

ARTICLE 2

DEPARTMENT OF LABOR AND INDUSTRY POLICY

48.22 Section 1. Minnesota Statutes 2016, section 175.45, is amended to read:

48.23 **175.45 ~~COMPETENCY~~ STANDARDS FOR DUAL TRAINING.**

48.24 Subdivision 1. **Duties; goal.** The commissioner of labor and industry shall convene
 48.25 industry representatives, identify occupational competency standards for dual training, and
 48.26 provide technical assistance to develop dual-training programs. The goal of dual training
 48.27 is to provide employees of an employer with training to acquire competencies that the
 48.28 employer requires. The competency standards shall be identified for employment in
 48.29 occupations in advanced manufacturing, health care services, information technology, and
 48.30 agriculture. Competency standards are not rules and are exempt from the rulemaking
 49.1 provisions of chapter 14, and the provisions in section 14.386 concerning exempt rules do
 49.2 not apply.

49.3 Subd. 2. **Definition; competency standards Definitions.** For purposes of this section,
 49.4 the following terms have the meanings given them:

49.5 (1) "competency standards" means the specific knowledge and skills necessary for a
 49.6 particular occupation; and

49.7 (2) "dual-training program" means an employment-based earn-as-you-learn program
 49.8 where the trainee is employed by a participating employer and receives structured on-the-job
 49.9 training and technical instruction in accordance with the competency standards.

49.10 Subd. 3. **Competency standards identification process.** In identifying competency
 49.11 standards, the commissioner shall consult with the commissioner of the Office of Higher
 49.12 Education and the commissioner of employment and economic development and convene
 49.13 recognized industry experts, representative employers, higher education institutions,
 49.14 representatives of the disabled community, and representatives of labor to assist in identifying
 49.15 credible competency standards. Competency standards must be consistent with, to the extent
 49.16 available and practical, recognized international and national standards.

49.17 Subd. 4. **Duties.** The commissioner shall:

49.18 (1) convene industry representatives to identify, develop, and implement dual-training
 49.19 programs;

49.20 (2) identify competency standards for ~~entry-level~~ entry-level and higher skill levels;

ARTICLE 3

LABOR AND INDUSTRY

41.22 Section 1. Minnesota Statutes 2016, section 175.45, is amended to read:

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 41.30 employer requires. The competency standards shall be identified for employment in
 41.31 occupations in advanced manufacturing, health care services, information technology, and
 42.1 agriculture. Competency standards are not rules and are exempt from the rulemaking
 42.2 provisions of chapter 14, and the provisions in section 14.386 concerning exempt rules do
 42.3 not apply.

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 42.5 the following terms have the meanings given them:

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 42.7 particular occupation; and

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 42.15 representatives of the disabled community, and representatives of labor to assist in identifying
 42.16 credible competency standards. Competency standards must be consistent with, to the extent
 42.17 available and practical, recognized international and national standards.

42.18 Subd. 4. **Duties.** The commissioner shall:

42.19 (1) convene industry representatives to identify, develop, and implement dual-training
 42.20 programs;

42.21 (2) identify competency standards for ~~entry-level~~ entry-level and higher skill levels;

49.21 ~~(2)~~ (3) verify the competency standards and skill levels and their transferability by subject
49.22 matter expert representatives of each respective industry;

49.23 ~~(3)~~ (4) develop models for Minnesota educational institutions to engage in providing
49.24 education and training to meet the competency standards established;

49.25 ~~(4)~~ (5) encourage participation by employers and labor in the competency standard
49.26 identification process for occupations in their industry; ~~and~~

49.27 ~~(5)~~ (6) align ~~dual-training competency standards~~ dual-training programs with other
49.28 workforce initiatives; and

49.29 (7) provide technical assistance to develop dual-training programs.

49.30 Subd. 5. **Notification.** The commissioner must communicate identified competency
49.31 standards to the commissioner of the Office of Higher Education for the purpose of the ~~dual~~
49.32 ~~training~~ dual-training competency grant program under section 136A.246. The commissioner
50.1 of labor and industry shall maintain the competency standards on the department's Web
50.2 site.

50.3 Sec. 2. [175.46] YOUTH SKILLS TRAINING PROGRAM.

50.4 Subdivision 1. Program established; grants authorized. The commissioner shall
50.5 approve youth skills training programs established for the purpose of providing work-based
50.6 skills training for student learners ages 16 and older.

50.7 Subd. 2. Definitions. (a) For purposes of this section, the terms in this subdivision have
50.8 the meanings given.

50.9 (b) "School district" means a school district or charter school.

50.10 (c) "Local partnership" means a school district, nonpublic school, intermediate school
50.11 district, or postsecondary institution, in partnership with other school districts, nonpublic
50.12 schools, intermediate school districts, postsecondary institutions, workforce development
50.13 authorities, economic development authorities, nonprofit organizations, labor unions, or
50.14 individuals who have an agreement with one or more local employers to be responsible for
50.15 implementing and coordinating a local youth skills training program.

50.16 (d) "Student learner" means a student who is both enrolled in a course of study at a public
50.17 or nonpublic school to obtain related instruction for academic credit and is employed under

42.22 ~~(2)~~ (3) verify the competency standards and skill levels and their transferability by subject
42.23 matter expert representatives of each respective industry;

42.24 ~~(3)~~ (4) develop models for Minnesota educational institutions to engage in providing
42.25 education and training to meet the competency standards established;

42.26 ~~(4)~~ (5) encourage participation by employers and labor in the competency standard
42.27 identification process for occupations in their industry; ~~and~~

42.28 ~~(5)~~ (6) align ~~dual-training competency standards~~ dual-training programs with other
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42.30 (7) provide technical assistance to develop dual-training programs.

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43.1 ~~training~~ dual-training competency grant program under section 136A.246. The commissioner
43.2 of labor and industry shall maintain the competency standards on the department's Web
43.3 site.

43.4 Sec. 2. [175.46] YOUTH SKILLS TRAINING PROGRAM.

43.5 Subdivision 1. Program established; grants authorized. The commissioner shall
43.6 approve youth skills training programs established for the purpose of providing work-based
43.7 skills training for student learners ages 16 and older. The commissioner shall award grants
43.8 to local partnerships for the implementation and coordination of local youth skills training
43.9 programs as provided in this section.

43.10 Subd. 2. Definitions. (a) For purposes of this section, the terms in this subdivision have
43.11 the meanings given.

43.12 (b) "School district" means a school district or charter school.

43.13 (c) "Local partnership" means a school district, nonpublic school, intermediate school
43.14 district, or postsecondary institution, in partnership with other school districts, nonpublic
43.15 schools, intermediate school districts, postsecondary institutions, workforce development
43.16 authorities, economic development authorities, nonprofit organizations, labor unions, or
43.17 individuals who have an agreement with one or more local employers to be responsible for
43.18 implementing and coordinating a local youth skills training program.

43.19 (d) "Student learner" means a student who is both enrolled in a course of study at a public
43.20 or nonpublic school to obtain related instruction for academic credit and is employed under

50.18 a written agreement to obtain on-the-job skills training under a youth skills training program
50.19 approved under this section.

50.20 (e) "Commissioner" means the commissioner of labor and industry.

50.21 Subd. 3. Duties. (a) The commissioner shall:

50.22 (1) approve youth skills training programs in high-growth, high-demand occupations
50.23 that provide:

50.24 (i) that the work of the student learner in the occupations declared particularly hazardous
50.25 shall be incidental to the training;

50.26 (ii) that the work shall be intermittent and for short periods of time, and under the direct
50.27 and close supervision of a qualified and experienced person;

50.28 (iii) that safety instruction shall be provided to the student learner and may be given by
50.29 the school and correlated by the employer with on-the-job training;

50.30 (iv) a schedule of organized and progressive work processes to be performed on the job;

50.31 (v) a schedule of wage rates in compliance with section 177.24; and

51.1 (vi) whether the student learner will obtain secondary school academic credit,
51.2 postsecondary credit, or both, for the training program;

51.3 (2) approve occupations and maintain a list of approved occupations for programs under
51.4 this section;

51.5 (3) work with individuals representing industry and labor to develop new youth skills
51.6 training programs;

51.7 (4) develop model program guides;

51.8 (5) monitor youth skills training programs;

51.9 (6) provide technical assistance to local partnership grantees;

43.21 a written agreement to obtain on-the-job skills training under a youth skills training program
43.22 approved under this section.

