

1.1 moves to amend H.F. No. 729 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 APPROPRIATIONS

1.5 Section 1. **JOBS AND ECONOMIC DEVELOPMENT APPROPRIATIONS.**

1.6 The amounts shown in this section summarize direct appropriations, by fund, made
1.7 in this article.

		<u>2014</u>		<u>2015</u>		<u>Total</u>
1.8						
1.9	<u>General</u>	\$ 77,899,000	\$	75,301,000	\$	<u>153,200,000</u>
1.10	<u>Workforce Development</u>	17,451,000		17,451,000		<u>34,902,000</u>
1.11	<u>Remediation</u>	700,000		700,000		<u>1,400,000</u>
1.12	<u>Workers' Compensation</u>	22,784,000		22,574,000		<u>45,358,000</u>
1.13	<u>Total</u>	<u>\$ 118,834,000</u>	<u>\$</u>	<u>116,026,000</u>	<u>\$</u>	<u>234,860,000</u>

1.14 Sec. 2. **JOBS AND ECONOMIC DEVELOPMENT.**

1.15 The sums shown in the columns marked "Appropriations" are appropriated to the
1.16 agencies and for the purposes specified in this article. The appropriations are from the
1.17 general fund, or another named fund, and are available for the fiscal years indicated
1.18 for each purpose. The figures "2014" and "2015" used in this article mean that the
1.19 appropriations listed under them are available for the fiscal year ending June 30, 2014, or
1.20 June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal
1.21 year 2015. "The biennium" is fiscal years 2014 and 2015.

	<u>APPROPRIATIONS</u>
	<u>Available for the Year</u>
	<u>Ending June 30</u>
	<u>2014</u>
	<u>2015</u>
1.22	
1.23	
1.24	
1.25	

2.1 **Sec. 3. DEPARTMENT OF EMPLOYMENT**
2.2 **AND ECONOMIC DEVELOPMENT**

2.3 **Subdivision 1. Total Appropriation** \$ **87,763,000** \$ **86,230,000**

2.4	<u>Appropriations by Fund</u>		
2.5		<u>2014</u>	<u>2015</u>
2.6	<u>General</u>	<u>70,641,000</u>	<u>69,108,000</u>
2.7	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
2.8	<u>Workforce</u>		
2.9	<u>Development</u>	<u>16,422,000</u>	<u>16,422,000</u>

2.10 The amounts that may be spent for each
2.11 purpose are specified in the following
2.12 subdivisions.

2.13 **Subd. 2. Business and Community**
2.14 **Development** 36,590,000 35,510,000

2.15	<u>Appropriations by Fund</u>		
2.16	<u>General</u>	<u>35,890,000</u>	<u>34,810,000</u>
2.17	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>

2.18 (a) \$10,000,000 each year is for the
2.19 Minnesota Investment Fund under
2.20 Minnesota Statutes, section 116J.8731.
2.21 This appropriation is available until spent.
2.22 The base funding for this appropriation is
2.23 \$13,750,000 each year in the fiscal year
2.24 2016-2017 biennium.

2.25 (b) \$6,000,000 the first year and \$12,500,000
2.26 the second year are for the Minnesota job
2.27 creation fund under Minnesota Statutes,
2.28 section 116J.8748. Of this amount, the
2.29 commissioner of employment and economic
2.30 development may use up to three percent for
2.31 administrative expenses. This appropriation
2.32 is available until spent.

2.33 (c) \$1,272,000 the first year and \$1,272,000
2.34 the second year are from the general fund for
2.35 contaminated site cleanup and development

3.1 grants under Minnesota Statutes, sections
3.2 116J.551 to 116J.558.

3.3 (d) \$700,000 the first year and \$700,000 the
3.4 second year are from the remediation fund for
3.5 contaminated site cleanup and development
3.6 grants under Minnesota Statutes, sections
3.7 116J.551 to 116J.558. This appropriation is
3.8 available until expended.

3.9 (e) \$1,425,000 the first year and \$1,425,000
3.10 the second year are from the general fund for
3.11 the business development competitive grant
3.12 program. Of this amount, up to five percent
3.13 is for administration and monitoring of the
3.14 business development competitive grant
3.15 program. All grant awards shall be for two
3.16 consecutive years. Grants shall be awarded
3.17 in the first year.

3.18 (f) \$5,395,000 each year is from the general
3.19 fund for the Minnesota job skills partnership
3.20 program under Minnesota Statutes, sections
3.21 116L.01 to 116L.17. If the appropriation for
3.22 either year is insufficient, the appropriation
3.23 for the other year is available. This
3.24 appropriation is available until spent.

3.25 The general fund base for this program
3.26 is \$4,195,000 each year in the fiscal year
3.27 2016-2017 biennium.

3.28 (g) \$5,580,000 first year is from the general
3.29 fund for grants under Minnesota Statutes,
3.30 section 116J.571, for the redevelopment
3.31 program. This is a onetime appropriation and
3.32 is available until spent.

3.33 (h) \$2,000,000 the first year is from the
3.34 general fund for a onetime grant to the
3.35 Minnesota Film and TV Board for the film

4.1 production jobs program under Minnesota
 4.2 Statutes, section 116U.26. This is a is
 4.3 available until expended.

4.4 (i) \$300,000 each year is from the general
 4.5 fund for a grant to Enterprise Minnesota, Inc.,
 4.6 for the small business growth acceleration
 4.7 program under Minnesota Statutes, section
 4.8 116O.115. This is a onetime appropriation.

4.9 (j) \$200,000 each year is from the general
 4.10 fund for a grant to develop and implement
 4.11 a southern and southwestern Minnesota
 4.12 initiative foundation collaborative pilot
 4.13 project. Funds available under this paragraph
 4.14 must be used to support and develop
 4.15 entrepreneurs in diverse populations in
 4.16 southern and southwestern Minnesota. This
 4.17 is a onetime appropriation and is available
 4.18 until expended.

4.19 **Subd. 3. Workforce Development** 14,726,000 14,208,000

4.20	<u>Appropriations by Fund</u>		
4.21	<u>General</u>	<u>5,134,000</u>	<u>4,616,000</u>
4.22	<u>Workforce</u>		
4.23	<u>Development</u>	<u>9,592,000</u>	<u>9,592,000</u>

4.24 (a) \$1,039,000 each year from the general
 4.25 fund and \$2,244,000 each year from the
 4.26 workforce development fund is for the adult
 4.27 workforce development competitive grant
 4.28 program. Of this amount, up to five percent
 4.29 is for administration and monitoring of the
 4.30 adult workforce development competitive
 4.31 grant program. All grant awards shall be
 4.32 for two consecutive years. Grants shall be
 4.33 awarded in the first year.

4.34 (b) \$3,500,000 each year is from the
 4.35 workforce development fund for the

- 5.1 Minnesota youth program under Minnesota
5.2 Statutes, sections 116L.56 and 116L.561.
- 5.3 (c) \$1,000,000 each year is from the
5.4 workforce development fund for the
5.5 youthbuild program under Minnesota
5.6 Statutes, sections 116L.361 to 116L.366.
- 5.7 (d) \$570,000 each year is from the general
5.8 fund and \$2,848,000 each year is from the
5.9 workforce development fund for the youth
5.10 workforce development competitive grant
5.11 program. Of this amount, up to five percent
5.12 is for administration and monitoring of the
5.13 youth workforce development competitive
5.14 grant program. All grant awards shall be
5.15 for two consecutive years. Grants shall be
5.16 awarded in the first year.
- 5.17 (e) \$2,500,000 each year is from the
5.18 general fund for a grant to the Minnesota
5.19 FastTRAC program. Up to ten percent
5.20 of this appropriation may be used to
5.21 provide leadership, oversight, and technical
5.22 assistance services. The base funding for this
5.23 program shall be \$2,225,000 each year in the
5.24 fiscal year 2016-2017 biennium.
- 5.25 (f) \$507,000 each year is from the general
5.26 fund for a grant to the Minnesota High Tech
5.27 Association to support SciTechsperience, a
5.28 program that supports science, technology,
5.29 engineering, and math (STEM) internship
5.30 opportunities for college students in their
5.31 field of study. The internship opportunities
5.32 must match college students with paid
5.33 internships within STEM disciplines at
5.34 small, for-profit companies in Minnesota
5.35 with fewer than 100 employees. At least 100

6.1 students must be matched in the first year
6.2 and at least 150 students must be matched
6.3 in the second year. Hiring companies shall
6.4 receive a dollar-for-dollar matching stipend
6.5 for the intern's wages, with a matching
6.6 stipend cap of \$2,500 per intern. Of this
6.7 appropriation, at least 50 percent must be
6.8 spent outside the seven-county metropolitan
6.9 area; and at least 50 percent of the student
6.10 interns must be women or other underserved
6.11 populations. This is a onetime appropriation
6.12 and is available until expended.

6.13 (g) \$450,000 the first year is from the general
6.14 fund for the foreign-trained health care
6.15 professionals grant program modeled after
6.16 the pilot program conducted under Laws
6.17 2006, chapter 282, article 11, section 2,
6.18 subdivision 12, to encourage state licensure
6.19 of foreign-trained health care professionals,
6.20 including: physicians with preference given
6.21 to primary care physicians who commit
6.22 to practicing for at least five years after
6.23 licensure in underserved areas of the state;
6.24 nurses; dentists; pharmacists; and other allied
6.25 health care professionals. The commissioner
6.26 must collaborate with health-related licensing
6.27 boards and Minnesota workforce centers to
6.28 award grants to foreign-trained health care
6.29 professionals sufficient to cover the actual
6.30 costs of taking a course to prepare health
6.31 care professionals for required licensing
6.32 examinations and the fee for the state
6.33 licensing examinations. When awarding
6.34 grants, the commissioner must consider the
6.35 following factors:

7.1 (1) whether the recipient's training involves
 7.2 a medical specialty that is in high demand in
 7.3 one or more communities in the state;

7.4 (2) whether the recipient commits to
 7.5 practicing in a designated rural area or an
 7.6 underserved urban community, as defined in
 7.7 section 144.1501;

7.8 (3) whether the recipient's language skills
 7.9 provide an opportunity for needed health care
 7.10 access for underserved Minnesotans; and

7.11 (4) any additional criteria established
 7.12 by the commissioner. This is a onetime
 7.13 appropriation and is available until expended.

7.14 (h) \$68,000 the first from the general
 7.15 fund is for a grant to Olmsted County for
 7.16 employment supports and independent
 7.17 living services to county residents diagnosed
 7.18 with high-functioning autism, Asperger's
 7.19 syndrome, nonverbal learning disorders,
 7.20 and pervasive development disorder, not
 7.21 otherwise specified, and for education,
 7.22 outreach, and support services to area
 7.23 employers to encourage the hiring and
 7.24 promotion of workers with high-functioning
 7.25 autism, Asperger's syndrome, nonverbal
 7.26 learning disorders, and pervasive
 7.27 development disorder, not otherwise
 7.28 specified. This is a onetime appropriation
 7.29 and is available until expended.

7.30 **Subd. 4. General Support Services** 1,509,000 1,604,000

7.31 (a) \$150,000 each year is from the general
 7.32 fund for the cost-of-living study required
 7.33 under Minnesota Statutes, section 116J.013.

8.1 (b) \$250,000 each year is from the general
 8.2 fund for the publication, dissemination,
 8.3 and use of labor market information under
 8.4 Minnesota Statutes, section 116J.4011.

8.5 Subd. 5. **Minnesota Trade Office** 2,322,000 2,292,000

8.6 (a) \$330,000 in fiscal year 2014 and \$300,000
 8.7 in fiscal year 2015 are for the STEP grants
 8.8 in Minnesota Statutes, section 116J.979. Of
 8.9 the fiscal year 2014 appropriation, \$30,000
 8.10 is for establishing trade and export relations
 8.11 between the state of Minnesota and east
 8.12 African nations.

8.13 (b) \$180,000 in fiscal year 2014 and
 8.14 \$180,000 in fiscal year 2015 are for the Invest
 8.15 Minnesota marketing initiative in Minnesota
 8.16 Statutes, section 116J.9801. Notwithstanding
 8.17 any other law, this provision does not expire.

8.18 (c) \$270,000 each year is from the general
 8.19 fund for the expansion of Minnesota Trade
 8.20 Offices under Minnesota Statutes, section
 8.21 116J.978.

8.22 (d) \$50,000 each year is from the general
 8.23 fund for the trade policy advisory group
 8.24 under Minnesota Statutes, section 116J.9661.

8.25 (e) The commissioner, in consultation with
 8.26 the commissioner of agriculture, shall
 8.27 identify and increase export opportunities for
 8.28 Minnesota agricultural products.

8.29 Subd. 6. **Vocational Rehabilitation** 26,691,000 26,691,000

8.30	<u>Appropriations by Fund</u>	
8.31	<u>General</u>	<u>19,861,000</u> <u>19,861,000</u>
8.32	<u>Workforce</u>	
8.33	<u>Development</u>	<u>6,830,000</u> <u>6,830,000</u>

9.1 (a) \$10,800,000 each year is from the general
 9.2 fund for the state's vocational rehabilitation
 9.3 program under Minnesota Statutes, chapter
 9.4 268A.

