# SENATE STATE OF MINNESOTA EIGHTY-SEVENTH LEGISLATURE

S.F. No. 1701

#### (SENATE AUTHORS: KRUSE, Hann and Michel)

DATE	D-PG	OFFICIAL STATUS
02/02/2012	3710	Introduction and first reading Referred to Health and Human Services
02/23/2012 03/19/2012	4626a	Comm report: To pass as amended and re-refer to Jobs and Economic Growth Comm report: To pass as amended Second reading

1.1 1.2 1.3 1.4 1.5	A bill for an act relating to health; authorizing the delegation agreement between the commissioner of health and local governments to specify fees to be charged; modifying license fees; amending Minnesota Statutes 2010, sections 145A.07, subdivision 3; 157.16, subdivision 3; 327.15, subdivision 3.
1.6	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
1.7	Section 1. Minnesota Statutes 2010, section 145A.07, subdivision 3, is amended to
1.8	read:
1.9	Subd. 3. Terms of agreements. (a) Agreements authorized under this section must
1.10	be in writing and signed by the delegating authority and the designated agent.
1.11	(b) The agreement must list criteria the delegating authority will use to determine if
1.12	the designated agent's performance meets appropriate standards and is sufficient to replace
1.13	performance by the delegating authority.
1.14	(c) The agreement may specify minimum staff requirements and qualifications, set
1.15	procedures for the assessment of costs, and provide for termination procedures if the
1.16	delegating authority finds that the designated agent fails to comply with the agreement.
1.17	The agreement may specify fees to be charged by the designated agent for the provision
1.18	of licensing, inspection, or enforcement duties under chapter 157 and sections 327.14 to
1.19	327.28. The fees must not exceed the costs, including overhead costs, to the designated
1.20	agent for the performance of these duties. The fees collected must not be used for any
1.21	other purpose than the purpose for which the fee is collected.
1.22	(d) A designated agent must not perform licensing, inspection, or enforcement duties
1.23	under the agreement in territory outside its jurisdiction unless approved by the governing
1.24	body for that territory through a separate agreement.

(e) The scope of agreements established under this section is limited to duties and
responsibilities agreed upon by the parties. The agreement may provide for automatic
renewal and for notice of intent to terminate by either party.

- (f) During the life of the agreement, the delegating authority shall not perform duties
  that the designated agent is required to perform under the agreement, except inspections
  necessary to determine compliance with the agreement and this section or as agreed to
  by the parties.
- (g) The delegating authority shall consult with, advise, and assist a designated agent
  in the performance of its duties under the agreement.
- 2.10 (h) This section does not alter the responsibility of the delegating authority for2.11 the performance of duties specified in law.

Sec. 2. Minnesota Statutes 2010, section 157.16, subdivision 3, is amended to read: 2.12 Subd. 3. Establishment fees; definitions. (a) The following fees are required 2.13 2.14 for food and beverage service establishments, youth camps, hotels, motels, lodging establishments, public pools, and resorts licensed under this chapter. Food and beverage 2.15 service establishments must pay the highest applicable fee under paragraph (d), clause 2.16 (1), (2), (3), or (4), and establishments serving alcohol must pay the highest applicable 2.17 fee under paragraph (d), clause (6) or (7). The license fee for new operators previously 2.18 licensed under this chapter for the same calendar year is one-half of the appropriate annual 2.19 license fee, plus any penalty that may be required. The license fee for operators opening 2.20 on or after October 1 is one-half of the appropriate annual license fee, plus any penalty 2.21 2.22 that may be required.

(b) All food and beverage service establishments, except special event food stands,
and all hotels, motels, lodging establishments, public pools, and resorts shall pay an
annual base fee of \$150.

(c) A special event food stand shall pay a flat fee of \$50 annually. "Special event
food stand" means a fee category where food is prepared or served in conjunction with
celebrations, county fairs, or special events from a special event food stand as defined
in section 157.15.

(d) In addition to the base fee in paragraph (b), each food and beverage service
establishment, other than a special event food stand and a school concession stand, and
each hotel, motel, lodging establishment, public pool, and resort shall pay an additional
annual fee for each fee category, additional food service, or required additional inspection
specified in this paragraph:

(1) Limited food menu selection, \$60. "Limited food menu selection" means a fee 3.1 category that provides one or more of the following: 3.2 (i) prepackaged food that receives heat treatment and is served in the package; 3.3 (ii) frozen pizza that is heated and served; 3.4 (iii) a continental breakfast such as rolls, coffee, juice, milk, and cold cereal; 3.5 (iv) soft drinks, coffee, or nonalcoholic beverages; or 3.6 (v) cleaning for eating, drinking, or cooking utensils, when the only food served 3.7 is prepared off site. 3.8 (2) Small establishment, including boarding establishments, \$120. "Small 3.9 establishment" means a fee category that has no salad bar and meets one or more of 3.10 the following: 3.11 (i) possesses food service equipment that consists of no more than a deep fat fryer, a 3.12 grill, two hot holding containers, and one or more microwave ovens; 3.13 (ii) serves dipped ice cream or soft serve frozen desserts; 3.14 (iii) serves breakfast in an owner-occupied bed and breakfast establishment; 3.15 (iv) is a boarding establishment; or 3.16 (v) meets the equipment criteria in clause (3), item (i) or (ii), and has a maximum 3.17 patron seating capacity of not more than 50. 3.18 (3) Medium establishment, \$310. "Medium establishment" means a fee category 3.19 that meets one or more of the following: 3.20 (i) possesses food service equipment that includes a range, oven, steam table, salad 3.21 bar, or salad preparation area; 3.22 (ii) possesses food service equipment that includes more than one deep fat fryer, 3.23 one grill, or two hot holding containers; or 3.24 (iii) is an establishment where food is prepared at one location and served at one or 3.25 more separate locations. 3.26 Establishments meeting criteria in clause (2), item (v), are not included in this fee 3.27 category. 3.28 (4) Large establishment, \$540. "Large establishment" means either: 3.29 (i) a fee category that (A) meets the criteria in clause (3), items (i) or (ii), for a 3.30 medium establishment, (B) seats more than 175 people, and (C) offers the full menu 3.31 selection an average of five or more days a week during the weeks of operation; or 3.32 (ii) a fee category that (A) meets the criteria in clause (3), item (iii), for a medium 3.33 establishment, and (B) prepares and serves 500 or more meals per day. 3.34 (5) Other food and beverage service, including food carts, mobile food units, 3.35 seasonal temporary food stands, and seasonal permanent food stands, \$60. 3.36

4.1 (6) Beer or wine table service, \$60. "Beer or wine table service" means a fee
4.2 category where the only alcoholic beverage service is beer or wine, served to customers
4.3 seated at tables.

(7) Alcoholic beverage service, other than beer or wine table service, \$165.

4.5 "Alcohol beverage service, other than beer or wine table service" means a fee
4.6 category where alcoholic mixed drinks are served or where beer or wine are served from
4.7 a bar.

4.8 (8) Lodging per sleeping accommodation unit, \$10, including hotels, motels,
4.9 lodging establishments, and resorts, up to a maximum of \$1,000. "Lodging per sleeping
4.10 accommodation unit" means a fee category including the number of guest rooms, cottages,
4.11 or other rental units of a hotel, motel, lodging establishment, or resort; or the number of
4.12 beds in a dormitory.

4.13 (9) First public pool, \$325; each additional public pool, \$175. "Public pool" means a
4.14 fee category that has the meaning given in section 144.1222, subdivision 4.

4.15 (10) First spa, \$175; each additional spa, \$100. "Spa pool" means a fee category that
4.16 has the meaning given in Minnesota Rules, part 4717.0250, subpart 9.

4.17 (11) Private sewer or water, \$60 Individual private sewer, \$30; individual private
4.18 water, \$30. "Individual private water" means a fee category with a water supply other
4.19 than a community public water supply as defined in Minnesota Rules, chapter 4720
4.20 section 144.382, subdivision 4. "Individual private sewer" means a fee category with an
4.21 individual sewage treatment system which uses subsurface treatment and disposal.

4.22 (12) Additional food service, \$150. "Additional food service" means a location at
a food service establishment, other than the primary food preparation and service area,
used to prepare or serve food to the public. Additional food service does not apply to
school concession stands.

4.26 (13) Additional inspection fee, \$360. "Additional inspection fee" means a fee to
4.27 conduct the second inspection each year for elementary and secondary education facility
4.28 school lunch programs when required by the Richard B. Russell National School Lunch
4.29 Act.