43.23 Subd. 3. Duties. (a) The commissioner shall:

43.24 (1) approve youth skills training programs in high-growth, high-demand occupations
43.25 that provide:

43.26 (i) that the work of the student learner in the occupations declared particularly hazardous
43.27 shall be incidental to the training;

43.28 (ii) that the work shall be intermittent and for short periods of time, and under the direct
43.29 and close supervision of a qualified and experienced person;

43.30 (iii) that safety instruction shall be provided to the student learner and may be given by
43.31 the school and correlated by the employer with on-the-job training;

43.32 (iv) a schedule of organized and progressive work processes to be performed on the job;

44.1 (v) a schedule of wage rates in compliance with section 177.24; and

44.2 (vi) whether the student learner will obtain secondary school academic credit,
44.3 postsecondary credit, or both, for the training program;

44.4 (2) approve occupations and maintain a list of approved occupations for programs under
44.5 this section;

44.6 (3) issue requests for proposals for grants;

44.7 (4) work with individuals representing industry and labor to develop new youth skills
44.8 training programs;

44.9 (5) develop model program guides;

44.10 (6) monitor youth skills training programs;

44.11 (7) provide technical assistance to local partnership grantees;

51.10 (7) work with providers to identify paths for receiving postsecondary credit for
 51.11 participation in the youth skills training program; and

51.12 (8) approve other activities as necessary to implement the program.

51.13 (b) The commissioner shall collaborate with stakeholders, including, but not limited to,
 51.14 representatives of secondary school institutions, career and technical education instructors,
 51.15 postsecondary institutions, businesses, and labor, in developing youth skills training
 51.16 programs, and identifying and approving occupations and competencies for youth skills
 51.17 training programs.

51.18 Subd. 4. **Training agreement.** Each student learner shall sign a written training agreement
 51.19 on a form prescribed by the commissioner. Each agreement shall contain the name of the
 51.20 student learner, and be signed by the employer, the school coordinator or administrator, and
 51.21 the student learner, or if the student learner is a minor, by the student's parent or legal
 51.22 guardian. Copies of each agreement shall be kept on file by both the school and the employer.

51.23 Subd. 5. **Program approval.** The commissioner may grant exemptions from the
 51.24 provisions of chapter 181A for student learners participating in youth skills training programs
 51.25 approved by the commissioner under this section. The approval of a youth skills training
 51.26 program will be reviewed annually. The approval of a youth skills training program may
 51.27 be revoked at any time if the commissioner finds that:

51.28 (1) all provisions of subdivision 3 have not been met in the previous year; or

51.29 (2) reasonable precautions have not been observed for the safety of minors.

51.30 The commissioner shall maintain and annually update a list of occupations and tasks suitable
 51.31 for student learners in compliance with federal law.

52.1 Subd. 6. **Interactions with education finance.** (a) For the purpose of computing state
 52.2 aids for the enrolling school district, the hours a student learner participates in a youth skills
 52.3 training program under this section must be counted in the student's hours of average daily
 52.4 membership under section 126C.05.

52.5 (b) Educational expenses for a participating student learner must be included in the
 52.6 enrolling district's career and technical revenue as provided under section 124D.4531.

52.7 Subd. 7. **Academic credit.** A school district may grant academic credit to student learners
 52.8 participating in youth skills training programs under this section in accordance with local
 52.9 requirements.

44.12 (8) work with providers to identify paths for receiving postsecondary credit for
 44.13 participation in the youth skills training program; and

44.14 (9) approve other activities as necessary to implement the program.

44.15 (b) The commissioner shall collaborate with stakeholders, including, but not limited to,
 44.16 representatives of secondary school institutions, career and technical education instructors,
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 44.18 programs, and identifying and approving occupations and competencies for youth skills
 44.19 training programs.

44.20 Subd. 4. **Training agreement.** Each student learner shall sign a written training agreement
 44.21 on a form prescribed by the commissioner. Each agreement shall contain the name of the
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 44.23 the student learner, or if the student learner is a minor, by the student's parent or legal
 44.24 guardian. Copies of each agreement shall be kept on file by both the school and the employer.

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 44.27 approved by the commissioner under this section. The approval of a youth skills training
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 44.29 be revoked at any time if the commissioner finds that:

44.30 (1) all provisions of subdivision 3 have not been met in the previous year; or

44.31 (2) reasonable precautions have not been observed for the safety of minors.

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 45.2 for student learners in compliance with federal law.

45.3 Subd. 6. **Interactions with education finance.** (a) For the purpose of computing state
 45.4 aids for the enrolling school district, the hours a student learner participates in a youth skills
 45.5 training program under this section must be counted in the student's hours of average daily
 45.6 membership under section 126C.05.

45.7 (b) Educational expenses for a participating student learner must be included in the
 45.8 enrolling district's career and technical revenue as provided under section 124D.4531.

45.9 Subd. 7. **Academic credit.** A school district may grant academic credit to student learners
 45.10 participating in youth skills training programs under this section in accordance with local
 45.11 requirements.

52.10 Subd. 8. **Postsecondary credit.** A postsecondary institution may award postsecondary
52.11 credit to a student learner who successfully completes a youth skills training program.

52.12 Subd. 9. **Work-based learning program.** A youth skills training program shall qualify
52.13 as a work-based learning program if it meets requirements for a career and technical education
52.14 program and is supervised by a qualified teacher with appropriate licensure for a work-based
52.15 learning teacher-coordinator.

52.16 Subd. 10. **School coordinator.** Unless otherwise required for a work-based learning
52.17 program, a youth skills training program may be supervised by a qualified teacher or by an
52.18 administrator as determined by the school district.

52.19 Subd. 11. **Other apprenticeship programs.** (a) This section shall not affect programs
52.20 under section 124D.47.

52.21 (b) A registered apprenticeship program governed by chapter 178 may grant credit
52.22 toward the completion of a registered apprenticeship for the successful completion of a
52.23 youth skills training program under this section.

45.12 Subd. 8. **Postsecondary credit.** A postsecondary institution may award postsecondary
45.13 credit to a student learner who successfully completes a youth skills training program.

45.14 Subd. 9. **Work-based learning program.** A youth skills training program shall qualify
45.15 as a work-based learning program if it meets requirements for a career and technical education
45.16 program and is supervised by a qualified teacher with appropriate licensure for a work-based
45.17 learning teacher-coordinator.

45.18 Subd. 10. **School coordinator.** Unless otherwise required for a work-based learning
45.19 program, a youth skills training program may be supervised by a qualified teacher or by an
45.20 administrator as determined by the school district.

45.21 Subd. 11. **Other apprenticeship programs.** (a) This section shall not affect programs
45.22 under section 124D.47.

45.23 (b) A registered apprenticeship program governed by chapter 178 may grant credit
45.24 toward the completion of a registered apprenticeship for the successful completion of a
45.25 youth skills training program under this section.

46.5 Subd. 13. **Grant awards.** (a) A local partnership awarded a grant under this section
46.6 must use the grant award for any of the following implementation and coordination activities:

46.7 (1) recruiting additional employers to provide on-the-job training and supervision for
46.8 student learners and providing technical assistance to those employers;

46.9 (2) recruiting students to participate in the local youth skills training program and
46.10 monitoring the progress of student learners participating in the program and monitoring
46.11 program outcomes;

46.12 (3) coordinating youth skills training activities within participating school districts and
46.13 among participating school districts, postsecondary institutions, and employers;

46.14 (4) coordinating academic, vocational and occupational learning, school-based and
46.15 work-based learning, and secondary and postsecondary education for participants in the
46.16 local youth skills training program;

46.17 (5) coordinating transportation for student learners participating in the local youth skills
46.18 training program; and

46.19 (6) any other implementation or coordination activity that the commissioner may direct
46.20 or permit the local partnership to perform.