9.5 (b) \$2,261,000 each year is from the general
 9.6 fund for grants to centers for independent
 9.7 living under Minnesota Statutes, section
 9.8 268A.11.

9.9 (c) \$5,245,000 each year from the general
 9.10 fund and \$6,830,000 each year from the
 9.11 workforce development fund is for extended
 9.12 employment services for persons with severe
 9.13 disabilities under Minnesota Statutes, section
 9.14 268A.15.

9.15 (d) \$1,555,000 each year is from the general
 9.16 fund for grants to programs that provide
 9.17 employment support services to persons with
 9.18 mental illness under Minnesota Statutes,
 9.19 sections 268A.13 and 268A.14.

9.20 Subd. 7. Services for the Blind 5,925,000 5,925,000

9.21 Subd. 8. Competitive grant limitations.

9.22 An organization that receives a direct
 9.23 appropriation under this section is not eligible
 9.24 to participate in competitive grants programs
 9.25 under this section during the fiscal years in
 9.26 which the direct appropriations are received.

9.27 Sec. 4. DEPARTMENT OF LABOR AND
 9.28 INDUSTRY

9.29 Subdivision 1. Total Appropriation \$ 23,859,000 \$ 22,948,000

9.30	<u>Appropriations by Fund</u>	
9.31	<u>2014</u>	<u>2015</u>
9.32	<u>General</u>	<u>1,959,000</u> <u>1,048,000</u>

10.1	<u>Workers'</u>		
10.2	<u>Compensation</u>	<u>20,871,000</u>	<u>20,871,000</u>
10.3	<u>Workforce</u>		
10.4	<u>Development</u>	<u>1,029,000</u>	<u>1,029,000</u>
10.5	<u>The amounts that may be spent for each</u>		
10.6	<u>purpose are specified in the following</u>		
10.7	<u>subdivisions.</u>		
10.8	<u>Subd. 2. Workers' Compensation</u>	<u>10,678,000</u>	<u>10,678,000</u>
10.9	<u>This appropriation is from the workers'</u>		
10.10	<u>compensation fund.</u>		
10.11	<u>\$200,000 each year is for grants to the</u>		
10.12	<u>Vinland Center for rehabilitation services.</u>		
10.13	<u>Grants shall be distributed as the department</u>		
10.14	<u>refers injured workers to the Vinland Center</u>		
10.15	<u>for rehabilitation services.</u>		
10.16	<u>Subd. 3. Labor Standards and Apprenticeship</u>	<u>2,988,000</u>	<u>2,077,000</u>
10.17	<u>Appropriations by Fund</u>		
10.18	<u>General</u>	<u>1,959,000</u>	<u>1,048,000</u>
10.19	<u>Workforce</u>		
10.20	<u>Development</u>	<u>1,029,000</u>	<u>1,029,000</u>
10.21	<u>(a) \$816,000 each year is from the</u>		
10.22	<u>general fund for the labor standards and</u>		
10.23	<u>apprenticeship program.</u>		
10.24	<u>(b) \$150,000 each year is from the general</u>		
10.25	<u>fund for a child labor initiative for expanding</u>		
10.26	<u>education and outreach to high schools and</u>		
10.27	<u>targeted industries to ensure minors entering</u>		
10.28	<u>the workforce are safe.</u>		
10.29	<u>(c) \$879,000 each year is appropriated from</u>		
10.30	<u>the workforce development fund for the</u>		
10.31	<u>apprenticeship program under Minnesota</u>		
10.32	<u>Statutes, chapter 178, and includes \$100,000</u>		
10.33	<u>for labor education and advancement</u>		
10.34	<u>program grants and to expand and promote</u>		

- 11.1 registered apprenticeship training in
11.2 nonconstruction trade programs.
- 11.3 (d) \$150,000 each year is appropriated
11.4 from the workforce development fund for
11.5 prevailing wage enforcement.
- 11.6 e) \$70,000 in the second year is from
11.7 the general fund for implementing and
11.8 administering a minimum wage inflation
11.9 adjustment. This appropriation is available
11.10 only if a law is enacted in 2013 that includes
11.11 an automatic inflation adjustment to the state
11.12 minimum wage. The availability of this
11.13 appropriation is effective in the same fiscal
11.14 year that the inflation adjustment is first
11.15 effective.
- 11.16 (f) \$987,000 in fiscal year 2014 is
11.17 appropriated from the general fund to the
11.18 commissioner of labor and industry for
11.19 the purposes of the job-based education
11.20 and apprenticeship program (JEAP) for
11.21 manufacturing industries under article 2.
11.22 This appropriation is available until spent.
11.23 Of this appropriation:
- 11.24 (1) \$330,000 is for the commissioner of labor
11.25 and industry to implement JEAP; and
- 11.26 (2) \$657,000 is for transfer to the Board of
11.27 Trustees of the Minnesota State Colleges
11.28 and Universities, for grants to administer the
11.29 JEAP related instruction component, to be
11.30 dispersed as follows:
- 11.31 (i) \$187,000 is for Alexandria Technical and
11.32 Community College's Customized Training
11.33 Center;
- 11.34 (ii) \$380,000 is for Century College;

12.1 (iii) \$45,000 is for Hennepin Technical
 12.2 College; and

12.3 (iv) \$45,000 is for Central Lakes College.

12.4 Subd. 4. **Workplace Safety** 4,154,000 4,154,000

12.5 This appropriation is from the workers'
 12.6 compensation fund.

12.7 Subd. 5. **General Support** 6,039,000 6,039,000

12.8 This appropriation is from the workers'
 12.9 compensation fund.

12.10 Sec. 5. **BUREAU OF MEDIATION**
 12.11 **SERVICES** \$ 2,140,000 \$ 2,056,000

12.12 (a) \$68,000 each year is for grants to area
 12.13 labor management committees. Grants may
 12.14 be awarded for a 12-month period beginning
 12.15 July 1 each year. Any unencumbered balance
 12.16 remaining at the end of the first year does not
 12.17 cancel but is available for the second year.

12.18 (b) \$100,000 in fiscal year 2014 is
 12.19 appropriated from the general fund to the
 12.20 Bureau of Mediation Services for transfer
 12.21 to the Office of Enterprise Technology to
 12.22 develop a new business management system
 12.23 for case and document management. This is
 12.24 a onetime appropriation and is available for
 12.25 spending until June 30, 2015. Any ongoing
 12.26 information technology support or costs for
 12.27 this application will be incorporated into the
 12.28 service level agreement and will be paid to
 12.29 the Office of Enterprise Technology by the
 12.30 Bureau of Mediation Services under the rates
 12.31 and mechanism specified in that agreement.

12.32 (c) \$256,000 each year is from the general
 12.33 fund for the Office of Collaboration and

13.1	<u>Dispute Resolution under Minnesota</u>			
13.2	<u>Statutes, section 179.90. Of this amount,</u>			
13.3	<u>\$160,000 each year is for grants under</u>			
13.4	<u>section 179.91 and \$96,000 each year is</u>			
13.5	<u>for intergovernmental and public policy</u>			
13.6	<u>collaboration and operation of the office.</u>			
13.7	<u>(d) The bureau's general fund base</u>			
13.8	<u>is \$2,085,000 in fiscal year 2016 and</u>			
13.9	<u>\$2,089,000 is fiscal year 2017.</u>			
13.10	Sec. 6. <u>BOARD OF ACCOUNTANCY</u>	\$	<u>708,000</u>	\$ <u>624,000</u>
13.11	Sec. 7. <u>BOARD OF ARCHITECTURE,</u>			
13.12	<u>ENGINEERING, LAND SURVEYING,</u>			
13.13	<u>LANDSCAPE ARCHITECTURE,</u>			
13.14	<u>GEOSCIENCE, AND INTERIOR DESIGN</u>	\$	<u>778,000</u>	\$ <u>783,000</u>
13.15	Sec. 8. <u>BOARD OF COSMETOLOGIST</u>			
13.16	<u>EXAMINERS</u>	\$	<u>1,354,000</u>	\$ <u>1,361,000</u>
13.17	Sec. 9. <u>BOARD OF BARBER EXAMINERS</u>	\$	<u>319,000</u>	\$ <u>321,000</u>
13.18	Sec. 10. <u>WORKERS' COMPENSATION</u>			
13.19	<u>COURT OF APPEALS</u>	\$	<u>1,913,000</u>	\$ <u>1,703,000</u>
13.20	<u>This appropriation is from the workers'</u>			
13.21	<u>compensation fund.</u>			
13.22	<u>Of this appropriation, \$210,000 in the first</u>			
13.23	<u>year is onetime and is available for spending</u>			
13.24	<u>until June 30, 2015. \$110,000 in fiscal</u>			
13.25	<u>year 2014 is for a onetime transfer to the</u>			
13.26	<u>Office of Enterprise Technology to develop</u>			
13.27	<u>a paperless case management system and</u>			
13.28	<u>to ensure that services and hardware are</u>			
13.29	<u>accessible and compatible with systems with</u>			
13.30	<u>which the Workers' Compensation Court</u>			
13.31	<u>of Appeals must interact. Any ongoing</u>			
13.32	<u>information technology support or costs for</u>			
13.33	<u>this application will be incorporated into the</u>			

14.1 service level agreement and will be paid to
 14.2 the Office of Enterprise Technology by the
 14.3 Workers' Compensation Court of Appeals
 14.4 under the rates and mechanism specified in
 14.5 that agreement.

14.6 Sec. 11. **CANCELLATION.**

14.7 Of the appropriation to the commissioner of the department of employment and
 14.8 economic development for the Minnesota Investment Fund in Laws 2012, First Special
 14.9 Session chapter 1, section 5, \$7,000,000 is canceled to the general fund.

14.10 **ARTICLE 2**

14.11 **LABOR AND INDUSTRY**

14.12 Section 1. Minnesota Statutes 2012, section 116J.70, subdivision 2a, is amended to read:

14.13 Subd. 2a. **License; exceptions.** "Business license" or "license" does not include
 14.14 the following:

14.15 (1) any occupational license or registration issued by a licensing board listed in
 14.16 section 214.01 or any occupational registration issued by the commissioner of health
 14.17 pursuant to section 214.13;

14.18 (2) any license issued by a county, home rule charter city, statutory city, township, or
 14.19 other political subdivision;

14.20 (3) any license required to practice the following occupation regulated by the
 14.21 following sections:

14.22 (i) abstracters regulated pursuant to chapter 386;

14.23 (ii) accountants regulated pursuant to chapter 326A;

14.24 (iii) adjusters regulated pursuant to chapter 72B;

14.25 (iv) architects regulated pursuant to chapter 326;

14.26 (v) assessors regulated pursuant to chapter 270;

14.27 (vi) athletic trainers regulated pursuant to chapter 148;

14.28 (vii) attorneys regulated pursuant to chapter 481;

14.29 (viii) auctioneers regulated pursuant to chapter 330;

14.30 (ix) barbers and cosmetologists regulated pursuant to chapter 154;

14.31 (x) boiler operators regulated pursuant to chapter ~~183~~ 326B;

14.32 (xi) chiropractors regulated pursuant to chapter 148;

14.33 (xii) collection agencies regulated pursuant to chapter 332;

- 15.1 (xiii) dentists, registered dental assistants, and dental hygienists regulated pursuant
15.2 to chapter 150A;
- 15.3 (xiv) detectives regulated pursuant to chapter 326;
- 15.4 (xv) electricians regulated pursuant to chapter ~~326~~ 326B;
- 15.5 (xvi) mortuary science practitioners regulated pursuant to chapter 149A;
- 15.6 (xvii) engineers regulated pursuant to chapter 326;
- 15.7 (xviii) insurance brokers and salespersons regulated pursuant to chapter 60A;
- 15.8 (xix) certified interior designers regulated pursuant to chapter 326;
- 15.9 (xx) midwives regulated pursuant to chapter 147D;
- 15.10 (xxi) nursing home administrators regulated pursuant to chapter 144A;
- 15.11 (xxii) optometrists regulated pursuant to chapter 148;
- 15.12 (xxiii) osteopathic physicians regulated pursuant to chapter 147;
- 15.13 (xxiv) pharmacists regulated pursuant to chapter 151;
- 15.14 (xxv) physical therapists regulated pursuant to chapter 148;
- 15.15 (xxvi) physician assistants regulated pursuant to chapter 147A;
- 15.16 (xxvii) physicians and surgeons regulated pursuant to chapter 147;
- 15.17 (xxviii) plumbers regulated pursuant to chapter ~~326~~ 326B;
- 15.18 (xxix) podiatrists regulated pursuant to chapter 153;
- 15.19 (xxx) practical nurses regulated pursuant to chapter 148;
- 15.20 (xxxi) professional fund-raisers regulated pursuant to chapter 309;
- 15.21 (xxxii) psychologists regulated pursuant to chapter 148;
- 15.22 (xxxiii) real estate brokers, salespersons, and others regulated pursuant to chapters
15.23 82 and 83;
- 15.24 (xxxiv) registered nurses regulated pursuant to chapter 148;
- 15.25 (xxxv) securities brokers, dealers, agents, and investment advisers regulated
15.26 pursuant to chapter 80A;
- 15.27 (xxxvi) steamfitters regulated pursuant to chapter ~~326~~ 326B;
- 15.28 (xxxvii) teachers and supervisory and support personnel regulated pursuant to
15.29 chapter 125;
- 15.30 (xxxviii) veterinarians regulated pursuant to chapter 156;
- 15.31 (xxxix) water conditioning contractors and installers regulated pursuant to chapter
15.32 ~~326~~ 326B;
- 15.33 (xl) water well contractors regulated pursuant to chapter 103I;
- 15.34 (xli) water and waste treatment operators regulated pursuant to chapter 115;
- 15.35 (xlii) motor carriers regulated pursuant to chapter 221;
- 15.36 (xliii) professional firms regulated under chapter 319B;