4.30 (e) A fee for review of construction plans must accompany the initial license
4.31 application for restaurants, hotels, motels, lodging establishments, resorts, seasonal food
4.32 stands, and mobile food units. The fee for this construction plan review is as follows:

4.33	Service Area	Туре	Fee
4.34	Food	limited food menu	\$275
4.35		small establishment	\$400
4.36		medium establishment	\$450
4.37		large food establishment	\$500

4.4

5.1		additional food service	\$150
5.2	Transient food service	food cart	\$250
5.3		seasonal permanent food stand	\$250
5.4		seasonal temporary food stand	\$250
5.5		mobile food unit	\$350
5.6	Alcohol	beer or wine table service	\$150
5.7		alcohol service from bar	\$250
5.8	Lodging	less than 25 rooms	\$375
5.9		25 to less than 100 rooms	\$400
5.10		100 rooms or more	\$500
5.11		less than five cabins	\$350
5.12		five to less than ten cabins	\$400
5.13		ten cabins or more	\$450

(f) When existing food and beverage service establishments, hotels, motels, lodging
establishments, resorts, seasonal food stands, and mobile food units are extensively
remodeled, a fee must be submitted with the remodeling plans. The fee for this

5.17 construction plan review is as follows:

5.18	Service Area	Туре	Fee
5.19	Food	limited food menu	\$250
5.20		small establishment	\$300
5.21		medium establishment	\$350
5.22		large food establishment	\$400
5.23		additional food service	\$150
5.24	Transient food service	food cart	\$250
5.25		seasonal permanent food stand	\$250
5.26		seasonal temporary food stand	\$250
5.27		mobile food unit	\$250
5.28	Alcohol	beer or wine table service	\$150
5.29		alcohol service from bar	\$250
5.30	Lodging	less than 25 rooms	\$250
5.31		25 to less than 100 rooms	\$300
5.32		100 rooms or more	\$450
5.33		less than five cabins	\$250
5.34		five to less than ten cabins	\$350
5.35		ten cabins or more	\$400

- 5.36 (g) Special event food stands are not required to submit construction or remodeling5.37 plans for review.
- 5.38 (h) Youth camps shall pay an annual single fee for food and lodging as follows:
- 5.39 (1) camps with up to 99 campers, \$325;
- 5.40 (2) camps with 100 to 199 campers, \$550; and
- 5.41 (3) camps with 200 or more campers, \$750.

- 6.1 (i) A youth camp which pays fees under paragraph (d) is not required to pay fees6.2 under paragraph (h).
- Sec. 3. Minnesota Statutes 2010, section 327.15, subdivision 3, is amended to read: 6.3 Subd. 3. Fees, manufactured home parks and recreational camping areas. (a) 6.4 The following fees are required for manufactured home parks and recreational camping 6.5 areas licensed under this chapter. Recreational camping areas and manufactured home 6.6 parks shall pay the highest applicable base fee under paragraph (b). The license fee for 6.7 new operators of a manufactured home park or recreational camping area previously 6.8 licensed under this chapter for the same calendar year is one-half of the appropriate annual 6.9 license fee, plus any penalty that may be required. The license fee for operators opening 6.10 on or after October 1 is one-half of the appropriate annual license fee, plus any penalty 6.11 that may be required. 6.12
- 6.13 (b) All manufactured home parks and recreational camping areas shall pay the6.14 following annual base fee:
- 6.15 (1) a manufactured home park, \$150; and
- 6.16 (2) a recreational camping area with:
- 6.17 (i) 24 or less sites, \$50;

6.18 (ii) 25 to 99 sites, \$212; and

6.19 (iii) 100 or more sites, \$300.

In addition to the base fee, manufactured home parks and recreational camping areas shall
pay \$4 for each licensed site. This paragraph does not apply to special event recreational
camping areas. Operators of a manufactured home park or a recreational camping area
also licensed under section 157.16 for the same location shall pay only one base fee,
whichever is the highest of the base fees found in this section or section 157.16.

6.25 (c) In addition to the fee in paragraph (b), each manufactured home park or
6.26 recreational camping area shall pay an additional annual fee for each fee category
6.27 specified in this paragraph:

6.28 (1) Manufactured home parks and recreational camping areas with public swimming6.29 pools and spas shall pay the appropriate fees specified in section 157.16.

(2) Individual private sewer or water, \$60, \$30; individual private water, \$30.
"Individual private water" means a fee category with a water supply other than a
community public water supply as defined in Minnesota Rules, chapter 4720 section
<u>144.382, subdivision 4</u>. "Individual private sewer" means a fee category with a subsurface
sewage treatment system which uses subsurface treatment and disposal.

- 7.1 (d) The following fees must accompany a plan review application for initial
- 7.2 construction of a manufactured home park or recreational camping area:
- 7.3 (1) for initial construction of less than 25 sites, \$375;
- 7.4 (2) for initial construction of 25 to 99 sites, \$400; and
- 7.5 (3) for initial construction of 100 or more sites, \$500.
- 7.6 (e) The following fees must accompany a plan review application when an existing

7.7 manufactured home park or recreational camping area is expanded:

- 7.8 (1) for expansion of less than 25 sites, \$250;
- 7.9 (2) for expansion of 25 to 99 sites, \$300; and
- 7.10 (3) for expansion of 100 or more sites, \$450.