184.22 LICENSES REQUIRED.

Subdivision 1. MS 2014 [Repealed, 2015 c 54 art 5 s 16]

Subd. 2. MS 2000 [Repealed, 1Sp2001 c 4 art 2 s 41]

Subd. 3. MS 2000 [Repealed, 1Sp2001 c 4 art 2 s 41]

Subd. 4. MS 2000 [Repealed, 1Sp2001 c 4 art 2 s 41]

Subd. 5. MS 2000 [Repealed, 1Sp2001 c 4 art 2 s 41]

Subd. 6. **Exemptions.** (a) Except as otherwise provided, sections 184.21 to 184.41 do not apply to any person, firm, corporation, partnership, or association engaged in the business of management consulting, management search consulting, or personnel consulting, hereafter "search firm," if:

(1) the search firm is retained by, acts on behalf of, and is only compensated by the employer, pursuant to a written or oral agreement specifying the position to be filled;

(2) in no instance will any individual candidate who is identified, appraised, or recommended by the search firm for employment become liable in whole or in part to pay a fee of any kind, directly or indirectly, on account of any service performed by the search firm;

(3) in no instance does the search firm or its agents solicit, persuade, or induce any individual to terminate employment with an employer with whom the search firm has placed that individual; and

(4) the search firm does not carry on any other activity that comes within the definition of employment agency as defined in section 184.21, subdivision 2.

(b) If the commissioner at any time has reason to believe that the search firm has not conducted its business in a manner consistent with the conditions in paragraph (a), clauses (1) to (4), the commissioner may inspect the relevant records of the search firm for the purpose of confirming whether the search firm has maintained its exempt status during the year. If it is determined, either by written admission by the search firm or by a finding of fact in a court of law or by a hearing officer pursuant to chapter 14, that any of the four conditions in paragraph (a) were not met, the search firm shall be considered an employment agency and be subject to sections 184.21 to 184.41. If an employment agency offers services which are the same or similar to those offered by a search firm, or if a search firm offers services which are the same or similar to those offered by an employment agency, the person or entity offering these combined employment agency and search firm services shall identify itself to the public by displaying the name filed with the commissioner as a licensed employment agency; provided, that no search firm may offer licensed employment agency services at the same location.

Subd. 7. **Fee payment prohibited.** No employer may require any job candidate placed with the employer by a search firm to pay, directly or indirectly, all or part of the search firm's fee.

History: *1967 c 884 s 2; Ex1967 c 1 s 6; 1971 c 95 s 1; 1974 c 423 s 3; 1979 c 5 s 1; 1982 c 424 s 130; 1983 c 375 s 1-4; 1986 c 444; 2005 c 134 s 1,2*