- 16.1 (xlv) real estate appraisers regulated pursuant to chapter 82B;
- 16.2 (xlv) residential building contractors, residential remodelers, residential roofers,
16.3 manufactured home installers, and specialty contractors regulated pursuant to chapter
16.4 ~~326~~ 326B;
- 16.5 (xlvi) licensed professional counselors regulated pursuant to chapter 148B;
- 16.6 (4) any driver's license required pursuant to chapter 171;
- 16.7 (5) any aircraft license required pursuant to chapter 360;
- 16.8 (6) any watercraft license required pursuant to chapter 86B;
- 16.9 (7) any license, permit, registration, certification, or other approval pertaining to a
16.10 regulatory or management program related to the protection, conservation, or use of or
16.11 interference with the resources of land, air, or water, which is required to be obtained
16.12 from a state agency or instrumentality; and
- 16.13 (8) any pollution control rule or standard established by the Pollution Control
16.14 Agency or any health rule or standard established by the commissioner of health or any
16.15 licensing rule or standard established by the commissioner of human services.

16.16 Sec. 2. Minnesota Statutes 2012, section 177.27, subdivision 4, is amended to read:

16.17 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring
16.18 an employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031,
16.19 181.032, 181.101, 181.11, 181.12, 181.13, 181.14, 181.145, 181.15, 181.275, subdivision
16.20 2a, 181.722, and 181.79, or with any rule promulgated under section 177.28. The
16.21 commissioner shall issue an order requiring an employer to comply with sections 177.41
16.22 to 177.435 if the violation is repeated. For purposes of this subdivision only, a violation
16.23 is repeated if at any time during the two years that preceded the date of violation, the
16.24 commissioner issued an order to the employer for violation of sections 177.41 to 177.435
16.25 and the order is final or the commissioner and the employer have entered into a settlement
16.26 agreement that required the employer to pay back wages that were required by sections
16.27 177.41 to 177.435. The department shall serve the order upon the employer or the
16.28 employer's authorized representative in person or by certified mail at the employer's place
16.29 of business. An employer who wishes to contest the order must file written notice of
16.30 objection to the order with the commissioner within 15 calendar days after being served
16.31 with the order. A contested case proceeding must then be held in accordance with sections
16.32 14.57 to 14.69. If, within 15 calendar days after being served with the order, the employer
16.33 fails to file a written notice of objection with the commissioner, the order becomes a
16.34 final order of the commissioner.

17.1 Sec. 3. Minnesota Statutes 2012, section 326.02, subdivision 5, is amended to read:

17.2 Subd. 5. **Limitation.** The provisions of sections 326.02 to 326.15 shall not apply
17.3 to the preparation of plans and specifications for the erection, enlargement, or alteration
17.4 of any building or other structure by any person, for that person's exclusive occupancy
17.5 or use, unless such occupancy or use involves the public health or safety or the health
17.6 or safety of the employees of said person, or of the buildings listed in section 326.03,
17.7 subdivision 2, nor to any detailed or shop plans required to be furnished by a contractor
17.8 to a registered engineer, landscape architect, architect, or certified interior designer,
17.9 nor to any standardized manufactured product, nor to any construction superintendent
17.10 supervising the execution of work designed by an architect, landscape architect, engineer,
17.11 or certified interior designer licensed or certified in accordance with section 326.03, nor
17.12 to the planning for and supervision of the construction and installation of work by an
17.13 electrical or elevator contractor or master plumber as defined in and licensed pursuant to
17.14 chapter 326B, where such work is within the scope of such licensed activity and not
17.15 within the practice of professional engineering, or architecture, or where the person does
17.16 not claim to be a certified interior designer as defined in subdivision 2, 3, or 4b.

17.17 Sec. 4. Minnesota Statutes 2012, section 326B.081, subdivision 3, is amended to read:

17.18 Subd. 3. **Applicable law.** "Applicable law" means the provisions of sections
17.19 181.723, 325E.66, 327.31 to 327.36, ~~and this chapter,~~ and chapter 341, and all rules,
17.20 orders, stipulation agreements, settlements, compliance agreements, licenses, registrations,
17.21 certificates, and permits adopted, issued, or enforced by the department under sections
17.22 181.723, 325E.66, 327.31 to 327.36, ~~of this chapter,~~ or chapter 341.

17.23 Sec. 5. Minnesota Statutes 2012, section 326B.082, subdivision 11, is amended to read:

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

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

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

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

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

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

18.8 (5) violated: (i) a final administrative order issued under subdivision 7 or, (ii) a final
18.9 stop order issued under subdivision 10, or (iii) injunctive relief issued under subdivision 9,
18.10 or (iv) a consent order or final order of the commissioner;

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

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

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

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

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

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

18.32 Sec. 6. Minnesota Statutes 2012, section 326B.093, subdivision 4, is amended to read:

18.33 Subd. 4. **Examination results.** If the applicant receives a passing score on the
18.34 examination and meets all other requirements for licensure, the commissioner must
18.35 approve the application and notify the applicant of the approval within 60 days of the

19.1 date of the passing score. The applicant must, within ~~90~~ 180 days after the notification
19.2 of approval, pay the license fee. Upon receipt of the license fee, the commissioner must
19.3 issue the license. If the applicant does not pay the license fee within ~~90~~ 180 days after
19.4 the notification of approval, the commissioner will rescind the approval and must deny
19.5 the application. If the applicant does not receive a passing score on the examination,
19.6 the commissioner must deny the application. If the application is denied because of the
19.7 applicant's failure to receive a passing score on the examination, then the applicant cannot
19.8 submit a new application for the license until at least 30 days after the notification of denial.

19.9 Sec. 7. Minnesota Statutes 2012, section 326B.101, is amended to read:

19.10 **326B.101 POLICY AND PURPOSE.**

19.11 The State Building Code governs the construction, reconstruction, alteration, ~~and~~
19.12 repair, and use of buildings and other structures to which the code is applicable. The
19.13 commissioner shall administer and amend a state code of building construction which will
19.14 provide basic and uniform performance standards, establish reasonable safeguards for
19.15 health, safety, welfare, comfort, and security of the residents of this state and provide for
19.16 the use of modern methods, devices, materials, and techniques which will in part tend to
19.17 lower construction costs. The construction of buildings should be permitted at the least
19.18 possible cost consistent with recognized standards of health and safety.

19.19 Sec. 8. Minnesota Statutes 2012, section 326B.103, subdivision 11, is amended to read:

19.20 Subd. 11. **Public building.** "Public building" means a building and its grounds the
19.21 cost of which is paid for by the state or a state agency regardless of its cost, and a school
19.22 district building project or charter school building project the cost of which is \$100,000
19.23 or more.

19.24 Sec. 9. Minnesota Statutes 2012, section 326B.121, subdivision 1, is amended to read:

19.25 Subdivision 1. **Application.** (a) The State Building Code is the standard that applies
19.26 statewide for the construction, reconstruction, alteration, ~~and~~ repair, and use of buildings
19.27 and other structures of the type governed by the code.

19.28 (b) The State Building Code supersedes the building code of any municipality.

19.29 (c) The State Building Code does not apply to agricultural buildings except:

19.30 (1) with respect to state inspections required or rulemaking authorized by sections
19.31 103F.141; 216C.19, subdivision 9; and 326B.36; and

19.32 (2) translucent panels or other skylights without raised curbs shall be supported to
19.33 have equivalent load-bearing capacity as the surrounding roof.

20.1 Sec. 10. Minnesota Statutes 2012, section 326B.163, is amended by adding a
20.2 subdivision to read:

20.3 Subd. 9. **Direct supervision.** "Direct supervision" means:

20.4 (1) an unlicensed individual is being directly supervised by an individual licensed
20.5 to perform the elevator work being supervised during the entire time the unlicensed
20.6 individual is performing elevator work;

20.7 (2) the licensed individual is physically present at the location where the unlicensed
20.8 individual is performing elevator work and immediately available to the unlicensed
20.9 individual at all times for assistance and direction;

20.10 (3) the licensed individual shall review the elevator work performed by the
20.11 unlicensed individual before the elevator work is operated; and

20.12 (4) the licensed individual is able to and does determine that all elevator work
20.13 performed by the unlicensed individual is performed in compliance with the elevator code.

20.14 Sec. 11. Minnesota Statutes 2012, section 326B.163, is amended by adding a
20.15 subdivision to read:

20.16 Subd. 10. **Elevator contractor.** "Elevator contractor" means a licensed contractor
20.17 whose responsible licensed individual is a master elevator constructor. An elevator
20.18 contractor license does not itself qualify its holder to perform or supervise elevator work
20.19 authorized by holding a personal license issued by the commissioner.

20.20 Sec. 12. Minnesota Statutes 2012, section 326B.163, is amended by adding a
20.21 subdivision to read:

20.22 Subd. 11. **Limited elevator contractor.** "Limited elevator contractor" means a
20.23 licensed contractor whose responsible licensed individual is a limited master elevator
20.24 constructor. A limited elevator contractor or its employees may only install, test, or alter
20.25 residential elevators, platform lifts, stairway chairlifts, dumbwaiters, material lifts, limited
20.26 use/limited application elevator equipment, conveyors and special purpose personnel
20.27 elevators.

20.28 Sec. 13. Minnesota Statutes 2012, section 326B.163, is amended by adding a
20.29 subdivision to read:

20.30 Subd. 11a. **Limited elevator work.** "Limited elevator work" means the installing,
20.31 maintaining, altering, repairing, testing, planning, or laying out of residential elevators,
20.32 platform lifts, stairway chairlifts, dumbwaiters, material lifts, limited use/limited
20.33 application elevator equipment, conveyors, and special purpose personnel elevators

21.1 as covered by Minnesota Rules, chapters 1307 and 1315. Limited elevator work also
21.2 includes electrical wiring on the load side of the elevator equipment disconnect and the
21.3 decommissioning of this elevator equipment to enable safe removal.

21.4 Sec. 14. Minnesota Statutes 2012, section 326B.163, is amended by adding a
21.5 subdivision to read:

21.6 Subd. 12. **Elevator work.** "Elevator work" means the installing, maintaining,
21.7 altering, repairing, testing, planning, or laying out of elevator apparatus or equipment as
21.8 covered by Minnesota Rules, chapters 1307 and 1315. Elevator work also includes the
21.9 disconnection of electrical wiring on the load side of the elevator disconnect and the
21.10 decommissioning of elevator equipment to enable safe removal.

21.11 Sec. 15. Minnesota Statutes 2012, section 326B.163, is amended by adding a
21.12 subdivision to read:

21.13 Subd. 13. **Master elevator constructor.** "Master elevator constructor" means
21.14 an individual having the necessary qualifications, training, experience, and technical
21.15 knowledge to properly plan, lay out, supervise, and perform the installation, maintenance,
21.16 altering, testing, wiring, and repair of apparatus and equipment for elevators, including
21.17 electrical wiring on the load side of the elevator equipment disconnect and who is licensed
21.18 as a master elevator constructor by the commissioner.

21.19 Sec. 16. Minnesota Statutes 2012, section 326B.163, is amended by adding a
21.20 subdivision to read:

21.21 Subd. 14. **Limited master elevator constructor.** "Limited master elevator
21.22 constructor" means an individual having the necessary qualifications, training, experience,
21.23 and technical knowledge to properly plan, lay out, supervise, and perform the testing,
21.24 altering installation, maintenance, and repair of wiring, apparatus, and equipment for
21.25 residential elevators, platform lifts, stairway chairlifts, dumbwaiters, material lifts, limited
21.26 use/limited application elevator equipment, conveyors, and special purpose personnel
21.27 elevators, including wiring on the load side of the elevator equipment disconnect and who
21.28 is licensed as a limited master elevator constructor by the commissioner.