52.24 Subd. 12. **Outcomes.** The following outcomes are expected of a local youth skills training
52.25 program:

52.26 (1) at least 80 percent of the student learners who participate in a youth skills training
52.27 program receive a high school diploma when eligible **on** completion of the training program;
52.28 and

52.29 (2) at least 60 percent of the student learners who participate in a youth skills training
52.30 program receive a recognized credential **on** completion of the training program.

52.31 Subd. 13. **Reporting.** (a) By February 1, 2019, and annually thereafter, the commissioner
52.32 shall report on the activity and outcomes of the program for the preceding fiscal year to the
53.1 chairs of the legislative committees with jurisdiction over jobs and economic growth policy
53.2 and finance. At a minimum, the report must include:

53.3 (1) the number of student learners who commenced the training program and the number
53.4 who completed the training program; and

53.5 (2) recommendations, if any, for changes to the program.

53.6 (b) The initial report shall include a detailed description of the differences between the
53.7 state and federal systems in child safety standards.

46.21 (b) Grant awards may not be used to directly or indirectly pay the wages of a student
46.22 learner.

46.23 Subd. 14. **Outcomes.** The following outcomes are expected of a local youth skills training
46.24 program:

46.25 (1) at least 80 percent of the student learners who participate in a youth skills training
46.26 program receive a high school diploma when eligible **upon** completion of the training
46.27 program; and

46.28 (2) at least 60 percent of the student learners who participate in a youth skills training
46.29 program receive a recognized credential **upon** completion of the training program.

46.30 Subd. 15. **Reporting.** (a) By February 1, 2019, and annually thereafter, the commissioner
46.31 shall report on the activity and outcomes of the program for the preceding fiscal year to the
47.1 chairs of the legislative committees with jurisdiction over jobs and economic growth policy
47.2 and finance. At a minimum, the report must include:

47.3 (1) the number of student learners who commenced the training program and the number
47.4 who completed the training program; and

47.5 (2) recommendations, if any, for changes to the program.

47.6 (b) The initial report shall include a detailed description of the differences between the
47.7 state and federal systems in child safety standards.

45.26 Subd. 12. **Grant applications.** (a) Applications for grants must be made to the
45.27 commissioner on a form provided by the commissioner.

45.28 (b) A local partnership may apply for a grant and shall include in its grant application:

45.29 (1) the identity of each school district, public agency, nonprofit organization, or individual
45.30 who is a participant in the local partnership;

45.31 (2) the identity of each employer who is a participant in the local partnership and the
45.32 amount of matching funds provided by each employer, if any;

46.1 (3) a plan to accomplish the implementation and coordination of activities specified in
46.2 this subdivision; and

53.8 Sec. 3. Minnesota Statutes 2016, section 326B.092, subdivision 7, is amended to read:

53.9 Subd. 7. **License fees and license renewal fees.** (a) The license fee for each license is
53.10 the base license fee plus any applicable board fee, continuing education fee, and contractor
53.11 recovery fund fee and additional assessment, as set forth in this subdivision.

53.12 (b) For purposes of this section, "license duration" means the number of years for which
53.13 the license is issued except that if the initial license is not issued for a whole number of
53.14 years, the license duration shall be rounded up to the next whole number.

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

53.18	License Classification	License Duration	
53.19		1 year	2 years
53.20	Entry level	\$10	\$20
53.21	Journeyworker	\$20	\$40
53.22	Master	\$40	\$80
53.23	Business		\$180

53.24 (d) If there is a continuing education requirement for renewal of the license, then a
53.25 continuing education fee must be included in the renewal license fee. The continuing
53.26 education fee for all license classifications shall be: \$10 if the renewal license duration is
53.27 one year; and \$20 if the renewal license duration is two years.

53.28 (e) If the license is issued under sections 326B.31 to 326B.59 or 326B.90 to 326B.925,
53.29 then a board fee must be included in the license fee and the renewal license fee. The board
53.30 fee for all license classifications shall be: \$4 if the license duration is one year; and \$8 if
53.31 the license duration is two years.

54.1 (f) If the application is for the renewal of a license issued under sections 326B.802 to
54.2 326B.885, then the contractor recovery fund fee required under section 326B.89, subdivision

46.3 ~~(4) the identity of a fiscal agent responsible for receiving, managing, and accounting for~~
46.4 ~~the grant.~~

47.8 Sec. 3. Minnesota Statutes 2016, section 326B.092, subdivision 7, is amended to read:

47.9 Subd. 7. **License fees and license renewal fees.** (a) The license fee for each license is
47.10 the base license fee plus any applicable board fee, continuing education fee, and contractor
47.11 recovery fund fee and additional assessment, as set forth in this subdivision.

47.12 (b) For purposes of this section, "license duration" means the number of years for which
47.13 the license is issued except that if the initial license is not issued for a whole number of
47.14 years, the license duration shall be rounded up to the next whole number.

47.15 (c) The base license fee shall depend on whether the license is classified as an entry
47.16 level, master, journeyman, or business license, and on the license duration. The base license
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47.18	License Classification	License Duration	
47.19		1 year	2 years
47.20	Entry level	\$10	\$20
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47.23	Business		\$180

47.24 (d) If there is a continuing education requirement for renewal of the license, then a
47.25 continuing education fee must be included in the renewal license fee. The continuing
47.26 education fee for all license classifications shall be: \$10 if the renewal license duration is
47.27 one year; and \$20 if the renewal license duration is two years.

47.28 (e) If the license is issued under sections 326B.31 to 326B.59 or 326B.90 to 326B.925,
47.29 then a board fee must be included in the license fee and the renewal license fee. The board
47.30 fee for all license classifications shall be: \$4 if the license duration is one year; and \$8 if
47.31 the license duration is two years.

48.1 (f) If the application is for the renewal of a license issued under sections 326B.802 to
48.2 326B.885, then the contractor recovery fund fee required under section 326B.89, subdivision

54.3 3, and any additional assessment required under section 326B.89, subdivision 16, must be
54.4 included in the license renewal fee.

54.5 (g) Notwithstanding the fee amounts described in paragraphs (c) to (f), for the period
54.6 July 1, ~~2015~~ 2017, through ~~June 30, 2017~~ September 30, 2021, the following fees apply:

54.7	License Classification	License Duration	
		1 year	2 years
54.8			
54.9	Entry level	\$10	\$20
54.10			\$35
54.11	Journeyworker	\$15	<u>\$30</u>
54.12			\$75
54.13	Master	\$30	<u>\$60</u>
54.14			\$160
54.15	Business		<u>\$120</u>

54.16 If there is a continuing education requirement for renewal of the license, then a continuing
54.17 education fee must be included in the renewal license fee. The continuing education fee for
54.18 all license classifications shall be \$5.

54.19 Sec. 4. [326B.108] PLACES OF PUBLIC ACCOMMODATION SUBJECT TO
54.20 CODE.

54.21 Subdivision 1. Definition. For purposes of this section, "place of public accommodation"
54.22 means a publicly or privately owned facility that is designed for occupancy by 200 or more
54.23 people and includes a sports or entertainment arena, stadium, theater, community or
54.24 convention hall, special event center, indoor amusement facility or water park, or swimming
54.25 pool.

54.26 Subd. 2. Application. Construction, additions, and alterations to a place of public
54.27 accommodation must be designed and constructed to comply with the State Building Code.

54.28 Subd. 3. Enforcement. In a municipality that has not adopted the code by ordinance
54.29 under section 326B.121, subdivision 2, the commissioner shall enforce this section in
54.30 accordance with section 326B.107, subdivision 1.

48.3 3, and any additional assessment required under section 326B.89, subdivision 16, must be
48.4 included in the license renewal fee.

48.5 (g) Notwithstanding the fee amounts described in paragraphs (c) to (f), for the period
48.6 July 1, ~~2015~~ 2017, through ~~June 30, 2017~~ September 30, 2021, the following fees apply:

48.7	License Classification	License Duration	
		1 year	2 years
48.8			
48.9	Entry level	\$10	\$20
48.10			\$35
48.11	Journeyworker	\$15	<u>\$30</u>
48.12			\$75
48.13	Master	\$30	<u>\$60</u>
48.14			\$160
48.15	Business		<u>\$120</u>

48.16 If there is a continuing education requirement for renewal of the license, then a continuing
48.17 education fee must be included in the renewal license fee. The continuing education fee for
48.18 all license classifications shall be \$5.

