, section 327.32, subdivision 1, is amended to read:

Subdivision 1. **Requirement.** No person shall sell, or offer for sale, in this state, any manufactured home manufactured after July 1, 1972, manufacture any manufactured home in this state or ~~park~~ install for occupancy any manufactured home manufactured after July 1, 1972, in any manufactured home park in this state unless the manufactured home complies with the Manufactured Home Building Code and:

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

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

Sec. 54. Minnesota Statutes 2006, section 327.33, is amended by adding a subdivision to read:

41.1 Subd. 2a. **Construction seal fees.** Replacement manufactured home or accessory
41.2 structure construction seal fees, including certificates, are \$30 per seal.

41.3 Sec. 55. Minnesota Statutes 2006, section 327.33, is amended by adding a subdivision
41.4 to read:

41.5 Subd. 2b. **Installation seal fees.** Manufactured home installation seal fees,
41.6 including anchoring and support and including certificates, are \$80.

41.7 Sec. 56. Minnesota Statutes 2006, section 327.33, is amended by adding a subdivision
41.8 to read:

41.9 Subd. 2c. **Temporary installation certificate fees.** A temporary certificate fee
41.10 is \$2 per certificate.

41.11 Sec. 57. Minnesota Statutes 2006, section 327.33, is amended by adding a subdivision
41.12 to read:

41.13 Subd. 2d. **Label fee.** The United States Department of Housing and Urban
41.14 Development label fee shall be paid by the manufacturer to the secretary.

41.15 Sec. 58. Minnesota Statutes 2006, section 327.33, is amended by adding a subdivision
41.16 to read:

41.17 Subd. 2e. **Seal order shipping and handling fee.** The shipping and handling fee
41.18 for each order of seals is the current postage rate plus a \$3 handling fee.

41.19 Sec. 59. Minnesota Statutes 2006, section 327A.04, subdivision 2, is amended to read:

41.20 Subd. 2. **Modification.** At any time after a contract for the sale of a dwelling is
41.21 entered into by and between a vendor and a vendee or a contract for home improvement
41.22 work is entered into by and between a home improvement contractor and an owner, any of
41.23 the statutory warranties provided for in section 327A.02 may be excluded or modified only
41.24 by a written instrument, printed in boldface type of a minimum size of ten points, which is
41.25 signed by the vendee or the owner and which sets forth in detail the warranty involved, the
41.26 consent of the vendee or the owner, and the terms of the new agreement contained in the
41.27 writing. No exclusion or modification shall be effective unless the vendor or the home
41.28 improvement contractor provides substitute express warranties offering substantially the
41.29 same protections to the vendee or the owner as the statutory warranties set forth in section
41.30 327A.02. Any modification or exclusion agreed to by vendee and vendor or the owner and

42.1 home improvement contractor pursuant to this subdivision shall not require the approval
42.2 of the commissioner of ~~administration~~ labor and industry pursuant to section 327A.07.

42.3 Sec. 60. Minnesota Statutes 2006, section 327A.07, is amended to read:

42.4 **327A.07 VARIATIONS.**

42.5 The commissioner of ~~administration~~ labor and industry may approve pursuant to
42.6 sections 14.05 to 14.28, variations from the provisions of sections 327A.02 and 327A.03
42.7 if the warranty program of the vendor or the home improvement contractor requesting
42.8 the variation offers at least substantially the same protections to the vendee or owner as
42.9 provided by the statutory warranties set forth in section 327A.02.

42.10 Sec. 61. Minnesota Statutes 2007 Supplement, section 327B.04, subdivision 4, is
42.11 amended to read:

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

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

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

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

42.28 (c) the applicant has secured: (1) a surety bond in the amount of \$20,000 for ~~the~~
42.29 each agency and each subagency location that bears the applicant's name and the name
42.30 under which the applicant will be licensed and do business in this state. Each bond is
42.31 for the protection of consumer customers, and must be executed by the applicant as
42.32 principal and issued by a surety company admitted to do business in this state. Each bond
42.33 shall be exclusively for the purpose of reimbursing consumer customers and shall be
42.34 conditioned upon the faithful compliance by the applicant with all of the laws and rules

43.1 of this state pertaining to the applicant's business as a dealer or manufacturer, including
43.2 sections 325D.44, 325F.67 and 325F.69, and upon the applicant's faithful performance of
43.3 all its legal obligations to consumer customers; and (2) a certificate of liability insurance
43.4 in the amount of \$1,000,000 that provides aggregate coverage for the agency and each
43.5 subagency location;

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

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

43.11 Sec. 62. Minnesota Statutes 2006, section 327B.06, subdivision 1, is amended to read:

43.12 Subdivision 1. **Retention.** A dealer shall retain for ~~three~~ five years copies of all
43.13 listings, deposit receipts, credit applications, contracts, disclosure forms, canceled checks,
43.14 trust account records and other documents reasonably related to carrying on the business
43.15 of a dealer. The retention period shall run from the date of the closing of the transaction or
43.16 from the date of the listing if the transaction is not consummated.