21.29 Sec. 17. Minnesota Statutes 2012, section 326B.163, is amended by adding a
21.30 subdivision to read:

21.31 Subd. 14a. **Limited journeyman elevator constructor.** "Limited journeyman
21.32 elevator constructor" means an individual having the necessary qualifications, training,

22.1 experience, and technical knowledge to install, maintain, alter, test, and repair apparatus
22.2 and equipment for residential elevators, platform lifts, stairway chairlifts, dumbwaiters,
22.3 material lifts, limited use/limited application elevator equipment, conveyors and special
22.4 purpose personnel elevators , including electrical wiring on the load side of the elevator
22.5 equipment disconnect and who is licensed as a limited journeyman elevator constructor by
22.6 the commissioner.

22.7 Sec. 18. Minnesota Statutes 2012, section 326B.163, is amended by adding a
22.8 subdivision to read:

22.9 Subd. 15. **Journeyman elevator constructor.** "Journeyman elevator constructor"
22.10 means an individual having the necessary qualifications, training, experience, and
22.11 technical knowledge to install, maintain, alter, test, and repair apparatus and equipment for
22.12 elevators, including electrical wiring on the load side of the elevator equipment disconnect
22.13 and who is licensed as a journeyman elevator constructor by the commissioner.

22.14 Sec. 19. Minnesota Statutes 2012, section 326B.163, is amended by adding a
22.15 subdivision to read:

22.16 Subd. 16. **Registered unlicensed elevator constructor.** "Registered unlicensed
22.17 elevator constructor" means an individual who has registered with the department but is
22.18 not licensed by the commissioner to perform elevator work.

22.19 Sec. 20. Minnesota Statutes 2012, section 326B.163, is amended by adding a
22.20 subdivision to read:

22.21 Subd. 17. **Residential dwelling.** "Residential dwelling" is a single dwelling unit
22.22 that is contained in a one-family, two-family, or multifamily dwelling. A residential
22.23 dwelling also includes outdoor space at a one-family dwelling.

22.24 Sec. 21. Minnesota Statutes 2012, section 326B.163, is amended by adding a
22.25 subdivision to read:

22.26 Subd. 18. **Responsible licensed individual.** "Responsible licensed individual"
22.27 means an individual licensed as a master elevator constructor or limited master elevator
22.28 constructor and who is identified as the responsible licensed individual on an elevator
22.29 contractor license application.

22.30 Sec. 22. **[326B.164] LICENSES.**

23.1 Subdivision 1. **Master elevator constructor.** (a) Except as otherwise provided by
23.2 law, no individual shall perform or supervise elevator work, unless the individual is:

23.3 (1) licensed by the commissioner as a master elevator constructor; and

23.4 (2) the elevator work is for a licensed elevator contractor and the individual is an
23.5 employee, partner, or officer of, or is the licensed contractor.

23.6 (b) An applicant for a master elevator constructor license shall:

23.7 (1) have at least one year of experience, acceptable to the commissioner, as a
23.8 licensed journeyman elevator constructor; or

23.9 (2) have at least six years experience, acceptable to the commissioner, in planning
23.10 for, laying out, supervising and installing apparatus, equipment, and wiring for elevators.

23.11 (c) Individuals licensed as master elevator constructors under section 326B.33,
23.12 subdivision 11, as of December 31, 2013, shall not be required to pass an examination
23.13 under this section but, effective January 1, 2014, shall be subject to the requirements of
23.14 sections 326B.163 to 326B.191.

23.15 (d) Except for the initial license term, as a condition of license renewal, master
23.16 elevator constructors must attain a minimum of 16 hours of continuing education credit
23.17 approved by the commissioner every renewal period. Not less than 12 hours shall be based
23.18 on the Minnesota Elevator Code or elevator technology, and not less than four hours shall
23.19 be based on the National Electrical Code.

23.20 Subd. 2. **Limited master elevator constructor.** (a) Except as otherwise provided
23.21 by law, no individual shall perform or supervise elevator work on residential elevators,
23.22 platform lifts, stairway chairlifts, dumbwaiters, material lifts, limited use/limited
23.23 application elevator equipment, conveyors and special purpose personnel elevators,
23.24 unless the individual is:

23.25 (1) licensed by the commissioner as a limited master elevator constructor; and

23.26 (2) the elevator work is for a limited elevator contractor and the individual is an
23.27 employee, partner, or officer of, or is the licensed contractor.

23.28 (b) An applicant for a limited master elevator constructor license shall have at
23.29 least three years of experience acceptable to the commissioner in installing apparatus,
23.30 equipment, and wiring for elevators.

23.31 (c) Except for the initial license term, as a condition of license renewal, limited
23.32 master elevator constructors must attain a minimum of eight hours of continuing education
23.33 credit approved by the commissioner every renewal period. Not less than six hours shall
23.34 be based on the Minnesota Elevator Code or elevator technology, and not less than two
23.35 hours on the National Electrical Code.

24.1 Subd. 3. **Journeyman elevator constructor.** (a) Except as otherwise provided
24.2 by law, no individual shall perform and supervise elevator work except for planning or
24.3 laying out of elevator work, unless:

24.4 (1) the individual is licensed by the commissioner as a journeyman elevator
24.5 constructor; and

24.6 (2) the elevator work is for an elevator contractor and the individual is an employee,
24.7 partner, or officer of the licensed elevator contractor.

24.8 (b) An applicant for a journeyman elevator constructor license shall have completed
24.9 a four-year elevator mechanics apprenticeship registered with the United States
24.10 Department of Labor or worked at least 9,000 hours in five consecutive years for a
24.11 licensed elevator contractor, acceptable to the commissioner; installing, maintaining,
24.12 modernizing, testing, wiring, and repairing elevators.

24.13 (c) Individuals licensed as journeyman elevator constructors under section 326B.33,
24.14 subdivision 8, as of December 31, 2013, shall not be required to pass an examination
24.15 under this section but, effective January 1, 2014, shall be subject to the requirements of
24.16 sections 326B.163 to 326B.191.

24.17 (d) As a condition of license renewal, journeyman elevator constructors must attain
24.18 a minimum of 16 hours of continuing education credit approved by the commissioner
24.19 every renewal period. Not less than 12 hours shall be based on the Minnesota Elevator
24.20 Code or elevator technology, and not less than four hours shall be based on the National
24.21 Electrical Code.

24.22 Subd. 3a. **Limited journeyman elevator constructor.** (a) Except as otherwise
24.23 provided by law, no individual shall perform or supervise elevator work on residential
24.24 elevators, platform lifts, stairway chairlifts, dumbwaiters, material lifts, limited use/limited
24.25 application elevator equipment, conveyors and special purpose personnel elevators, except
24.26 for planning or laying out of elevator work, unless:

24.27 (1) the individual is licensed by the commissioner as a limited journeyman elevator
24.28 constructor; and

24.29 (2) the elevator work is for a limited elevator contractor or an elevator contractor
24.30 and the individual is an employee, partner, or officer of the licensed limited elevator
24.31 contractor or licensed elevator contractor.

24.32 (b) An applicant for a limited journeyman elevator constructor license shall have
24.33 at least two years of experience acceptable to the commissioner in installing apparatus
24.34 equipment, and wiring for elevators.

24.35 (c) Except for the initial license term, as a condition of license renewal, limited
24.36 journeyman elevator constructors must attain a minimum of eight hours of continuing

25.1 education credit approved by the commissioner every renewal period. Not less than six
25.2 hours shall be based on the Minnesota Elevator Code or elevator technology, and not less
25.3 than two hours on the National Electrical Code.

25.4 Subd. 4. **Registered unlicensed elevator constructor.** (a) An unlicensed individual
25.5 shall not perform elevator work, unless the individual has first registered with the
25.6 department as an unlicensed elevator constructor. Except as allowed by subdivision 12, a
25.7 registered unlicensed elevator constructor shall not perform elevator work, unless the work
25.8 is performed under the direct supervision of an individual actually licensed to perform
25.9 such work. The licensed elevator constructor and the registered unlicensed elevator
25.10 constructor must be employed by the same employer. Unlicensed individuals shall not
25.11 supervise the performance of elevator work or make assignments of elevator work to
25.12 unlicensed individuals. Licensed elevator constructors shall provide direct supervision for
25.13 no more than two registered unlicensed elevator constructors.

25.14 (b) Notwithstanding any other provision of this section, no individual other than a
25.15 master elevator constructor or limited master elevator constructor shall plan or lay out
25.16 elevator wiring, apparatus, or equipment.

25.17 (c) Contractors employing registered unlicensed elevator constructors performing
25.18 elevator work shall maintain records establishing compliance with this subdivision that
25.19 shall identify all unlicensed individuals performing elevator work and shall permit the
25.20 department to examine and copy all such records.

25.21 (d) When a licensed elevator constructor supervises the elevator work of an
25.22 unlicensed individual, the licensed elevator constructor is responsible for ensuring that the
25.23 elevator work complies with this section and the Minnesota Elevator Code.

25.24 (e) A registered unlicensed elevator constructor with a minimum of one year
25.25 experience may perform the following maintenance tasks for elevator equipment without
25.26 being provided with direct supervision: oiling, cleaning, greasing, painting, relamping,
25.27 and replacing of escalator and moving walk comb teeth.

25.28 Subd. 5. **Registration of unlicensed individuals.** (a) Unlicensed individuals
25.29 performing elevator work for a contractor shall register with the department in the manner
25.30 prescribed by the commissioner. Experience credit for elevator work performed in
25.31 Minnesota after January 1, 2009, by an applicant for a license identified in this section
25.32 shall not be granted where the applicant has not registered with the department or is
25.33 not licensed by the department.

25.34 (b) As a condition of renewal of their registration, unlicensed individuals shall attain
25.35 a minimum of two hours of continuing education credit approved by the commissioner

26.1 every renewal period. The continuing education course shall be based on the Minnesota
26.2 Elevator Code or elevator technology.

26.3 (c) Individuals registered under section 326B.33, subdivision 13, whose registration
26.4 expires after July 31, 2013, shall be subject to the registration requirements of this
26.5 subdivision and the requirements of sections 326B.163 to 326B.191.

26.6 Subd. 6. **Contractor's license required.** (a) No individual, other than an employee,
26.7 partner, or officer of a licensed contractor, as defined by section 326B.163, subdivision
26.8 10, shall perform or offer to perform elevator work with or without compensation, unless
26.9 the individual obtains a contractor's license. A contractor's license does not of itself
26.10 qualify its holder to perform or supervise the elevator work authorized by holding any
26.11 class of personal license.

26.12 (b) Companies licensed under section 326B.33, subdivision 14, as of July 31, 2013,
26.13 shall not be required to comply with this subdivision.

26.14 Subd. 7. **Bond required.** As a condition of licensing, each contractor shall give
26.15 and maintain bond to the state in the sum of \$25,000, conditioned upon the faithful and
26.16 lawful performance of all work contracted for or performed by the contractor within the
26.17 state of Minnesota, and such bond shall be for the benefit of persons injured or suffering
26.18 financial loss by reason of failure of such performance. The bond shall be filed with
26.19 the commissioner and shall be in lieu of all other license bonds to any other political
26.20 subdivision. The bond shall be written by a corporate surety licensed to do business
26.21 in the state of Minnesota.

26.22 Subd. 8. **Insurance required.** Each elevator contractor shall have and maintain
26.23 in effect general liability insurance, which includes premises and operations insurance
26.24 and products and completed operations insurance, with limits of at least \$100,000 per
26.25 occurrence, \$300,000 aggregate limit for bodily injury, and property damage insurance
26.26 with limits of at least \$50,000, or a policy with a single limit for bodily injury and property
26.27 damage of \$300,000 per occurrence and \$300,000 aggregate limits. The insurance shall be
26.28 written by an insurer licensed to do business in the state of Minnesota and each contractor
26.29 shall maintain on file with the commissioner a certificate evidencing such insurance. In the
26.30 event of a policy cancellation, the insurer shall send written notice to the commissioner at
26.31 the same time that a cancellation request is received from or a notice is sent to the insured.

26.32 Subd. 9. **Employment of responsible individual.** (a) Each elevator contractor
26.33 must designate a responsible master elevator constructor or limited master elevator
26.34 constructor who shall be the responsible individual for the performance of all elevator
26.35 work in accordance with the requirements of sections 326B.163 to 326B.191, all rules
26.36 adopted under these sections, and all orders issued under section 326B.082. The classes of

27.1 work that a licensed contractor is authorized to perform shall be limited to the classes of
27.2 work that the responsible individual is allowed to perform.

27.3 (b) When a contractor's license is held by an individual, sole proprietorship,
27.4 partnership, limited liability company, or corporation, and the individual, proprietor, one
27.5 of the partners, one of the members, or an officer of the corporation, respectively, is not the
27.6 responsible master elevator constructor or limited master elevator constructor, all elevator
27.7 permits shall be submitted by the responsible master elevator constructor or limited
27.8 master elevator constructor. If the contractor is an individual or a sole proprietorship,
27.9 the responsible master or limited master elevator constructor must be the individual,
27.10 proprietor, or managing employee. If the contractor is a partnership, the responsible
27.11 master or limited master elevator constructor must be a general partner or managing
27.12 employee. If the licensed contractor is a limited liability company, the responsible master
27.13 or limited master elevator constructor must be a chief manager or managing employee.
27.14 If the contractor is a corporation, the responsible master or limited master elevator
27.15 constructor must be an officer or managing employee. If the responsible master or limited
27.16 master elevator constructor is a managing employee, the responsible individual must be
27.17 actively engaged in performing elevator work on behalf of the contractor, and cannot be
27.18 employed in any capacity performing elevator work for any other elevator contractor or
27.19 employer. An individual may be the responsible individual for only one contractor.