48.19 Sec. 4. [326B.108] PLACES OF PUBLIC ACCOMMODATION SUBJECT TO
48.20 CODE.

48.21 Subdivision 1. Definition. For purposes of this section, "place of public accommodation"
48.22 means a publicly or privately owned facility that is designed for occupancy by 200 or more
48.23 people and includes a sports or entertainment arena, stadium, theater, community or
48.24 convention hall, special event center, indoor amusement facility or water park, or swimming
48.25 pool.

48.26 Subd. 2. Application. Construction, additions, and alterations to a place of public
48.27 accommodation must be designed and constructed to comply with the State Building Code.

48.28 Subd. 3. Enforcement. In a municipality that has not adopted the code by ordinance
48.29 under section 326B.121, subdivision 2, the commissioner shall enforce this section in
48.30 accordance with section 326B.107, subdivision 1.

54.31 Sec. 5. Minnesota Statutes 2016, section 326B.153, subdivision 1, is amended to read:

54.32 Subdivision 1. **Building permits.** (a) Fees for building permits submitted as required
54.33 in section ~~326B.106~~ 326B.107 include:

55.1 (1) the fee as set forth in the fee schedule in paragraph (b) or as adopted by a municipality;
55.2 and

55.3 (2) the surcharge required by section 326B.148.

55.4 (b) The total valuation and fee schedule is:

55.5 (1) \$1 to \$500, ~~\$29.50~~ \$21;

55.6 (2) \$501 to \$2,000, ~~\$28~~ \$21 for the first \$500 plus ~~\$3.70~~ \$2.75 for each additional \$100
55.7 or fraction thereof, to and including \$2,000;

55.8 (3) \$2,001 to \$25,000, ~~\$83.50~~ \$62.25 for the first \$2,000 plus ~~\$16.55~~ \$12.50 for each
55.9 additional \$1,000 or fraction thereof, to and including \$25,000;

55.10 (4) \$25,001 to \$50,000, ~~\$464.15~~ \$349.75 for the first \$25,000 plus ~~\$12~~ \$9 for each
55.11 additional \$1,000 or fraction thereof, to and including \$50,000;

55.12 (5) \$50,001 to \$100,000, ~~\$764.15~~ \$574.75 for the first \$50,000 plus ~~\$8.45~~ \$6.25 for
55.13 each additional \$1,000 or fraction thereof, to and including \$100,000;

55.14 (6) \$100,001 to \$500,000, ~~\$1,186.65~~ \$887.25 for the first \$100,000 plus ~~\$6.75~~ \$5 for
55.15 each additional \$1,000 or fraction thereof, to and including \$500,000;

55.16 (7) \$500,001 to \$1,000,000, ~~\$3,886.65~~ \$2,887.25 for the first \$500,000 plus ~~\$5.50~~ \$4.25
55.17 for each additional \$1,000 or fraction thereof, to and including \$1,000,000; and

55.18 (8) \$1,000,001 and up, ~~\$6,636.65~~ \$5,012.25 for the first \$1,000,000 plus ~~\$4.50~~ \$2.75
55.19 for each additional \$1,000 or fraction thereof.

55.20 (c) Other inspections and fees are:

55.21 (1) inspections outside of normal business hours (minimum charge two hours), \$63.25
55.22 per hour;

55.23 (2) reinspection fees, \$63.25 per hour;

48.31 Sec. 5. Minnesota Statutes 2016, section 326B.153, subdivision 1, is amended to read:

48.32 Subdivision 1. **Building permits.** (a) Fees for building permits submitted as required
48.33 in section ~~326B.106~~ 326B.107 include:

49.1 (1) the fee as set forth in the fee schedule in paragraph (b) or as adopted by a municipality;
49.2 and

49.3 (2) the surcharge required by section 326B.148.

49.4 (b) The total valuation and fee schedule is:

49.5 (1) \$1 to \$500, ~~\$29.50~~ \$21;

49.6 (2) \$501 to \$2,000, ~~\$28~~ \$21 for the first \$500 plus ~~\$3.70~~ \$2.75 for each additional \$100
49.7 or fraction thereof, to and including \$2,000;

49.8 (3) \$2,001 to \$25,000, ~~\$83.50~~ \$62.25 for the first \$2,000 plus ~~\$16.55~~ \$12.50 for each
49.9 additional \$1,000 or fraction thereof, to and including \$25,000;

49.10 (4) \$25,001 to \$50,000, ~~\$464.15~~ \$349.75 for the first \$25,000 plus ~~\$12~~ \$9 for each
49.11 additional \$1,000 or fraction thereof, to and including \$50,000;

49.12 (5) \$50,001 to \$100,000, ~~\$764.15~~ \$574.75 for the first \$50,000 plus ~~\$8.45~~ \$6.25 for
49.13 each additional \$1,000 or fraction thereof, to and including \$100,000;

49.14 (6) \$100,001 to \$500,000, ~~\$1,186.65~~ \$887.25 for the first \$100,000 plus ~~\$6.75~~ \$5 for
49.15 each additional \$1,000 or fraction thereof, to and including \$500,000;

49.16 (7) \$500,001 to \$1,000,000, ~~\$3,886.65~~ \$2,887.25 for the first \$500,000 plus ~~\$5.50~~ \$4.25
49.17 for each additional \$1,000 or fraction thereof, to and including \$1,000,000; and

49.18 (8) \$1,000,001 and up, ~~\$6,636.65~~ \$5,012.25 for the first \$1,000,000 plus ~~\$4.50~~ \$2.75
49.19 for each additional \$1,000 or fraction thereof.

49.20 (c) Other inspections and fees are:

49.21 (1) inspections outside of normal business hours (minimum charge two hours), \$63.25
49.22 per hour;

49.23 (2) reinspection fees, \$63.25 per hour;

55.24 (3) inspections for which no fee is specifically indicated (minimum charge one-half
55.25 hour), \$63.25 per hour; and

55.26 (4) additional plan review required by changes, additions, or revisions to approved plans
55.27 (minimum charge one-half hour), \$63.25 per hour.

55.28 (d) If the actual hourly cost to the jurisdiction under paragraph (c) is greater than \$63.25,
55.29 then the greater rate shall be paid. Hourly cost includes supervision, overhead, equipment,
55.30 hourly wages, and fringe benefits of the employees involved.

56.1 **EFFECTIVE DATE.** Paragraph (a) is effective July 1, 2017. Paragraph (b) is effective
56.2 July 1, 2017, and the amendments to it expire October 1, 2021.

56.3 Sec. 6. Minnesota Statutes 2016, section 326B.37, is amended by adding a subdivision to
56.4 read:

56.5 Subd. 16. **Wind electric systems.** (a) The inspection fee for the installation of a wind
56.6 turbine is:

56.7 (1) zero watts to and including 100,000 watts, \$80;

56.8 (2) 100,001 watts to and including 500,000 watts, \$105;

56.9 (3) 500,001 watts to and including 1,000,000 watts, \$120;

56.10 (4) 1,000,001 watts to and including 1,500,000 watts, \$125;

56.11 (5) 1,500,001 watts to and including 2,000,000 watts, \$130;

56.12 (6) 2,000,001 watts to and including 3,000,000 watts, \$145; and

56.13 (7) 3,000,001 watts and larger, \$160.

56.14 (b) For the purpose of paragraph (a), the watt rating is the total estimated alternating
56.15 current energy output of one individual wind turbine.

56.16 Sec. 7. Minnesota Statutes 2016, section 326B.37, is amended by adding a subdivision to
56.17 read:

49.24 (3) inspections for which no fee is specifically indicated (minimum charge one-half
49.25 hour), \$63.25 per hour; and

49.26 (4) additional plan review required by changes, additions, or revisions to approved plans
49.27 (minimum charge one-half hour), \$63.25 per hour.