43.17 Sec. 63. Laws 2007, chapter 140, article 4, section 12, is amended to read:

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

43.19 **16B.65 BUILDING OFFICIALS.**

43.20 Subdivision 1. **Designation.** Each municipality shall designate a building official to
43.21 administer the code. A municipality may designate no more than one building official
43.22 responsible for code administration defined by each certification category established in
43.23 rule. Two or more municipalities may combine in the designation of a building official
43.24 for the purpose of administering the provisions of the code within their communities.
43.25 In those municipalities for which no building officials have been designated, the state
43.26 building official may use whichever state employees are necessary to perform the duties of
43.27 the building official until the municipality makes a temporary or permanent designation.
43.28 All costs incurred by virtue of these services rendered by state employees must be borne
43.29 by the involved municipality and receipts arising from these services must be paid to
43.30 the commissioner.

43.31 Subd. 2. **Qualifications.** A building official, to be eligible for designation, must
43.32 be certified and have the experience in design, construction, and supervision which
43.33 the commissioner deems necessary and must be generally informed on the quality and
43.34 strength of building materials, accepted building construction requirements, and the nature

of equipment and needs conducive to the safety, comfort, and convenience of building occupants. No person may be designated as a building official for a municipality unless the commissioner determines that the official is qualified as provided in subdivision 3.

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

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

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

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

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

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

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

~~(b) The committee shall consist of six members. One member shall be the commissioner's designee and five members shall be certified building officials who are appointed by the commissioner. At least two of the appointed certified building officials must be from nonmetropolitan counties. For the committee members who are not state officials or employees, their compensation and removal from the oversight committee is governed by section 15.059. The commissioner's designee shall serve as the chair of the oversight committee and shall not vote. The terms of the appointed members of the oversight committee shall be four years. The terms of three of the appointed members shall be coterminous with the governor and the terms of the remaining two appointed members shall end on the first Monday in January one year after the terms of the other appointed members expire. An appointed member may be reappointed. The committee is not subject to the expiration provisions of section 15.059, subdivision 5.~~

~~(c) If the commissioner determines that an individual has engaged in the unauthorized performance of the duties of a certified building official or the unauthorized use of the certified building official title, or that a certified building official has violated a statute, rule, stipulation, agreement, settlement, compliance agreement, cease and desist agreement, or order that the commissioner has adopted, issued, or is authorized to enforce that is related to the duties of a certified building official, the commissioner may take administrative actions against the individual pursuant to section 326B.082, subdivisions 7 and 11.~~

Subd. 5b. **Grounds.** In addition to the grounds set forth in section 326B.082, subdivision 11, the commissioner may deny, suspend, limit, place conditions on, or revoke a certificate, or may censure an applicant or individual holding a certificate, if the applicant or individual:

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

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

Nothing in this subdivision limits or otherwise affects the authority of a municipality to dismiss or suspend a building official at its discretion, except as otherwise provided for by law.

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

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

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

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

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

(b) If the commissioner has not issued a notice of denial of application for a certificate holder and if the certificate holder has properly and timely filed a fully completed renewal application, then the certificate holder may continue to engage in building official activities whether or not the renewed certificate has been received. Applications must be made on a form approved by the commissioner. Each application for renewal must be fully completed, and be accompanied by proof of the satisfactory completion of minimum continuing education requirements and the certification renewal fee established by the commissioner. Applications are timely if received prior to the expiration of the most recently issued certificate. An application for renewal that does not contain all of the information requested is an incomplete application and will not be accepted.