27.20 (c) All applications and renewals for contractor licenses shall include a verified
27.21 statement that the applicant and responsible individual are in compliance with this
27.22 subdivision.

27.23 Subd. 10. **Examination.** In addition to the other requirements described in this
27.24 section and sections 326B.091 to 326B.098, as a precondition to issuance of a personal
27.25 license, each applicant must pass a written or oral examination developed and administered
27.26 by the commissioner to ensure the competence of each applicant for license. An oral
27.27 examination shall be administered only to an applicant who furnishes a written statement
27.28 from a certified teacher or other professional, trained in the area of reading disabilities,
27.29 stating that the applicant has a specific reading disability that would prevent the applicant
27.30 from performing satisfactorily on a written test. The oral examination shall be structured
27.31 so that an applicant who passes the examination will not impair the applicant's own safety
27.32 or that of others while acting as a licensed individual.

27.33 Subd. 11. **License, registration, and renewal fees; expiration.** (a) Unless revoked
27.34 or suspended under this chapter, all licenses issued or renewed under this section expire on
27.35 the following schedule:

28.1 (1) master licenses expire March 1 of each odd-numbered year after issuance or
28.2 renewal;

28.3 (2) elevator contractor licenses expire March 1 of each even-numbered year after
28.4 issuance or renewal;

28.5 (3) journeyman elevator constructor licenses expire two years from the date of
28.6 original issuance and every two years thereafter; and

28.7 (4) registrations of unlicensed individuals expire one year from the date of original
28.8 issuance and every year thereafter.

28.9 (b) For purposes of calculating license fees and renewal license fees required under
28.10 section 326B.092:

28.11 (1) the registration of an unlicensed individual under subdivision 5 shall be
28.12 considered an entry-level license;

28.13 (2) the journeyman elevator constructor shall be considered a journeyman license;

28.14 (3) the master elevator constructor and limited master elevator constructor licenses
28.15 shall be considered a master license; and

28.16 (4) an elevator contractor license shall be considered a business license.

28.17 Subd. 12. **Exemption from licensing.** Employees of a licensed elevator contractor
28.18 or licensed limited elevator contractor are not required to hold or obtain a license under this
28.19 section or be provided with direct supervision by a licensed master elevator constructor,
28.20 licensed limited master elevator constructor, licensed elevator constructor, or licensed
28.21 limited elevator constructor to install, maintain, or repair platform lifts and stairway
28.22 chairlifts. Unlicensed employees performing elevator work under this exemption must
28.23 comply with subdivision 5 of this section. This exemption does not include the installation,
28.24 maintenance, repair, or replacement of electrical wiring for elevator equipment.

28.25 Subd. 13. **Reciprocity.** (a) The commissioner may enter into reciprocity agreements
28.26 for personal licenses with another state and issue a personal license without requiring the
28.27 applicant to pass an examination provided the applicant:

28.28 (1) submits an application under this section;

28.29 (2) pays the application and examination fee and license fee required under section
28.30 326B.092; and

28.31 (3) holds a valid comparable license in the state participating in the agreement.

28.32 (b) Reciprocity agreements are subject to the following:

28.33 (1) the parties to the agreement must administer a statewide licensing program that
28.34 includes examination and qualifying experience or training comparable to Minnesota's;

28.35 (2) the experience and training requirements under which an individual applicant
28.36 qualified for examination in the qualifying state must be deemed equal to or greater than

29.1 required for an applicant making application in Minnesota at the time the applicant
29.2 acquired the license in the qualifying state;

29.3 (3) the applicant must have acquired the license in the qualifying state through an
29.4 examination deemed equivalent to the same class of license examination in Minnesota.
29.5 A lesser class of license may be granted where the applicant has acquired a greater
29.6 class of license in the qualifying state, and the applicant otherwise meets the conditions
29.7 of this subdivision;

29.8 (4) at the time of application, the applicant must hold a valid license in the qualifying
29.9 state and have held the license continuously for at least one year before making application
29.10 in Minnesota;

29.11 (5) an applicant is not eligible for a license under this subdivision if the applicant has
29.12 failed the same or greater class of license examination in Minnesota, or if the applicant's
29.13 license of the same or greater class has been revoked or suspended; and

29.14 (6) an applicant who has failed to renew a personal license for two years or more
29.15 after its expiration is not eligible for a license under this subdivision.

29.16 Sec. 23. Minnesota Statutes 2012, section 326B.184, subdivision 1, is amended to read:

29.17 Subdivision 1. **Permits.** No person may construct, install, alter, repair, or remove
29.18 an elevator without first filing an application for a permit with the department or a
29.19 municipality authorized by subdivision 4 to inspect elevators. A permit issued by the
29.20 department is valid for work commenced within 12 months of application and completed
29.21 within two years of application. Where no work is commenced within 12 months of
29.22 application, an applicant may cancel the permit and request a refund of inspection fees.

29.23 Sec. 24. Minnesota Statutes 2012, section 326B.184, is amended by adding a
29.24 subdivision to read:

29.25 Subd. 1a. **Department permit and inspection fees.** (a) The department permit and
29.26 inspection fees to construct, install, alter, repair, or remove an elevator are as follows:

29.27 (1) the permit fee is \$100;

29.28 (2) the inspection fee is 0.015 of the total cost of the permitted work for labor and
29.29 materials, including related electrical and mechanical equipment. The inspection fee
29.30 covers two inspections. The inspection fee for additional inspections is \$80 per hour;

29.31 (3) when inspections scheduled by the permit submitter are not able to be completed
29.32 because the work is not complete, a fee equal to two hours at the hourly rate of \$80 must
29.33 be paid by the permit submitter; and

30.1 (4) when the owner or permit holder requests inspections be performed outside of
30.2 normal work hours or on weekends or holidays, an hourly rate of \$120 in addition to
30.3 the inspection fee must be paid.

30.4 (b) The department fees for inspection of existing elevators when requested by the
30.5 elevator owner or as a result of an accident resulting in personal injury are at an hourly rate
30.6 of \$80 during normal work hours or \$120 outside of normal work hours or on weekends or
30.7 holidays, with a one-hour minimum.

30.8 Sec. 25. Minnesota Statutes 2012, section 326B.184, subdivision 2, is amended to read:

30.9 Subd. 2. **Operating permits and fees; periodic inspections.** (a) No person may
30.10 operate an elevator without first obtaining an annual operating permit from the department
30.11 or a municipality authorized by subdivision 4 to issue annual operating permits. A \$100
30.12 annual operating permit fee must be paid to the department for each annual operating
30.13 permit issued by the department, except that the original annual operating permit must
30.14 be included in the permit fee for the initial installation of the elevator. Annual operating
30.15 permits must be issued at 12-month intervals from the date of the initial annual operating
30.16 permit. For each subsequent year, an owner must be granted an annual operating permit
30.17 for the elevator upon the owner's or owner's agent's submission of a form prescribed by
30.18 the commissioner and payment of the \$100 fee. Each form must include the location of
30.19 the elevator, the results of any periodic test required by the code, and any other criteria
30.20 established by rule. An annual operating permit may be revoked by the commissioner upon
30.21 an audit of the periodic testing results submitted with the application or a failure to comply
30.22 with elevator code requirements, inspections, or any other law related to elevators. Except
30.23 for an initial operating permit fee, hand-powered manlifts and electric endless belt manlifts,
30.24 and vertical reciprocating conveyors are not subject to a subsequent operating permit fee.

30.25 (b) All elevators are subject to periodic inspections by the department or a
30.26 municipality authorized by subdivision 4 to perform periodic inspections, except that
30.27 hand-powered manlifts and electric endless belt manlifts are exempt from periodic
30.28 inspections. Periodic inspections by the department shall be performed at the following
30.29 intervals:

30.30 (1) a special purpose personnel elevator is subject to inspection not more than once
30.31 every five years;

30.32 (2) an elevator located within a house of worship that does not have attached school
30.33 facilities is subject to inspection not more than once every three years; and

30.34 (3) all other elevators are subject to inspection not more than once each year.

31.1 Sec. 26. Minnesota Statutes 2012, section 326B.187, is amended to read:

31.2 **326B.187 RULES.**

31.3 The commissioner may adopt rules for the following purposes:

31.4 (1) to establish minimum qualifications for elevator inspectors that must include
31.5 possession of a current elevator constructor electrician's license issued by the department
31.6 and proof of successful completion of the national elevator industry education program
31.7 examination or equivalent experience;

31.8 (2) to establish minimum qualifications for limited elevator inspectors;

31.9 (3) to establish criteria for the qualifications of elevator contractors;

31.10 (4) to establish elevator standards under sections 326B.106, subdivisions 1 and 3,
31.11 and 326B.13;

31.12 (5) to establish procedures for appeals of decisions of the commissioner under
31.13 chapter 14 and procedures allowing the commissioner, before issuing a decision, to seek
31.14 advice from the elevator trade, building owners or managers, and others knowledgeable in
31.15 the installation, construction, and repair of elevators; and

31.16 (6) to establish requirements for the registration of all elevators.

31.17 Sec. 27. Minnesota Statutes 2012, section 326B.31, is amended by adding a
31.18 subdivision to read:

31.19 Subd. 26a. **Request for inspection.** "Request for inspection" means the application
31.20 for and issuance of a permit for an electrical installation that is required to be inspected
31.21 under section 326B.36.

31.22 Sec. 28. Minnesota Statutes 2012, section 326B.33, subdivision 19, is amended to read:

31.23 **Subd. 19. License, registration, and renewal fees; expiration.** (a) Unless
31.24 revoked or suspended under this chapter, all licenses issued or renewed under this section
31.25 expire on the date specified in this subdivision. Master licenses expire March 1 of each
31.26 odd-numbered year after issuance or renewal. Electrical contractor licenses expire March
31.27 1 of each even-numbered year after issuance or renewal. Technology system contractor
31.28 and satellite system contractor licenses expire August 1 of each even-numbered year after
31.29 issuance or renewal. All other personal licenses expire two years from the date of original
31.30 issuance and every two years thereafter. Registrations of unlicensed individuals expire
31.31 one year from the date of original issuance and every year thereafter.

31.32 (b) For purposes of calculating license fees and renewal license fees required under
31.33 section 326B.092:

32.1 (1) the registration of an unlicensed individual under subdivision 12 shall be
32.2 considered an entry level license;

32.3 (2) the following licenses shall be considered journeyman licenses: Class A
32.4 journeyman electrician, Class B journeyman electrician, Class A installer, Class B
32.5 installer, ~~elevator constructor~~, lineman, maintenance electrician, satellite system installer,
32.6 and power limited technician;

32.7 (3) the following licenses shall be considered master licenses: Class A master
32.8 electrician; and Class B master electrician; ~~and master elevator constructor~~; and

32.9 (4) the following licenses shall be considered business licenses: Class A electrical
32.10 contractor, Class B electrical contractor, ~~elevator contractor~~, satellite system contractor,
32.11 and technology systems contractor.

32.12 (c) For each filing of a certificate of responsible person by an employer, the fee is
32.13 \$100.

32.14 Sec. 29. Minnesota Statutes 2012, section 326B.33, subdivision 21, is amended to read:

32.15 Subd. 21. **Exemptions from licensing.** (a) An individual who is a maintenance
32.16 electrician is not required to hold or obtain a license under sections 326B.31 to 326B.399 if:

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

32.21 (2) the individual is supervised by:

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

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

32.27 (3) the individual's employer has on file with the commissioner a current certificate
32.28 of responsible person, signed by the responsible master electrician of the contractor, the
32.29 licensed master electrician, the licensed maintenance electrician, the electrical engineer, or
32.30 the licensed power limited technician, and stating that the person signing the certificate
32.31 is responsible for ensuring that the maintenance and repair work performed by the
32.32 employer's employees complies with the Minnesota Electrical Act and the rules adopted
32.33 under that act. The employer must pay a filing fee to file a certificate of responsible person
32.34 with the commissioner. The certificate shall expire two years from the date of filing. In
32.35 order to maintain a current certificate of responsible person, the employer must resubmit a

33.1 certificate of responsible person, with a filing fee, no later than two years from the date
33.2 of the previous submittal.