49.28 (d) If the actual hourly cost to the jurisdiction under paragraph (c) is greater than \$63.25,
49.29 then the greater rate shall be paid. Hourly cost includes supervision, overhead, equipment,
49.30 hourly wages, and fringe benefits of the employees involved.

50.1 **EFFECTIVE DATE.** Paragraph (a) is effective July 1, 2017. Paragraph (b) is effective
50.2 July 1, 2017, and the amendments to it expire October 1, 2021.

50.3 Sec. 6. Minnesota Statutes 2016, section 326B.37, is amended by adding a subdivision to
50.4 read:

50.5 Subd. 16. **Wind electric systems.** (a) The inspection fee for the installation of a wind
50.6 turbine is:

50.7 (1) 0 watts to and including 100,000 watts, \$80;

50.8 (2) 100,001 watts to and including 500,000 watts, \$105;

50.9 (3) 500,001 watts to and including 1,000,000 watts, \$120;

50.10 (4) 1,000,001 watts to and including 1,500,000 watts, \$125;

50.11 (5) 1,500,001 watts to and including 2,000,000 watts, \$130;

50.12 (6) 2,000,001 watts to and including 3,000,000 watts, \$145; and

50.13 (7) 3,000,001 watts and larger, \$160.

50.14 (b) For the purpose of paragraph (a), the watt rating is the total estimated alternating
50.15 current energy output of one individual wind turbine.

50.16 Sec. 7. Minnesota Statutes 2016, section 326B.37, is amended by adding a subdivision to
50.17 read:

56.18 Subd. 17. **Solar photovoltaic systems.** (a) The inspection fee for the installation of a
 56.19 solar photovoltaic system is:

56.20 (1) ~~zero~~ watts to and including 5,000 watts, \$60;

56.21 (2) 5,001 watts to and including 10,000 watts, \$100;

56.22 (3) 10,001 watts to and including 20,000 watts, \$150;

56.23 (4) 20,001 watts to and including 30,000 watts, \$200;

56.24 (5) 30,001 watts to and including 40,000 watts, \$250;

56.25 (6) 40,001 watts to and including 1,000,000 watts, \$250, and \$25 for each additional
 56.26 10,000 watts over 40,000 watts;

56.27 (7) 1,000,001 watts to 5,000,000 watts, \$2,650, and \$15 for each additional 10,000 watts
 56.28 over 1,000,000 watts; and

57.1 (8) 5,000,001 watts and larger, \$8,650, and \$10 for each additional 10,000 watts over
 57.2 5,000,000 watts.

57.3 (b) For the purpose of paragraph (a), the watt rating is the total estimated alternating
 57.4 current energy output of the solar photovoltaic system.

57.5 Sec. 8. Minnesota Statutes 2016, section 326B.435, subdivision 2, is amended to read:

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

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

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

57.12 (3) adopt the Plumbing Code that must be followed in this state and any Plumbing Code
 57.13 amendments thereto. The Plumbing Code shall include the minimum standards described
 57.14 in sections 326B.43, subdivision 1, and 326B.52, subdivision 1. The board shall adopt the
 57.15 Plumbing Code and any amendments thereto pursuant to chapter 14 and as provided in
 57.16 subdivision 6, paragraphs (b), (c), and (d);

50.18 Subd. 17. **Solar photovoltaic systems.** (a) The inspection fee for the installation of a
 50.19 solar photovoltaic system is:

50.20 (1) 0 watts to and including 5,000 watts, \$60;

50.21 (2) 5,001 watts to and including 10,000 watts, \$100;

50.22 (3) 10,001 watts to and including 20,000 watts, \$150;

50.23 (4) 20,001 watts to and including 30,000 watts, \$200;

50.24 (5) 30,001 watts to and including 40,000 watts, \$250;

50.25 (6) 40,001 watts to and including 1,000,000 watts, \$250, and \$25 for each additional
 50.26 10,000 watts over 40,000 watts;

50.27 (7) 1,000,000 watts to 5,000,000 watts, \$2,650, and \$15 for each additional 10,000 watts
 50.28 over 1,000,000 watts; and

51.1 (8) 5,000,000 watts and larger, \$8,650, and \$10 for each additional 10,000 watts over
 51.2 5,000,000 watts.

51.3 (b) For the purpose of paragraph (a), the watt rating is the total estimated alternating
 51.4 current energy output of the solar photovoltaic system.

51.5 Sec. 8. Minnesota Statutes 2016, section 326B.435, subdivision 2, is amended to read:

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

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

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

51.12 (3) adopt the Plumbing Code that must be followed in this state and any Plumbing Code
 51.13 amendments thereto. The Plumbing Code shall include the minimum standards described
 51.14 in sections 326B.43, subdivision 1, and 326B.52, subdivision 1. The board shall adopt the
 51.15 Plumbing Code and any amendments thereto pursuant to chapter 14 and as provided in
 51.16 subdivision 6, paragraphs (b), (c), and (d);

- 57.17 (4) review requests for final interpretations and issue final interpretations as provided
57.18 in section 326B.127, subdivision 5;
- 57.19 (5) adopt rules that regulate the licensure, certification, or registration of plumbing
57.20 contractors, journeymen, unlicensed individuals, master plumbers, restricted master plumbers,
57.21 restricted journeymen, restricted plumbing contractors, backflow prevention rebuilders and
57.22 testers, water conditioning contractors, and water conditioning installers, and other persons
57.23 engaged in the design, installation, and alteration of plumbing systems or engaged in or
57.24 working at the business of water conditioning installation or service, or engaged in or
57.25 working at the business of medical gas system installation, maintenance, or repair, except
57.26 for those individuals licensed under section 326.02, subdivisions 2 and 3. The board shall
57.27 adopt these rules pursuant to chapter 14 and as provided in subdivision 6, paragraphs (e)
57.28 and (f);
- 57.29 (6) adopt rules that regulate continuing education for individuals licensed as master
57.30 plumbers, journeyman plumbers, restricted master plumbers, restricted journeyman plumbers,
57.31 registered unlicensed individuals, water conditioning ~~contractors~~ masters, and water
57.32 conditioning ~~installers~~ journeymen, and for individuals certified under sections 326B.437
58.1 and 326B.438. The board shall adopt these rules pursuant to chapter 14 and as provided in
58.2 subdivision 6, paragraphs (e) and (f);
- 58.3 (7) refer complaints or other communications to the commissioner, whether oral or
58.4 written, as provided in subdivision 8, that allege or imply a violation of a statute, rule, or
58.5 order that the commissioner has the authority to enforce pertaining to code compliance,
58.6 licensure, or an offering to perform or performance of unlicensed plumbing services;
- 58.7 (8) approve per diem and expenses deemed necessary for its members as provided in
58.8 subdivision 3;
- 58.9 (9) approve license reciprocity agreements;
- 58.10 (10) select from its members individuals to serve on any other state advisory council,
58.11 board, or committee; and
- 58.12 (11) recommend the fees for licenses, registrations, and certifications.
- 58.13 Except for the powers granted to the Plumbing Board, the Board of Electricity, and the
58.14 Board of High Pressure Piping Systems, the commissioner of labor and industry shall
58.15 administer and enforce the provisions of this chapter and any rules promulgated pursuant
58.16 thereto.
- 58.17 (b) The board shall comply with section 15.0597, subdivisions 2 and 4.