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

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

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

Sec. 64. **REVISOR'S INSTRUCTION.**

H.F. No. 3034, 4th Engrossment - 2007-2008th Legislative Session (2007-2008)

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

<u>Column A</u>	<u>Column B</u>
<u>16B.655</u>	<u>326B.135</u>
<u>326.01, subdivision 4a</u>	<u>326B.31, subdivision 4a</u>
<u>326.01, subdivision 4b</u>	<u>326B.31, subdivision 4b</u>
<u>326.01, subdivision 4c</u>	<u>326B.31, subdivision 4c</u>
<u>326.01, subdivision 4d</u>	<u>326B.31, subdivision 4d</u>
<u>326.01, subdivision 4e</u>	<u>326B.31, subdivision 4e</u>
<u>326.01, subdivision 7</u>	<u>326B.42, subdivision 5</u>
<u>326.01, subdivision 8</u>	<u>326B.42, subdivision 6</u>
<u>326.3705</u>	<u>326B.435</u>
<u>326.371</u>	<u>326B.439</u>
<u>326.401</u>	<u>326B.474</u>
<u>326.402</u>	<u>326B.475</u>
<u>326.505</u>	<u>326B.925</u>

(b) Notwithstanding the repeal of Minnesota Statutes 2006, section 16B.76, in Laws 2007, chapter 133, article 2, section 13, the revisor shall give effect to the revisor's instruction in Laws 2007, chapter 140, article 4, section 61, to renumber Minnesota Statutes, section 16B.76, as section 326B.07, by including the language of Minnesota Statutes, section 16B.76, as amended by Laws 2007, chapter 140, article 4, section 27, in Minnesota Statutes, section 326B.07.

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

Sec. 65. **REPEALER.**

Minnesota Statutes 2006, section 16B.69, Minnesota Statutes 2007 Supplement, sections 326.2411; 326.372; and 326.471, Laws 2007, chapter 9, section 1; Laws 2007, chapter 135, article 4, sections 2; 8; Laws 2007, chapter 135, article 6, section 3; Laws 2007, chapter 140, article 12, section 9; and Minnesota Rules, part 3800.3510, are repealed.

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

16B.69 VIOLATION, PENALTY.

A violation of the code is a misdemeanor.

326.2411 BOARD OF ELECTRICITY.

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

- (1) one member shall be an electrical inspector;
- (2) two members shall be representatives of the electrical suppliers in rural areas;
- (3) two members shall be master electricians, who shall be contractors;
- (4) two members shall be journeyman electricians;
- (5) one member shall be a registered consulting electrical engineer;
- (6) two members shall be power limited technicians, who shall be technology system contractors primarily engaged in the business of installing technology circuits or systems; and
- (7) one member shall be a public member as defined by section 214.02.

The electrical inspector shall be appointed to a term to end December 31, 2011. One of the rural electrical suppliers shall be appointed for a term to end December 31, 2011, and one rural electrical supplier shall serve for a term to end December 31, 2010. The consulting electrical engineer shall be appointed for a term to end December 31, 2011. One of the master electrician contractors shall be appointed for a term to end December 31, 2011, and one master electrician contractor shall be appointed for a term to end December 31, 2010. One of the journeyman electricians shall be appointed for a term to end December 31, 2011, and one journeyman electrician shall be appointed for a term to end December 31, 2010. One of the power limited technicians shall be appointed for a term to end December 31, 2011, and one power limited technician shall be appointed for a term to end December 31, 2010. The public member shall be appointed for a term to end December 31, 2010.

(b) The consulting electrical engineer must possess a current Minnesota professional engineering license and maintain the license for the duration of the term served on the board. All other appointed members, except the public member and the representatives of electrical suppliers in rural areas, must possess a current electrical license issued by the Department of Labor and Industry and maintain that license for the duration of their terms. All appointed members must be residents of Minnesota at the time of and throughout 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 their successors are appointed but in no case later than July 1 in a year in which the term expires unless reappointed.

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

- (1) elect its chair, vice-chair, and secretary;
- (2) adopt bylaws that specify the duties of its officers, the meeting dates of the board, and contain such other provisions as may be useful and necessary for the efficient conduct of the business of the board;

(3) the Minnesota Electrical Code shall be the most current edition of the National Electrical Code upon its adoption by the board and any amendments thereto as adopted by the board. The board shall adopt the most current edition of the National Electrical Code and any amendments thereto pursuant to chapter 14 and as provided in subdivision 6, paragraphs (b) and (c);

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

(5) adopt rules that regulate the licensure or registration of electrical businesses, electrical contractors, master electricians, journeyman electricians, class A installer, class B installer, power limited technicians, and other persons who perform electrical work. The board shall adopt these rules pursuant to chapter 14 and as provided in subdivision 6, paragraphs (d) and (e);

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

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

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

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

(10) approve license reciprocity agreements;

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

(12) recommend the fees for licenses and certifications.

Except for the powers granted to the Board of Electricity, the commissioner of labor and industry shall administer and enforce the provisions of sections 326.241 to 326.248 and any rules promulgated pursuant thereto.