33.3 (b) Employees of a licensed electrical or technology systems contractor or other
33.4 employer where provided with supervision by a master electrician in accordance with
33.5 subdivision 1, or power limited technician in accordance with subdivision 7, paragraph
33.6 (a), clause (1), are not required to hold a license under sections 326B.31 to 326B.399
33.7 for the planning, laying out, installing, altering, and repairing of technology circuits or
33.8 systems except planning, laying out, or installing:

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

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

33.15 (3) technology circuits or systems in hazardous classified locations as covered by
33.16 chapter 5 of the National Electrical Code.

33.17 (c) Companies and their employees that plan, lay out, install, alter, or repair class
33.18 2 and class 3 remote control wiring associated with plug or cord and plug connected
33.19 appliances other than security or fire alarm systems installed in a residential dwelling are
33.20 not required to hold a license under sections 326B.31 to 326B.399.

33.21 (d) Heating, ventilating, air conditioning, and refrigeration contractors and their
33.22 employees are not required to hold or obtain a license under sections 326B.31 to 326B.399
33.23 when performing heating, ventilating, air conditioning, or refrigeration work as described
33.24 in section 326B.38.

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

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

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

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

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

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

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

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

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

34.15 (g) Companies and their employees licensed under section 326B.164 shall not be
34.16 required to hold or obtain a license under sections 326B.31 to 326B.399.

34.17 Sec. 30. Minnesota Statutes 2012, section 326B.36, subdivision 7, is amended to read:

34.18 Subd. 7. **Exemptions from inspections.** Installations, materials, or equipment shall
34.19 not be subject to inspection under sections 326B.31 to 326B.399:

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

34.23 (2) when owned or leased, and operated and maintained by any electrical,
34.24 communications, or railway utility, cable communications company as defined in section
34.25 238.02, or telephone company as defined under section 237.01, in the exercise of its
34.26 utility, antenna, or telephone function; and

34.27 (i) are used exclusively for the generations, transformation, distribution,
34.28 transmission, or metering of electric current, or the operation of railway signals, or the
34.29 transmission of intelligence, and do not have as a principal function the consumption or
34.30 use of electric current by or for the benefit of any person other than such utility, cable
34.31 communications company, or telephone company; and

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

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

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

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

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

35.8 (6) when the installation, material, and equipment is part of an elevator installation
35.9 for which the elevator contractor, licensed under section ~~326B.33~~ 326B.164, is required to
35.10 obtain a permit from the authority having jurisdiction as provided by section 326B.184,
35.11 and the inspection has been or will be performed by an elevator inspector certified and
35.12 licensed by the department. This exemption shall apply only to installations, material, and
35.13 equipment permitted or required to be connected on the load side of the disconnecting
35.14 means required for elevator equipment under National Electrical Code Article 620, and
35.15 elevator communications and alarm systems within the machine room, car, hoistway, or
35.16 elevator lobby.

35.17 Sec. 31. Minnesota Statutes 2012, section 326B.37, is amended by adding a
35.18 subdivision to read:

35.19 Subd. 15. Utility interconnected wind generation installations. (a) Fees
35.20 associated with utility interconnected generation installations consisting of one or more
35.21 generator sources interconnected with a utility power system and not supplying other
35.22 premises loads are calculated according to paragraph (b) or (c).

35.23 (b) The inspection fee is calculated according to subdivisions 2, 3, 4, and 6,
35.24 paragraphs (d), (f), (j), and (k). A fee must be included for the generators and utility
35.25 interconnect feeders, but not for a utility service.

35.26 (c) There is a plan review fee and inspection fee for the entire electrical installation.
35.27 The plan review fee is based on the valuation of the electrical installation related to one of
35.28 the generator systems that is part of the overall installation, not to include the supporting
35.29 tower or other nonelectrical equipment or structures, calculated according to section
35.30 326B.153, subdivision 2. The inspection fee is \$80 for each individual tower, including
35.31 any voltage matching transformers located at the tower, and the fee for the feeders
35.32 interconnecting the individual towers to the utility power system is calculated according to
35.33 subdivisions 4 and 6, paragraph (k).

35.34 Sec. 32. Minnesota Statutes 2012, section 326B.43, subdivision 2, is amended to read:

36.1 Subd. 2. **Agreement with municipality.** The commissioner may enter into an
36.2 agreement with a municipality, in which the municipality agrees to perform plan and
36.3 specification reviews required to be performed by the commissioner under Minnesota
36.4 Rules, part 4715.3130, if:

36.5 (a) the municipality has adopted:

36.6 (1) the plumbing code;

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

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

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

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

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

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

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

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

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

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

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

36.32 (1) licensed master plumbers;

36.33 (2) licensed professional engineers; or

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

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

37.4 (h) individuals who will conduct the plumbing inspections for the municipality
37.5 are licensed master or journeyman plumbers, or inspectors meeting the competency
37.6 requirements established in rules adopted under section 326B.135;

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

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

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

37.17 (l) the municipality and the commissioner agree that if at any time during the
37.18 agreement the municipality does not have in effect the plumbing code or any of ordinances
37.19 described in paragraph (a), or if the commissioner determines that the municipality is not
37.20 properly administering and enforcing the plumbing code or is otherwise not complying
37.21 with the agreement:

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

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

37.26 (3) while any challenge is pending under clause (2), the commissioner shall perform
37.27 plan and specification reviews within the municipality under Minnesota Rules, part
37.28 4715.3130;

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

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

37.34 (1) ~~hospitals, nursing homes, supervised living facilities licensed for eight or~~
37.35 ~~more individuals, and similar health-care-related facilities regulated by the Minnesota~~

38.1 ~~Department of Health~~ state-licensed facilities as defined in section 326B.103, subdivision
 38.2 13;

38.3 (2) ~~buildings owned by the federal or state government~~ public buildings as defined
 38.4 in section 326B.103, subdivision 11; and

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

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

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

38.12 Sec. 33. Minnesota Statutes 2012, section 326B.49, subdivision 2, is amended to read:

38.13 Subd. 2. **Fees for plan reviews and audits.** Plumbing system plans and
 38.14 specifications that are submitted to the commissioner for review shall be accompanied by
 38.15 the appropriate plan examination fees. If the commissioner determines, upon review of
 38.16 the plans, that inadequate fees were paid, the necessary additional fees shall be paid prior
 38.17 to plan approval. The commissioner shall charge the following fees for plan reviews and
 38.18 audits of plumbing installations for public, commercial, and industrial buildings:

38.19 (1) systems with both water distribution and drain, waste, and vent systems and
 38.20 having:

38.21 (i) 25 or fewer drainage fixture units, \$150;

38.22 (ii) 26 to 50 drainage fixture units, \$250;

38.23 (iii) 51 to 150 drainage fixture units, \$350;

38.24 (iv) 151 to 249 drainage fixture units, \$500;

38.25 (v) 250 or more drainage fixture units, \$3 per drainage fixture unit to a maximum
 38.26 of \$4,000; and

38.27 (vi) interceptors, separators, or catch basins, \$70 per interceptor, separator, or catch
 38.28 basin design;

38.29 (2) building sewer service only, \$150;

38.30 (3) building water service only, \$150;

38.31 (4) building water distribution system only, no drainage system, \$5 per supply
 38.32 fixture unit or \$150, whichever is greater;

38.33 (5) storm drainage system, a minimum fee of \$150 or:

38.34 (i) \$50 per drain opening, up to a maximum of \$500; and

38.35 (ii) \$70 per interceptor, separator, or catch basin design;

- 39.1 (6) manufactured home park or campground, one to 25 sites, \$300;
- 39.2 (7) manufactured home park or campground, 26 to 50 sites, \$350;
- 39.3 (8) manufactured home park or campground, 51 to 125 sites, \$400;
- 39.4 (9) manufactured home park or campground, more than 125 sites, \$500; and
- 39.5 ~~(10) accelerated review, double the regular fee, one-half to be refunded if no~~
- 39.6 ~~response from the commissioner within 15 business days; and~~
- 39.7 ~~(11)~~ (10) revision to previously reviewed or incomplete plans:
- 39.8 (i) review of plans for which the commissioner has issued two or more requests for
- 39.9 additional information, per review, \$100 or ten percent of the original fee, whichever
- 39.10 is greater;
- 39.11 (ii) proposer-requested revision with no increase in project scope, \$50 or ten percent
- 39.12 of original fee, whichever is greater; and
- 39.13 (iii) proposer-requested revision with an increase in project scope, \$50 plus the
- 39.14 difference between the original project fee and the revised project fee.

39.15 **EFFECTIVE DATE.** This section is effective January 1, 2014.

39.16 Sec. 34. Minnesota Statutes 2012, section 326B.49, subdivision 3, is amended to read:

39.17 Subd. 3. **Inspection Permits; fees.** ~~The commissioner shall charge the following~~

39.18 ~~fees for inspections under sections 326B.42 to 326B.49:~~

39.19 Residential inspection fee (each visit)	\$ 50
39.20 Public, Commercial, and Industrial Inspections	Inspection Fee
39.21 25 or fewer drainage fixture units	\$ 300
39.22 26 to 50 drainage fixture units	\$ 900
39.23 51 to 150 drainage fixture units	\$ 1,200
39.24 151 to 249 drainage fixture units	\$ 1,500
39.25 250 or more drainage fixture units	\$ 1,800
39.26 Callback fee (each visit)	\$ 100

- 39.27 (a) The permit fee is \$100.
- 39.28 (b) The residential inspection fee is \$50 for each inspection trip.
- 39.29 (c) The public, commercial, and industrial inspection fees are as follows:
- 39.30 (1) for systems with water distribution, drain, waste, and vent system connection:
- 39.31 (i) \$25 for each fixture, permanently connected appliance, floor drain, or other
- 39.32 appurtenance;
- 39.33 (ii) \$25 for each water conditioning, water treatment, or water filtration system;
- 39.34 (iii) \$25 for each interceptor, separator, catch basin, or manhole;
- 39.35 (2) roof drains, \$25 for each drain;
- 39.36 (3) building sewer service only, \$100;

- 40.1 (4) building water service only, \$100;
40.2 (5) building water distribution system only, no drainage system, \$5 for each fixture
40.3 supplied;
40.4 (6) storm drainage system, a minimum fee of \$25 for each drain opening, interceptor,
40.5 separator, or catch basin;
40.6 (7) manufactured home park or campground, \$25 for each site;
40.7 (8) reinspection fee to verify corrections, regardless of the total fee submitted, \$100
40.8 for each reinspection; and
40.9 (9) each \$100 in fees paid covers one inspection trip.
40.10 (d) In addition to the fees in paragraph (c), the fee submitter must pay an hourly rate of
40.11 \$80 during regular business hours, or \$120 when inspections are requested to be performed
40.12 outside of normal work hours or on weekends and holidays, with a two-hour minimum
40.13 where the fee submitter requests inspections of installations as systems are being installed.
40.14 (e) The fee submitter must pay a fee equal to two hours at the hourly rate of \$80
40.15 when inspections scheduled by the submitter are not able to be completed because the
40.16 work is not complete.

40.17 Sec. 35. Minnesota Statutes 2012, section 326B.89, subdivision 1, is amended to read:

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

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

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

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

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

40.29 (f) "Owner" when used in connection with real property, means ~~a person~~ an
40.30 individual who has any legal or equitable interest in real property ~~and includes~~ or
40.31 a condominium or townhome association that owns common property located in a
40.32 condominium building or townhome building or an associated detached garage. Owner
40.33 does not include any real estate developer or any other legal or commercial entity.

40.34 Sec. 36. Minnesota Statutes 2012, section 327B.04, subdivision 4, is amended to read:

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

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

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

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

41.17 (c) the applicant has secured: (1) a surety bond in the amount of \$20,000 for each
41.18 agency and each subagency location that bears the applicant's name and the name under
41.19 which the applicant will be licensed and do business in this state. Each bond is for the
41.20 protection of consumer customers, and must be executed by the applicant as principal and
41.21 issued by a surety company admitted to do business in this state. Each bond shall be
41.22 exclusively for the purpose of reimbursing consumer customers and shall be conditioned
41.23 upon the faithful compliance by the applicant with all of the laws and rules of this state
41.24 pertaining to the applicant's business as a dealer or manufacturer, including sections
41.25 325D.44, 325F.67 and 325F.69, and upon the applicant's faithful performance of all its
41.26 legal obligations to consumer customers; and (2) a certificate of liability insurance in
41.27 the amount of \$1,000,000 that provides aggregate coverage for the agency and each
41.28 subagency location. In the event of a policy cancellation, the insurer shall send written
41.29 notice to the commissioner at the same time that a cancellation request is received from
41.30 or a notice is sent to the insured;

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

41.34 (e) the applicant has provided evidence of having had at least two years' prior
41.35 experience in the sale of manufactured homes, working for a licensed dealer. The
41.36 applicant does not have to satisfy the two year prior experience requirement if:

- 42.1 (1) the applicant sells or brokers used manufactured homes as permitted under
 42.2 section 327B.01, subdivision 7; or
 42.3 (2) the applicant:
 42.4 (i) has met all other licensing requirements;
 42.5 (ii) is the owner of a manufactured home park; and
 42.6 (iii) is selling new manufactured homes installed in the manufactured home park
 42.7 that the applicant owns.