- 51.17 (4) review requests for final interpretations and issue final interpretations as provided
51.18 in section 326B.127, subdivision 5;
- 51.19 (5) adopt rules that regulate the licensure, certification, or registration of plumbing
51.20 contractors, journeymen, unlicensed individuals, master plumbers, restricted master plumbers,
51.21 restricted journeymen, restricted plumbing contractors, backflow prevention rebuilders and
51.22 testers, water conditioning contractors, and water conditioning installers, and other persons
51.23 engaged in the design, installation, and alteration of plumbing systems or engaged in or
51.24 working at the business of water conditioning installation or service, or engaged in or
51.25 working at the business of medical gas system installation, maintenance, or repair, except
51.26 for those individuals licensed under section 326.02, subdivisions 2 and 3. The board shall
51.27 adopt these rules pursuant to chapter 14 and as provided in subdivision 6, paragraphs (e)
51.28 and (f);
- 51.29 (6) adopt rules that regulate continuing education for individuals licensed as master
51.30 plumbers, journeyman plumbers, restricted master plumbers, restricted journeyman plumbers,
51.31 registered unlicensed individuals, water conditioning ~~contractors~~ masters, and water
51.32 conditioning ~~installers~~ journeymen, and for individuals certified under sections 326B.437
52.1 and 326B.438. The board shall adopt these rules pursuant to chapter 14 and as provided in
52.2 subdivision 6, paragraphs (e) and (f);
- 52.3 (7) refer complaints or other communications to the commissioner, whether oral or
52.4 written, as provided in subdivision 8, that allege or imply a violation of a statute, rule, or
52.5 order that the commissioner has the authority to enforce pertaining to code compliance,
52.6 licensure, or an offering to perform or performance of unlicensed plumbing services;
- 52.7 (8) approve per diem and expenses deemed necessary for its members as provided in
52.8 subdivision 3;
- 52.9 (9) approve license reciprocity agreements;
- 52.10 (10) select from its members individuals to serve on any other state advisory council,
52.11 board, or committee; and
- 52.12 (11) recommend the fees for licenses, registrations, and certifications.
- 52.13 Except for the powers granted to the Plumbing Board, the Board of Electricity, and the
52.14 Board of High Pressure Piping Systems, the commissioner of labor and industry shall
52.15 administer and enforce the provisions of this chapter and any rules promulgated pursuant
52.16 thereto.
- 52.17 (b) The board shall comply with section 15.0597, subdivisions 2 and 4.

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

58.24 Sec. 9. Minnesota Statutes 2016, section 326B.50, subdivision 3, is amended to read:

58.25 Subd. 3. **Water conditioning installation.** "Water conditioning installation" means the
 58.26 installation of appliances, appurtenances, and fixtures designed to treat water so as to alter,
 58.27 modify, add or remove mineral, chemical or bacterial content, said installation to be made
 58.28 in a water distribution system serving:

58.29 (1) a single family residential unit, which has been initially established by a licensed
 58.30 plumber, and does not involve a direct connection without an air gap to a soil or waste pipe;
 58.31 or

59.1 (2) a multifamily or nonresidential building, where the plumbing installation has been
 59.2 initially established by a licensed plumber. Isolation valves shall be required for all water
 59.3 conditioning installations and shall be readily accessible. Water conditioning installation
 59.4 does not include:

59.5 (i) a valve that allows isolation of the water conditioning installation;

59.6 (ii) piping greater than two-inch nominal pipe size; or

59.7 (iii) a direct connection without an air gap to a soil or waste pipe.

59.8 Sec. 10. Minnesota Statutes 2016, section 326B.50, is amended by adding a subdivision
 59.9 to read:

59.10 Subd. 5. **Direct supervision.** "**Direct** supervision," with respect to direct supervision of
 59.11 a registered unlicensed individual, means that:

59.12 (1) at all times while the registered unlicensed individual is performing water conditioning
 59.13 installation work, a direct supervisor is present at the location where the registered unlicensed
 59.14 individual is working;

59.15 (2) the direct supervisor is physically present and immediately available to the registered
 59.16 unlicensed individual at all times for assistance and direction;

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

52.24 Sec. 9. Minnesota Statutes 2016, section 326B.50, subdivision 3, is amended to read:

52.25 Subd. 3. **Water conditioning installation.** "Water conditioning installation" means the
 52.26 installation of appliances, appurtenances, and fixtures designed to treat water so as to alter,
 52.27 modify, add or remove mineral, chemical or bacterial content, said installation to be made
 52.28 in a water distribution system serving:

52.29 (1) a single family residential unit, which has been initially established by a licensed
 52.30 plumber, and does not involve a direct connection without an air gap to a soil or waste pipe;
 52.31 or

53.1 (2) a multifamily or nonresidential building, where the plumbing installation has been
 53.2 initially established by a licensed plumber. Isolation valves shall be required for all water
 53.3 conditioning installations and shall be readily accessible. Water conditioning installation
 53.4 does not include:

53.5 (i) a valve that allows isolation of the water conditioning installation;

53.6 (ii) piping greater than two-inch nominal pipe size; or

53.7 (iii) a direct connection without an air gap to a soil or waste pipe.

53.8 Sec. 10. Minnesota Statutes 2016, section 326B.50, is amended by adding a subdivision
 53.9 to read:

53.10 Subd. 5. **Direct supervision.** **The term "direct** supervision," with respect to direct
 53.11 supervision of a registered unlicensed individual, means that:

53.12 (1) at all times while the registered unlicensed individual is performing water conditioning
 53.13 installation work, a direct supervisor is present at the location where the registered unlicensed
 53.14 individual is working;

53.15 (2) the direct supervisor is physically present and immediately available to the registered
 53.16 unlicensed individual at all times for assistance and direction;

59.17 (3) any form of electronic supervision does not meet the requirement of being physically
59.18 present;

59.19 (4) the direct supervisor reviews the water conditioning installation work performed by
59.20 the registered unlicensed individual before the water conditioning installation is operated;
59.21 and

59.22 (5) the direct supervisor determines that all water conditioning installation work
59.23 performed by the registered unlicensed individual is performed in compliance with sections
59.24 326B.50 to 326B.59, all rules adopted under these sections, the Minnesota Plumbing Code,
59.25 and all orders issued under section 326B.082.

59.26 Sec. 11. Minnesota Statutes 2016, section 326B.50, is amended by adding a subdivision
59.27 to read:

59.28 Subd. 6. **Direct supervisor.** "Direct supervisor" means a master plumber, journeyman
59.29 plumber, restricted master plumber, restricted journeyman plumber, water conditioning
59.30 master, or water conditioning journeyman responsible for providing direct supervision of
59.31 a registered unlicensed individual.

60.1 Sec. 12. Minnesota Statutes 2016, section 326B.55, subdivision 2, is amended to read:

60.2 Subd. 2. **Qualifications for licensing.** (a) A water conditioning master license shall be
60.3 issued only to an individual who has demonstrated skill in planning, superintending, ~~and~~
60.4 servicing, and installing water conditioning installations, and has successfully passed the
60.5 examination for water conditioning masters. A water conditioning journeyman license shall
60.6 only be issued to an individual other than a water conditioning master who has demonstrated
60.7 practical knowledge of water conditioning installation, and has successfully passed the
60.8 examination for water conditioning journeymen. A water conditioning journeyman must
60.9 successfully pass the examination for water conditioning masters before being licensed as
60.10 a water conditioning master.

60.11 (b) Each water conditioning contractor must designate a responsible licensed master
60.12 plumber or a responsible licensed water conditioning master, who shall be responsible for
60.13 the performance of all water conditioning installation and servicing in accordance with the
60.14 requirements of sections 326B.50 to 326B.59, all rules adopted under sections 326B.50 to
60.15 326B.59, the Minnesota Plumbing Code, and all orders issued under section 326B.082. If
60.16 the water conditioning contractor is an individual or sole proprietorship, the responsible
60.17 licensed master must be the individual, proprietor, or managing employee. If the water
60.18 conditioning contractor is a partnership, the responsible licensed master must be a general
60.19 partner or managing employee. If the water conditioning contractor is a limited liability
60.20 company, the responsible licensed master must be a chief manager or managing employee.
60.21 If the water conditioning contractor is a corporation, the responsible licensed master must

53.17 (3) any form of electronic supervision does not meet the requirement of being physically
53.18 present;

53.19 (4) the direct supervisor reviews the water conditioning installation work performed by
53.20 the registered unlicensed individual before the water conditioning installation is operated;
53.21 and

53.22 (5) the direct supervisor determines that all water conditioning installation work
53.23 performed by the registered unlicensed individual is performed in compliance with sections
53.24 326B.50 to 326B.59, all rules adopted under these sections, the Minnesota Plumbing Code,
53.25 and all orders issued under section 326B.082.