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

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

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

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

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

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

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

Subd. 5. Membership vacancies within three months of appointment. Notwithstanding any law to the contrary, when a seat on the board becomes vacant within three months after being filled through the appointment process, the governor may, upon notification to the Office

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of the Secretary of State, choose a new member from the applications on hand and need not repeat the process.

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

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

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

(d) Except as provided in paragraph (e), 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 the all the voting members of the board shall be included in the next rulemaking proceeding initiated by the board. If a proposed rule or rule amendment considered, or reconsidered, by the board receives less than an affirmative majority vote of all of the voting members of the board, the proposed rule or rule amendment shall not be included in the next rulemaking proceeding initiated by the board.

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

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

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

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

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

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

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

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

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

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

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by an unlicensed person, or Electrical Code compliance. Each complaint or communication that is forwarded to the commissioner shall be submitted on a form provided by the commissioner.

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

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

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

326.372 PLUMBING BOARD.

Subdivision 1. **Composition.** (a) The Plumbing Board shall consist of 13 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 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

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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;

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

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

(9) approve license reciprocity agreements;

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

(11) recommend the fees for licenses and certifications.

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

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

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

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

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

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

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

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

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

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

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

(c) If the Plumbing Code amendment considered by the board is to replace the Minnesota Plumbing Code with a model Plumbing Code, then the amendment may only be included in the next Plumbing Code rulemaking proceeding if it receives an affirmative two-thirds or more majority vote of all 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. 7. **Board meetings.** (a) The board shall hold meetings at such times as the board shall specify. Notice and conduct of all meetings shall be pursuant to chapter 13D and in 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

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

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

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

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

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

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

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

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

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.

(b) The high pressure piping inspector shall be appointed for a term to end December 31, 2011. The professional mechanical engineer shall be appointed for a term to end December 31, 2010. The representative of the high pressure piping industry shall be appointed for a term to end December 31, 2011. Two of the high pressure piping contractors shall be appointed for a term to end December 31, 2011, and two high pressure piping contractors shall be appointed for a term to end December 31, 2010. One of the high pressure piping journeymen shall be appointed for a term to end December 31, 2011, and one high pressure piping journeyman shall be appointed for a term

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to end December 31, 2010. The two representatives of industrial companies that use high pressure piping systems in their industrial process shall be appointed for a term to end December 31, 2010.

(c) The licensed professional mechanical 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 for the representative of the piping industry and the representatives of industrial companies that use high pressure piping systems in their industrial processes must possess a current high pressure piping license issued by the Department of Labor and Industry and maintain that license for the duration of their terms. 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.

(d) For appointed members, except for 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 their successors are appointed but in no case later than July 1 in a year in which the term expires unless reappointed.

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

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

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

(3) adopt the High Pressure Piping Code that must be followed in this state and any High Pressure Piping Code amendments thereto 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) adopt rules that regulate the licensure or registration of high pressure piping contractors, journeymen, and other persons engaged in the design, installation, and alteration of high pressure piping systems, except for those individuals licensed under section 326.02, subdivisions 2 and 3. The board shall adopt these rules pursuant to chapter 14 and as provided in subdivision 6, paragraph (e);

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

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

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

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

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

(11) recommend the fees for licenses and certifications.

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

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

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

Subd. 3. **Compensation.** (a) Members of the board may be compensated at the rate of \$55 per day spent on board activities, when authorized by the board, plus expenses in the same manner and amount as authorized by the commissioner's plan adopted under section 43A.18,

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subdivision 2. Members who, as a result of time spent attending board meetings, incur child care expenses that would not otherwise have been incurred, may be reimbursed for those expenses upon board authorization.

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

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

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

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

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

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

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

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

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

(e) 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

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

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

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

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

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

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

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

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

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

Subd. 8. **Complaints.** (a) The board shall promptly forward to the commissioner the substance of any complaint or communication it receives, whether in writing or orally, that alleges or implies a violation of a statute, rule, or order that the commissioner has the authority to enforce pertaining to the license or registration of any person authorized by the department to provide high pressure piping services, the performance or offering to perform high pressure piping services requiring licensure by an unlicensed person, or high pressure code compliance. Each complaint or communication that is forwarded to the commissioner shall be submitted on a form provided by the commissioner.

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

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

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

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Laws 2007, chapter 135, article 4, section 2

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 board. The board shall specify by rule the minimum qualifications for municipal inspectors.

Laws 2007, chapter 135, article 4, section 8

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.