42.8 Sec. 37. Minnesota Statutes 2012, section 341.21, subdivision 3a, is amended to read:

42.9 Subd. 3a. **Commissioner.** "Commissioner" means the commissioner of labor
 42.10 and industry or a duly designated representative of the commissioner who is either an
 42.11 employee of the Department of Labor and Industry or a person working under contract
 42.12 with the department.

42.13 Sec. 38. Minnesota Statutes 2012, section 341.221, is amended to read:

42.14 **341.221 ADVISORY COUNCIL.**

42.15 (a) The commissioner must appoint a Combative Sports Advisory Council to advise
 42.16 the commissioner on the administration of duties under this chapter.

42.17 (b) The council shall have nine members appointed by the commissioner. One
 42.18 member must be a retired judge of the Minnesota District Court, Minnesota Court of
 42.19 Appeals, Minnesota Supreme Court, the United States District Court for the District of
 42.20 Minnesota, or the Eighth Circuit Court of Appeals. At least four members must have
 42.21 knowledge of the boxing industry. At least four members must have knowledge of the
 42.22 mixed martial arts industry. The commissioner shall make serious efforts to appoint
 42.23 qualified women to serve on the council.

42.24 (c) Council members shall serve terms of four years with the terms ending on the
 42.25 first Monday in January.

42.26 (d) The council shall annually elect from its membership a chair.

42.27 ~~(e) The commissioner shall convene the first meeting of the council by July 1, 2012.~~
 42.28 ~~The council shall elect a chair at its first meeting. Thereafter, Meetings shall be convened~~
 42.29 ~~by the commissioner, or by the chair with the approval of the commissioner.~~

42.30 ~~(f) For the first appointments to the council, the commissioner shall appoint the~~
 42.31 ~~members currently serving on the Combative Sports Commission established under~~
 42.32 ~~section 341.22, to the council. The commissioner shall designate two of the members to~~
 42.33 ~~serve until the first Monday in January 2013; two members to serve until the first Monday~~

43.1 in January 2014; two members to serve until the first Monday in January 2015; and three
 43.2 members to serve until the first Monday in January 2016.

43.3 (g) Removal of members, filling of vacancies, and compensation of members shall
 43.4 be as provided in section 15.059.

43.5 Sec. 39. Minnesota Statutes 2012, section 341.27, is amended to read:

43.6 **341.27 COMMISSIONER DUTIES.**

43.7 The commissioner shall:

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

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

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

43.12 (4) develop rules to be implemented under this chapter;

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

43.14 (6) develop policies and procedures for regulating boxing and mixed martial arts; ~~and~~

43.15 (7) immediately suspend an individual license for a medical condition, including but
 43.16 not limited to a medical condition resulting from an injury sustained during a match, bout,
 43.17 or contest that has been confirmed by the ringside physician. The medical suspension must
 43.18 be lifted after the commissioner receives written information from a physician licensed in
 43.19 the home state of the licensee indicating that the combatant may resume competition, and
 43.20 any other information that the commissioner may by rule require. Medical suspensions
 43.21 are not subject to section ~~214.10~~. 326B.082 or the contested case procedures provided
 43.22 in sections 14.57 to 14.69; and

43.23 (8) immediately suspend an individual combatant license for a mandatory rest period,
 43.24 which must commence at the conclusion of every combative sports contest in which the
 43.25 license holder competes and does not receive a medical suspension. A rest suspension
 43.26 must automatically lift after seven calendar days from the date the combative sports
 43.27 contest passed without notice or additional proceedings. Rest suspensions are not subject
 43.28 to section 326B.082 or the contested case procedures provided in sections 14.57 to 14.69.

43.29 Sec. 40. Minnesota Statutes 2012, section 341.29, is amended to read:

43.30 **341.29 JURISDICTION OF COMMISSIONER.**

43.31 The commissioner shall:

43.32 (1) have sole direction, supervision, regulation, control, and jurisdiction over all
 43.33 combative sport contests that are held within this state unless a contest is exempt from the
 43.34 application of this chapter under federal law;

44.1 (2) have sole control, authority, and jurisdiction over all licenses required by this
44.2 chapter; and

44.3 (3) grant a license to an applicant if, in the judgment of the commissioner, the
44.4 financial responsibility, experience, character, and general fitness of the applicant are
44.5 consistent with the public interest, convenience, or necessity and the best interests of
44.6 combative sports and conforms with this chapter and the commissioner's rules; and

44.7 (4) deny, suspend, or revoke a license using the enforcement provisions of section
44.8 326B.082.

44.9 Sec. 41. Minnesota Statutes 2012, section 341.30, subdivision 4, is amended to read:

44.10 Subd. 4. **Prelicensure requirements.** (a) Before the commissioner issues a license
44.11 to a promoter, corporation, or other business entity, the applicant shall:

44.12 (1) provide the commissioner with a copy of any agreement between a combatant
44.13 and the applicant that binds the applicant to pay the combatant a certain fixed fee or
44.14 percentage of the gate receipts;

44.15 (2) show on the application the owner or owners of the applicant entity and the
44.16 percentage of interest held by each owner holding a 25 percent or more interest in the
44.17 applicant;

44.18 (3) provide the commissioner with a copy of the latest financial statement of the
44.19 entity; and

44.20 (4) provide the commissioner with a copy or other proof acceptable to the
44.21 commissioner of the insurance contract or policy required by this chapter.

44.22 (b) Before the commissioner issues a license to a promoter, the applicant shall
44.23 deposit with the commissioner a cash bond or surety bond in an amount set by the
44.24 commissioner, which must not be less than \$10,000. The bond shall be executed in favor
44.25 of this state and shall be conditioned on the faithful performance by the promoter of the
44.26 promoter's obligations under this chapter and the rules adopted under it. An applicant for a
44.27 license as a promoter and licensed promoters shall submit an application for each event a
44.28 minimum of six weeks before the combative sport contest is scheduled to occur.

44.29 (c) Before the commissioner issues a license to a combatant, the applicant shall
44.30 submit to the commissioner:

44.31 (1) a mixed martial arts combatant national identification number or federal boxing
44.32 identification number that is unique to the applicant, or both; and

44.33 (2) the results of a current medical examination on forms furnished or approved
44.34 by the commissioner. The medical examination must include an ophthalmological and
44.35 neurological examination, and documentation of test results for HBV, HCV, and HIV, and

45.1 any other blood test as the commissioner by rule may require. The ophthalmological
45.2 examination must be designed to detect any retinal defects or other damage or condition
45.3 of the eye that could be aggravated by combative sports. The neurological examination
45.4 must include an electroencephalogram or medically superior test if the combatant has
45.5 been knocked unconscious in a previous contest. The commissioner may also order an
45.6 electroencephalogram or other appropriate neurological or physical examination before
45.7 any contest if it determines that the examination is desirable to protect the health of the
45.8 combatant. The commissioner shall not issue a license to an applicant submitting positive
45.9 test results for HBV, HCV, or HIV.

45.10 Sec. 42. Minnesota Statutes 2012, section 341.32, subdivision 2, is amended to read:

45.11 Subd. 2. **Expiration and renewal.** ~~A license issued after July 1, 2007, is valid for~~
45.12 ~~one year from the date it is issued and~~ Licenses expire annually on December 31, and may
45.13 be renewed by filing an application for renewal with the commissioner and payment of the
45.14 license fees established in section 341.321. An application for a license and renewal of a
45.15 license must be on a form provided by the commissioner. There is a 30-day grace period
45.16 during which a license may be renewed if a late filing penalty fee equal to the license fee
45.17 is submitted with the regular license fee. A licensee that files late shall not conduct any
45.18 activity regulated by this chapter until the commissioner has renewed the license. If the
45.19 licensee fails to apply to the commissioner within the 30-day grace period, the licensee
45.20 must apply for a new license under subdivision 1.

45.21 Sec. 43. Minnesota Statutes 2012, section 341.321, is amended to read:

45.22 **341.321 FEE SCHEDULE.**

45.23 (a) The fee schedule for professional licenses issued by the commissioner is as
45.24 follows:

- 45.25 (1) referees, ~~\$45~~ \$80 for each initial license and each renewal;
45.26 (2) promoters, ~~\$400~~ \$700 for each initial license and each renewal;
45.27 (3) judges and knockdown judges, ~~\$45~~ \$80 for each initial license and each renewal;
45.28 (4) trainers, ~~\$45~~ \$80 for each initial license and each renewal;
45.29 (5) ring announcers, ~~\$45~~ \$80 for each initial license and each renewal;
45.30 (6) seconds, ~~\$45~~ \$80 for each initial license and each renewal;
45.31 (7) timekeepers, ~~\$45~~ \$80 for each initial license and each renewal;
45.32 (8) combatants, ~~\$45~~ \$120 for each initial license and each renewal;
45.33 (9) managers, ~~\$45~~ \$80 for each initial license and each renewal; and
45.34 (10) ringside physicians, ~~\$45~~ \$80 for each initial license and each renewal.

46.1 In addition to the license fee and the late filing penalty fee in section 341.32, subdivision
46.2 2, if applicable, an individual who applies for a professional license on the same day the
46.3 combative sporting event is held shall pay a late fee of \$100 plus the original license fee of
46.4 ~~\$45~~ \$120 at the time the application is submitted.

46.5 (b) The fee schedule for amateur licenses issued by the commissioner is as follows:

46.6 (1) referees, ~~\$45~~ \$80 for each initial license and each renewal;

46.7 (2) promoters, ~~\$400~~ \$700 for each initial license and each renewal;

46.8 (3) judges and knockdown judges, ~~\$45~~ \$80 for each initial license and each renewal;

46.9 (4) trainers, ~~\$45~~ \$80 for each initial license and each renewal;

46.10 (5) ring announcers, ~~\$45~~ \$80 for each initial license and each renewal;

46.11 (6) seconds, ~~\$45~~ \$80 for each initial license and each renewal;

46.12 (7) timekeepers, ~~\$45~~ \$80 for each initial license and each renewal;

46.13 (8) combatant, ~~\$25~~ \$60 for each initial license and each renewal;

46.14 (9) managers, ~~\$45~~ \$80 for each initial license and each renewal; and

46.15 (10) ringside physicians, ~~\$45~~ \$80 for each initial license and each renewal.

46.16 (c) The commissioner shall establish a contest fee for each combative sport contest.

46.17 The professional combative sport contest fee is \$1,500 per event or not more than four
46.18 percent of the gross ticket sales, whichever is greater, as determined by the commissioner
46.19 when the combative sport contest is scheduled, ~~except that~~ the amateur combative sport
46.20 contest fee shall be ~~\$500~~ \$1,500 or not more than four percent of the gross ticket sales,
46.21 whichever is greater. The commissioner shall consider the size and type of venue when
46.22 establishing a contest fee. The commissioner may establish the maximum number
46.23 of complimentary tickets allowed for each event by rule. A professional or amateur
46.24 combative sport contest fee is nonrefundable.

46.25 (d) All fees and penalties collected by the commissioner must be deposited in the
46.26 commissioner account in the special revenue fund.

46.27 **Sec. 44. JOB-BASED EDUCATION AND APPRENTICESHIP PROGRAM**
46.28 **(JEAP) FOR MANUFACTURING INDUSTRIES.**

46.29 Subdivision 1. Purpose. The job-based education and apprenticeship program
46.30 (JEAP) for manufacturing industries is established with the purpose of:

46.31 (1) meeting the unmet skilled manufacturing needs of employers in the state;

46.32 (2) improving the employability of underrepresented groups;

46.33 (3) providing career-level job skills training to participants using an apprenticeship
46.34 model unique to the needs of the skilled manufacturing employer and the participant; and

47.1 (4) creating a centralized Web-based skilled manufacturing job-seekers hub to
47.2 connect skilled manufacturing employers with job seekers.

47.3 Subd. 2. **Creation.** The commissioner of labor and industry, in collaboration with
47.4 the Board of Trustees of the Minnesota State Colleges and Universities (MnSCU) and
47.5 employers, shall develop JEAP for manufacturing industries that integrates academic
47.6 instruction and job-related learning in the workplace and through MnSCU institutions.
47.7 The commissioner shall actively recruit participants in JEAP, through the Web-based hub
47.8 created in subdivision 4 and other means, from the following groups: secondary and
47.9 postsecondary school systems; individuals with disabilities; dislocated workers; retired
47.10 and disabled veterans; individuals enrolled in MFIP under chapter 256J; minorities;
47.11 previously incarcerated individuals; individuals residing in labor surplus areas as defined
47.12 by the United States Department of Labor; and any other disadvantaged group as
47.13 determined by the commissioner.

47.14 Subd. 3. **Definitions.** (a) For the purposes of this section, the terms defined in
47.15 this subdivision have the meanings given.

47.16 (b) "Board of Trustees of the Minnesota State Colleges and Universities" has the
47.17 meaning given in section 136F.01.

47.18 (c) "Commissioner" means the commissioner of labor and industry.