53.26 Sec. 11. Minnesota Statutes 2016, section 326B.50, is amended by adding a subdivision
53.27 to read:

53.28 Subd. 6. **Direct supervisor.** "Direct supervisor" means a master plumber, journeyman
53.29 plumber, restricted master plumber, restricted journeyman plumber, water conditioning
53.30 master, or water conditioning journeyman responsible for providing direct supervision of
53.31 a registered unlicensed individual.

54.1 Sec. 12. Minnesota Statutes 2016, section 326B.55, subdivision 2, is amended to read:

54.2 Subd. 2. **Qualifications for licensing.** (a) A water conditioning master license shall be
54.3 issued only to an individual who has demonstrated skill in planning, superintending, ~~and~~
54.4 servicing, and installing water conditioning installations, and has successfully passed the
54.5 examination for water conditioning masters. A water conditioning journeyman license shall
54.6 only be issued to an individual other than a water conditioning master who has demonstrated
54.7 practical knowledge of water conditioning installation, and has successfully passed the
54.8 examination for water conditioning journeymen. A water conditioning journeyman must
54.9 successfully pass the examination for water conditioning masters before being licensed as
54.10 a water conditioning master.

54.11 (b) Each water conditioning contractor must designate a responsible licensed master
54.12 plumber or a responsible licensed water conditioning master, who shall be responsible for
54.13 the performance of all water conditioning installation and servicing in accordance with the
54.14 requirements of sections 326B.50 to 326B.59, all rules adopted under sections 326B.50 to
54.15 326B.59, the Minnesota Plumbing Code, and all orders issued under section 326B.082. If
54.16 the water conditioning contractor is an individual or sole proprietorship, the responsible
54.17 licensed master must be the individual, proprietor, or managing employee. If the water
54.18 conditioning contractor is a partnership, the responsible licensed master must be a general
54.19 partner or managing employee. If the water conditioning contractor is a limited liability
54.20 company, the responsible licensed master must be a chief manager or managing employee.
54.21 If the water conditioning contractor is a corporation, the responsible licensed master must

60.22 be an officer or managing employee. If the responsible licensed master is a managing
 60.23 employee, the responsible licensed master must be actively engaged in performing water
 60.24 conditioning work on behalf of the water conditioning contractor and cannot be employed
 60.25 in any capacity as a water conditioning master or water conditioning journeyman for any
 60.26 other water conditioning contractor. An individual must not be the responsible licensed
 60.27 master for more than one water conditioning contractor.

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

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

61.1 Sec. 13. Minnesota Statutes 2016, section 326B.55, subdivision 4, is amended to read:

61.2 Subd. 4. **Plumber's apprentices.** (a) A plumber's apprentice who is registered under
 61.3 section 326B.47 is authorized to assist in water conditioning installation and water
 61.4 conditioning servicing only while under the direct supervision of a master plumber,
 61.5 journeyman plumber, restricted master plumber, restricted journeyman plumber, water
 61.6 conditioning master, or water conditioning journeyman. The master or journeyman is
 61.7 responsible for ensuring that all water conditioning work performed by the plumber's
 61.8 apprentice complies with the plumbing code and rules adopted under sections 326B.50 to
 61.9 326B.59. The supervising master or journeyman must be licensed and must be employed
 61.10 by the same employer as the plumber's apprentice. Licensed individuals shall not permit
 61.11 plumber's apprentices to perform water conditioning work except under the direct supervision
 61.12 of an individual actually licensed to perform such work. Plumber's apprentices shall not
 61.13 supervise the performance of plumbing work or make assignments of plumbing work to
 61.14 unlicensed individuals.

61.15 (b) Water conditioning contractors employing plumber's apprentices to perform water
 61.16 conditioning work shall maintain records establishing compliance with this subdivision that
 61.17 shall identify all plumber's apprentices performing water conditioning work, and shall permit
 61.18 the department to examine and copy all such records.

61.19 Sec. 14. **326B.555 REGISTERED UNLICENSED INDIVIDUALS.**

61.20 Subdivision 1. **Registration; supervision; records.** (a) All unlicensed individuals
 61.21 engaged in water conditioning installation must be registered under subdivision 3.

61.22 (b) A registered unlicensed individual is authorized to assist in water conditioning
 61.23 installations in a single family residential unit only when a master plumber, journeyman
 61.24 plumber, restricted master plumber, restricted journeyman plumber, water conditioning

54.22 be an officer or managing employee. If the responsible licensed master is a managing
 54.23 employee, the responsible licensed master must be actively engaged in performing water
 54.24 conditioning work on behalf of the water conditioning contractor and cannot be employed
 54.25 in any capacity as a water conditioning master or water conditioning journeyman for any
 54.26 other water conditioning contractor. An individual must not be the responsible licensed
 54.27 master for more than one water conditioning contractor.

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

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

55.1 Sec. 13. Minnesota Statutes 2016, section 326B.55, subdivision 4, is amended to read:

55.2 Subd. 4. **Plumber's apprentices.** (a) A plumber's apprentice who is registered under
 55.3 section 326B.47 is authorized to assist in water conditioning installation and water
 55.4 conditioning servicing only while under the direct supervision of a master plumber,
 55.5 journeyman plumber, restricted master plumber, restricted journeyman plumber, water
 55.6 conditioning master, or water conditioning journeyman. The master or journeyman is
 55.7 responsible for ensuring that all water conditioning work performed by the plumber's
 55.8 apprentice complies with the plumbing code and rules adopted under sections 326B.50 to
 55.9 326B.59. The supervising master or journeyman must be licensed and must be employed
 55.10 by the same employer as the plumber's apprentice. Licensed individuals shall not permit
 55.11 plumber's apprentices to perform water conditioning work except under the direct supervision
 55.12 of an individual actually licensed to perform such work. Plumber's apprentices shall not
 55.13 supervise the performance of plumbing work or make assignments of plumbing work to
 55.14 unlicensed individuals.

55.15 (b) Water conditioning contractors employing plumber's apprentices to perform water
 55.16 conditioning work shall maintain records establishing compliance with this subdivision that
 55.17 shall identify all plumber's apprentices performing water conditioning work, and shall permit
 55.18 the department to examine and copy all such records.

55.19 Sec. 14. **326B.555 REGISTERED UNLICENSED INDIVIDUALS.**

55.20 Subdivision 1. **Registration; supervision; records.** (a) All unlicensed individuals
 55.21 engaged in water conditioning installation must be registered under subdivision 3.

55.22 (b) A registered unlicensed individual is authorized to assist in water conditioning
 55.23 installations in a single family residential unit only when a master plumber, journeyman
 55.24 plumber, restricted master plumber, restricted journeyman plumber, water conditioning

61.25 master, or water conditioning journeyman is available and responsible for ensuring that all
 61.26 water conditioning installation work performed by the unlicensed individual complies with
 61.27 the applicable provisions of the plumbing and water conditioning codes and rules adopted
 61.28 pursuant to such codes. For all other water conditioning installation work, the registered
 61.29 unlicensed individual must be under the direct supervision of a responsible licensed water
 61.30 conditioning master.

61.31 (c) Water conditioning contractors employing registered unlicensed individuals to perform
 61.32 water conditioning installation work shall maintain records establishing compliance with
 61.33 this subdivision that shall identify all unlicensed individuals performing water conditioning
 61.34 installations, and shall permit the department to examine and copy all such records.

62.1 Subd. 2. **Journeyman exam.** A registered unlicensed individual who has completed
 62.2 875 hours of practical water conditioning installation, servicing, and training is eligible to
 62.3 take the water conditioning journeyman examination. Up to 100 hours of practical water
 62.4 conditioning installation and servicing experience prior to becoming a registered unlicensed
 62.5 individual may be applied to the practical experience requirement. However, none of this
 62.6 practical experience may be applied if the unlicensed individual did not have any practical
 62.7 experience in the 12-month period immediately prior to becoming a registered unlicensed
 62.8 individual.