(b) The purpose of this fund is:

(1) to compensate any aggrieved owner or lessee of residential property located within this state who obtains a final judgment in any court of competent jurisdiction against a licensee licensed under section 326.84, on grounds of fraudulent, deceptive, or dishonest practices, conversion of funds, or failure of performance arising directly out of any transaction when the judgment debtor was licensed and performed any of the activities enumerated under section 326.83, subdivision 19, on the owner's residential property or on residential property rented by the lessee, or on new residential construction which was never occupied prior to purchase by the owner, or which was occupied by the licensee for less than one year prior to purchase by the owner, and which cause of action arose on or after April 1, 1994; and

(2) to reimburse the Department of Labor and Industry for all legal and administrative expenses, including staffing costs, incurred in administering the fund.

Nothing may obligate the fund for more than \$50,000 per claimant, nor more than \$75,000 per licensee.

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.

(c) 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.

Laws 2007, chapter 135, article 6, section 3

Sec. 3. Minnesota Statutes 2006, section 326.242, subdivision 3d, is amended to read:

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

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

(2) the electrical work is:

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

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

(b) An applicant for a power limited technician's license shall (1) be a graduate of a four-year electrical course offered by an accredited college or university; or (2) have had at least

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36 months' experience, acceptable to the board, in planning for, laying out, supervising, installing, altering and repairing wiring, apparatus, or equipment for power limited systems, provided however, that the board may by rule provide for the allowance of up to 12 months (2,000 hours) of experience credit for successful completion of a two-year post high school electrical course or other technical training approved by the board.

(c)

Licensees must attain 16 hours of continuing education acceptable to the board every renewal period.

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

(e) A person who has submitted an application by December 31, 2007, to take the power limited technician examination administered by the department is not required to meet the qualifications set forth in paragraph (b).

Laws 2007, chapter 140, article 12, section 9

Sec. 9. Minnesota Statutes 2006, section 326.975, subdivision 1, is amended to read:

Subdivision 1. **Generally.** (a) In addition to any other fees, each applicant for a license under sections 326.83 to 326.98 shall pay a fee to the contractor's recovery fund. The contractor's recovery fund is created in the state treasury and must be administered by the commissioner in the manner and subject to all the requirements and limitations provided by section 82.43.

(1) The purpose of this fund is:

(i) to compensate any aggrieved owner or lessee of residential property located within this state who obtains a final judgment in any court of competent jurisdiction against a licensee licensed under section 326.84, on grounds of fraudulent, deceptive, or dishonest practices, conversion of funds, or failure of performance arising directly out of any transaction when the judgment debtor was licensed and performed any of the activities enumerated under section 326.83, subdivision 19, on the owner's residential property or on residential property rented by the lessee, or on new residential construction which was never occupied prior to purchase by the owner, or which was occupied by the licensee for less than one year prior to purchase by the owner, and which cause of action arose on or after April 1, 1994; and

(ii) to reimburse the Department of Commerce for all legal and administrative expenses, including staffing costs, incurred in administering the fund;

(2) nothing may obligate the fund for more than \$50,000 per claimant, nor more than \$75,000 per licensee; and

(3) nothing may obligate the fund for claims based on a cause of action that arose before the licensee paid the recovery fund fee set in clause (1), or as provided in section 326.945, subdivision 3.

(b) Should the commissioner pay from the contractor's recovery fund any amount in settlement of a claim or toward satisfaction of a judgment against a licensee, the license shall be automatically suspended upon the effective date of an order by the court authorizing payment from the fund. No licensee shall be granted reinstatement until the licensee has repaid in full, plus interest at the rate of 12 percent a year, twice the amount paid from the fund on the licensee's account, and has obtained a surety bond issued by an insurer authorized to transact business in this state in the amount of at least \$40,000.

Laws 2007, chapter 9, section 1

Section 1. Minnesota Statutes 2006, section 326.94, subdivision 2, is amended to read:

Subd. 2. **Insurance.** Each licensee shall have and maintain in effect commercial general liability insurance, which includes premises and operations insurance and products and completed operations insurance, with limits of at least \$100,000 per occurrence, \$300,000 aggregate limit for bodily injury, and property damage insurance with limits of at least \$25,000 or a policy with a single limit for bodily injury and property damage of \$300,000 per occurrence and \$300,000 aggregate limits. The insurance must be written by an insurer licensed to do business in this state. Each licensee shall maintain on file with the commissioner a certificate evidencing the insurance which provides that the insurance shall not be canceled without the insurer first giving 15 days' written notice of cancellation to the commissioner. The commissioner may increase the minimum amount of insurance required for any licensee or class of licensees if the commissioner considers it to be in the public interest and necessary to protect the interests of Minnesota consumers.