62.9 Subd. 3. **Registration, renewals, and fees.** An unlicensed individual may register by
 62.10 completing and submitting to the commissioner an application form provided by the
 62.11 commissioner, with all fees required by section 326B.58. A completed application form
 62.12 must state the date, the individual's age, schooling, previous experience and employer, and
 62.13 other information required by the commissioner. The plumbing board may prescribe rules,
 62.14 not inconsistent with this section, for the registration of unlicensed individuals. Applications
 62.15 for initial registration may be submitted at any time. Registration must be renewed annually
 62.16 and shall be for the period from July 1 of each year to June 30 of the following year.

62.17 Sec. 15. Minnesota Statutes 2016, section 326B.805, subdivision 3, is amended to read:

62.18 Subd. 3. **Prohibition.** Except as provided in subdivision 6, no persons required to be
 62.19 licensed by subdivision 1 may act or hold themselves out as a residential building contractor,
 62.20 residential remodeler, residential roofer, or manufactured home installer for compensation
 62.21 without a license issued by the commissioner. Unlicensed residential building contractor,
 62.22 residential remodeler, or residential roofer activity is a gross misdemeanor.

62.23 Sec. 16. Minnesota Statutes 2016, section 326B.89, subdivision 1, is amended to read:

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

55.25 master, or water conditioning journeyman is available and responsible for ensuring that all
 55.26 water conditioning installation work performed by the unlicensed individual complies with
 55.27 the applicable provisions of the plumbing and water conditioning codes and rules adopted
 55.28 pursuant to such codes. For all other water conditioning installation work, the registered
 55.29 unlicensed individual must be under the direct supervision of a responsible licensed water
 55.30 conditioning master.

55.31 (c) Water conditioning contractors employing registered unlicensed individuals to perform
 55.32 water conditioning installation work shall maintain records establishing compliance with
 55.33 this subdivision that shall identify all unlicensed individuals performing water conditioning
 55.34 installations, and shall permit the department to examine and copy all such records.

56.1 Subd. 2. **Journeyman exam.** A registered unlicensed individual who has completed
 56.2 875 hours of practical water conditioning installation, servicing, and training is eligible to
 56.3 take the water conditioning journeyman examination. Up to 100 hours of practical water
 56.4 conditioning installation and servicing experience prior to becoming a registered unlicensed
 56.5 individual may be applied to the practical experience requirement. However, none of this
 56.6 practical experience may be applied if the unlicensed individual did not have any practical
 56.7 experience in the 12-month period immediately prior to becoming a registered unlicensed
 56.8 individual.

56.9 Subd. 3. **Registration, renewals, and fees.** An unlicensed individual may register by
 56.10 completing and submitting to the commissioner an application form provided by the
 56.11 commissioner, with all fees required by section 326B.58. A completed application form
 56.12 must state the date, the individual's age, schooling, previous experience and employer, and
 56.13 other information required by the commissioner. The plumbing board may prescribe rules,
 56.14 not inconsistent with this section, for the registration of unlicensed individuals. Applications
 56.15 for initial registration may be submitted at any time. Registration must be renewed annually
 56.16 and shall be for the period from July 1 of each year to June 30 of the following year.

56.17 Sec. 15. Minnesota Statutes 2016, section 326B.89, subdivision 1, is amended to read:

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

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

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

62.30 (d) "Residential real estate" means a new or existing building constructed for habitation
62.31 by one to four families, and includes detached garages intended for storage of vehicles
62.32 associated with the residential real estate.

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

63.2 (f) "Owner" when used in connection with real property, means a person who has any
63.3 legal or equitable interest in real property and includes a condominium or townhome
63.4 association that owns common property located in a condominium building or townhome
63.5 building or an associated detached garage. Owner does not include any real estate developer
63.6 or any owner using, or intending to use, the property for a business purpose and not as
63.7 owner-occupied residential real estate.

63.8 Sec. 17. Minnesota Statutes 2016, section 326B.89, subdivision 5, is amended to read:

63.9 Subd. 5. **Payment limitations.** The commissioner shall not pay compensation from the
63.10 fund to an owner or a lessee in an amount greater than \$75,000 per licensee. The
63.11 commissioner shall not pay compensation from the fund to owners and lessees in an amount
63.12 that totals more than ~~\$150,000~~ \$300,000 per licensee. The commissioner shall only pay
63.13 compensation from the fund for a final judgment that is based on a contract directly between
63.14 the licensee and the homeowner or lessee that was entered into prior to the cause of action
63.15 and that requires licensure as a residential building contractor or residential remodeler.

63.16 Sec. 18. Laws 2015, First Special Session chapter 1, article 1, section 5, subdivision 2, is
63.17 amended to read:

63.18 Subd. 2. **Workers' Compensation** 15,226,000 17,782,000

63.19 This appropriation is from the workers'
63.20 compensation fund.

63.21 \$4,000,000 in fiscal year 2016 and \$6,000,000
63.22 in fiscal year 2017 are for workers'
63.23 compensation system upgrades and are
63.24 available through June 30, 2021. The base
63.25 appropriation for this purpose is \$3,000,000
63.26 in fiscal year 2018 and \$3,000,000 in fiscal

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

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

56.24 (d) "Residential real estate" means a new or existing building constructed for habitation
56.25 by one to four families, and includes detached garages intended for storage of vehicles
56.26 associated with the residential real estate.

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

56.28 (f) "Owner" when used in connection with real property, means a person who has any
56.29 legal or equitable interest in real property and includes a condominium or townhome
56.30 association that owns common property located in a condominium building or townhome
56.31 building or an associated detached garage. Owner does not include any real estate developer
56.32 or any owner using, or intending to use, the property for a business purpose and not as
56.33 owner-occupied residential real estate.

57.1 Sec. 16. Minnesota Statutes 2016, section 326B.89, subdivision 5, is amended to read:

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57.3 fund to an owner or a lessee in an amount greater than \$75,000 per licensee. The
57.4 commissioner shall not pay compensation from the fund to owners and lessees in an amount
57.5 that totals more than ~~\$150,000~~ \$300,000 per licensee. The commissioner shall only pay
57.6 compensation from the fund for a final judgment that is based on a contract directly between
57.7 the licensee and the homeowner or lessee that was entered into prior to the cause of action
57.8 and that requires licensure as a residential building contractor or residential remodeler.

SENATE HAS IDENTICAL LANGUAGE IN APPROPRIATIONS ARTICLE.

63.27 year 2019. The base appropriation for fiscal
 63.28 year 2020 and beyond is zero.
 63.29 This appropriation includes funds for
 63.30 information technology project services and
 63.31 support subject to the provisions of Minnesota
 63.32 Statutes, section 16E.0466. Any ongoing
 63.33 information technology costs will be
 64.1 incorporated into the service level agreement
 64.2 and will be paid to the Office of MN.IT
 64.3 Services by the commissioner of labor and
 64.4 industry under the rates and mechanism
 64.5 specified in that agreement.

64.6 Sec. 19. **RULEMAKING.**

64.7 The commissioner of labor and industry shall amend Minnesota Rules, part 1309.0313,
 64.8 IRC sections R313.1 to R313.3, to establish that one- and two-family dwellings and two-unit
 64.9 townhouses are not required to have installed automatic fire sprinkler systems. The
 64.10 commissioner may use the exempt provisions of Minnesota Statutes, section 14.386, except
 64.11 that paragraph (b) shall not apply.

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

64.13 Sec. 20. **REPEALER.**

64.14 Minnesota Statutes 2016, section 326B.89, subdivision 14, is repealed.

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1.5 Section 1. **RULEMAKING.**

1.6 The commissioner of labor and industry shall amend Minnesota Rules, part 1309.0313,
 1.7 IRC sections R313.1 to R313.3, to establish that one- and two-family dwellings and two-unit
 1.8 townhouses are not required to have installed automatic fire sprinkler systems. The
 1.9 commissioner may use the exempt provisions of Minnesota Statutes, section 14.386, except
 1.10 that paragraph (b) shall not apply. Notwithstanding Minnesota Statutes, section 326B.13,
 1.11 subdivision 8, the amendments to Minnesota Rules, part 1309.0313, shall be effective on
 1.12 the date of publication in the State Register.

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

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57.9 Sec. 17. **REPEALER.**

57.10 Minnesota Statutes 2016, section 326B.89, subdivision 14, is repealed.