47.19 (d) "Employer" means a skilled manufacturing employer within the state who enters
47.20 into the agreements with MnSCU and the commissioner of labor under subdivisions 5 to 7.

47.21 (e) "Hub" or "the hub" means the Web-based listing of skilled manufacturing jobs
47.22 under subdivision 4.

47.23 (f) "MnSCU institution" means the local college or university providing instruction
47.24 to the participant.

47.25 (g) "Participant" means an employee who:

47.26 (1) enters into a JEAP participation agreement under subdivision 6; and

47.27 (2) is successfully admitted to a MnSCU institution, if applicable.

47.28 (h) "Related instruction" means classroom instruction or technical or vocational
47.29 training required to perform the duties of the skilled manufacturing job.

47.30 (i) "Skilled manufacturing" means occupations in manufacturing industry sectors 31
47.31 to 33 as defined by the North American Industry Classification System (NAICS).

47.32 Subd. 4. **Job-seekers hub.** (a) The commissioner shall develop a centralized
47.33 Web-based skilled manufacturing job-seekers hub that matches the needs of employers
47.34 with job seekers.

48.1 (b) An employer may advertise a JEAP or other job opportunity on the hub if the
48.2 employer:

48.3 (1) collaborates with a MnSCU institution to assist with the development of any
48.4 necessary classroom instruction or technical or vocational training that may be required to
48.5 perform the duties of the skilled manufacturing job;

48.6 (2) collaborates with the commissioner of labor and industry to create a JEAP under
48.7 subdivision 5;

48.8 (3) abides by the terms of the JEAP employer agreement under subdivision 5; and

48.9 (4) employs the participant under the terms of a JEAP participation agreement under
48.10 subdivision 6 for the duration of the modified apprenticeship program and, assuming
48.11 successful completion, makes reasonable efforts to continue to employ the participant as a
48.12 regular employee.

48.13 (c) Job seekers seeking skilled manufacturing jobs advertised on the hub agree to
48.14 abide by the terms of the JEAP participation agreement under subdivision 6.

48.15 (d) The Board of Trustees of MnSCU and MnSCU institutions shall provide
48.16 information for the hub describing the related instruction component of JEAP through
48.17 data exchange.

48.18 Subd. 5. **JEAP employer agreement.** (a) The commissioner, eligible employer,
48.19 and MnSCU institution shall enter into a JEAP employer agreement that is specific to the
48.20 identified manufacturing training needs of an employer.

48.21 (b) The agreement must contain the following:

48.22 (1) the name of the employer;

48.23 (2) a statement showing the number of hours to be spent by a participant in work and
48.24 the number of hours to be spent, if any, in concurrent, supplementary instruction in related
48.25 subjects. The maximum number of hours of work per week, not including time spent in
48.26 related instruction, for any participant shall not exceed either the number prescribed by
48.27 law or the customary regular number of hours per week for the employees of the company
48.28 by which the participant is employed. A participant may be allowed to work overtime
48.29 provided that the overtime work does not conflict with supplementary instruction course
48.30 attendance. All time spent by the participant in excess of the number of hours of work per
48.31 week as specified in the JEAP participation agreement shall be considered overtime;

48.32 (3) a statement showing the schedule of wages that a participant will earn, including
48.33 a probationary period, if any;

48.34 (4) an explanation of how the employer agreement or participant agreement may
48.35 be terminated;

49.1 (5) a statement setting forth a schedule of the processes in the occupation in which
49.2 the participant is to be trained and the approximate time to be spent at each process;

49.3 (6) a statement by the MnSCU institution and the employer describing the related
49.4 instruction that will be offered, if any, under subdivision 7, paragraph (c); and

49.5 (7) any other provision the commissioner deems necessary to carry out the purposes
49.6 of this section.

49.7 Subd. 6. **JEAP participation agreement.** (a) The commissioner, the prospective
49.8 participant, and the employer shall enter into a JEAP participation agreement that is
49.9 specific to the manufacturing training to be provided to the participant.

49.10 (b) The participation agreement must contain the following:

49.11 (1) the name of the employer;

49.12 (2) the name of the participant;

49.13 (3) a statement setting forth a schedule of the processes of the occupation in which
49.14 the participant is to be trained and the approximate time to be spent at each process;

49.15 (4) a description of any related instruction;

49.16 (5) a statement showing the number of hours to be spent by a participant in work and
49.17 the number of hours to be spent, if any, in concurrent, supplementary instruction in related
49.18 subjects. The maximum number of hours of work per week, not including time spent in
49.19 related instruction, for any participant shall not exceed either the number prescribed by
49.20 law or the customary regular number of hours per week for the employees of the company
49.21 by which the participant is employed. A participant may be allowed to work overtime
49.22 provided that the overtime work does not conflict with supplementary instruction course
49.23 attendance. All time spent by the participant in excess of the number of hours of work per
49.24 week as specified in the JEAP participation agreement shall be considered overtime;

49.25 (6) a statement showing the schedule of wages that a participant will earn, including
49.26 a probationary period, if any;

49.27 (7) an explanation of how the parties may terminate the participation agreement.

49.28 (c) If a JEAP participation agreement meets the requirements of section 178.07, the
49.29 commissioner may approve the participation agreement as an apprenticeship agreement.

49.30 (d) The commissioner may periodically review the adherence to the terms of
49.31 the JEAP participation agreement. If the commissioner determines that an employer
49.32 or participant has failed to comply with the terms of a participation agreement, the
49.33 commissioner shall terminate the participation agreement.

49.34 Subd. 7. **MnSCU instruction.** (a) MnSCU institutions shall collaborate with
49.35 employers to provide related instruction which the employer deems necessary to instruct

50.1 participants of JEAP. The related instruction provided must be, for the purposes of this
50.2 section, career-level, as negotiated by the commissioner and the MnSCU institution. The
50.3 related instruction may be for credit or noncredit and credit earned may be transferable to
50.4 a degree program, as determined by the MnSCU institution.

50.5 (b) The commissioner, in conjunction with the MnSCU institution, shall issue a
50.6 certificate of completion to a participant who completes all required components of the
50.7 JEAP participation agreement.

50.8 (c) As part of the JEAP, an employer shall collaborate with a MnSCU institution for
50.9 any related instruction required to perform the skilled manufacturing job. The employer
50.10 agreement shall include:

50.11 (1) a detailed explanation of the related instruction; and

50.12 (2) the number of hours of related instruction needed to receive a certificate of
50.13 completion.

50.14 (d) Before entering into a JEAP participation agreement under subdivision 6, a
50.15 prospective participant must enroll in the MnSCU institution at which the required
50.16 instruction will occur. Acceptance into JEAP does not guarantee enrollment as a
50.17 degree-seeking student in good standing at a MnSCU institution. The MnSCU institution
50.18 may modify admission procedures and requirements for participants applying for JEAP
50.19 under this section.

50.20 Subd. 8. **Expiration.** JEAP does not expire unless jointly agreed to by both the
50.21 Board of Trustees of MnSCU and the commissioner.

50.22 Sec. 45. **IMPLEMENTATION; REPORT.**

50.23 The commissioner shall implement JEAP for manufacturing industries under
50.24 Minnesota Statutes, section 178A.10, at Century College, Alexandria Technical and
50.25 Community College, Hennepin Technical College, and Central Lakes College. By January
50.26 15, 2015, the commissioner and the Board of Trustees of MnSCU, in conjunction with
50.27 each MnSCU institution listed in this section, shall report to the legislative committees
50.28 with jurisdiction over jobs. The report must address the progress and success of the
50.29 implementation of JEAP at each individual MnSCU institution listed in this section. The
50.30 report must give recommendations on where JEAP should next be implemented, taking
50.31 into consideration all current and potential manufacturing training providers available.

50.32 Sec. 46. **REPEALER.**

50.33 (a) Minnesota Statutes 2012, sections 326B.31, subdivisions 18, 19, and 22; and
50.34 326B.978, subdivision 4, are repealed.

51.1 (b) Minnesota Rules, parts 1307.0032; 3800.3520, subpart 5, items C and D; and
51.2 3800.3602, subpart 2, item B, are repealed.

51.3 **ARTICLE 3**

51.4 **EMPLOYMENT, ECONOMIC DEVELOPMENT AND** 51.5 **WORKFORCE DEVELOPMENT**

51.6 **Section 1. [116J.013] COST-OF-LIVING STUDY; ANNUAL REPORT.**

51.7 (a) The commissioner shall conduct an annual cost-of-living study in Minnesota.

51.8 The study shall include:

51.9 (1) a calculation of the statewide basic needs cost of living, adjusted for family size;

51.10 (2) a calculation of the basic needs cost of living, adjusted for family size, for each
51.11 county;

51.12 (3) an analysis of statewide and county cost-of-living data, employment data, and
51.13 job vacancy data; and

51.14 (4) recommendations to aid in the assessment of employment and economic
51.15 development planning needs throughout the state.

51.16 (b) The commissioner shall report on the cost-of-living study and recommendations
51.17 by February 1 of each year to the governor and to the chairs of the standing committees
51.18 of the house of representatives and the senate having jurisdiction over employment and
51.19 economic development issues.

51.20 **Sec. 2. [116J.4011] LABOR MARKET INFORMATION DATA PRODUCTION** 51.21 **REQUIREMENT.**

51.22 (a) As part of the commissioner's obligation under section 116J.401, the
51.23 commissioner must, in collaboration with the Office of Higher Education and local
51.24 workforce center boards, publish labor market analysis supply and demand reports,
51.25 statewide and by region. The supply and demand reports must:

51.26 (1) identify the state and regional industry sectors and occupations with the highest
51.27 current and projected job growth;

51.28 (2) identify top job vacancies by state and regional industry sectors and occupations;

51.29 (3) provide information on the education attainment of the current state and regional
51.30 workforce;

51.31 (4) identify the expected number of graduates in industry-recognized credential and
51.32 degree programs by career field;

51.33 (5) identify the completion rate and average debt per student of industry-recognized
51.34 credential and degree programs by career field;

52.1 (6) identify higher education institutions offering industry-recognized credential and
52.2 degree programs in high job-growth career fields;

52.3 (7) make projections on future state and regional job growth by education level; and

52.4 (8) utilize employer surveys to identify the credentials and skills needed for
52.5 employment in high job-growth occupations.

52.6 (b) The statewide report and regional reports shall each present side-by-side
52.7 comparisons of:

52.8 (1) new job growth and total job openings by education level compared with
52.9 educational attainment levels of current workforce;

52.10 (2) current and projected top high-growth, high-pay industries by number of new
52.11 jobs and median salaries compared with top annual graduates by major or credential; and

52.12 (3) top job vacancies requiring some postsecondary credential. Each of these
52.13 vacancies should be directly linked to information about what credentials are required,
52.14 where in the state and region those credentials can be obtained, the completion and
52.15 credential attainment rate of each of those credential programs, the average debt per
52.16 student who attains each credential, and median wages for the job vacancy.

52.17 (c) Reports required by this section must be regularly reviewed by regional
52.18 employers and educators to ensure accuracy.

52.19 (d) Reports required by this section must be easily accessible, easily readable, and
52.20 prominently presented on the Department of Employment and Economic Development
52.21 Web site and Web sites of workforce centers.

52.22 Sec. 3. Minnesota Statutes 2012, section 116J.8731, subdivision 2, is amended to read:

52.23 Subd. 2. **Administration.** The commissioner shall administer the fund as part of
52.24 the Small Cities Development Block Grant Program. Funds shall be made available to
52.25 local communities and recognized Indian tribal governments in accordance with the rules
52.26 adopted for economic development grants in the small cities community development
52.27 block grant program, except that all units of general purpose local government are eligible
52.28 applicants for Minnesota investment funds. The commissioner may provide forgivable
52.29 loans directly to a private enterprise and not require a local community or recognized
52.30 Indian tribal government application other than a resolution supporting the assistance.
52.31 Eligible applicants for the state-funded portion of the fund also include development
52.32 authorities as defined in section 116J.552, subdivision 4, provided that the governing body
52.33 of the municipality approves, by resolution, the application of the development authority.

52.34 The commissioner may also make funds available within the department for eligible
52.35 expenditures under subdivision 3, clause (2). A home rule charter or statutory city, county,

53.1 or town may loan or grant money received from repayment of funds awarded under
53.2 this section to a regional development commission, other regional entity, or statewide
53.3 community capital fund as determined by the commissioner, to capitalize or to provide the
53.4 local match required for capitalization of a regional or statewide revolving loan fund.

53.5 Sec. 4. Minnesota Statutes 2012, section 116J.8731, subdivision 3, is amended to read:

53.6 Subd. 3. **Eligible expenditures.** The money appropriated for this section may
53.7 be used to:

53.8 (1) fund loans or grants for infrastructure, loans, loan guarantees, interest buy-downs,
53.9 and other forms of participation with private sources of financing, provided that a loan to
53.10 a private enterprise must be for a principal amount not to exceed one-half of the cost of
53.11 the project for which financing is sought;

53.12 (2) fund strategic investments in renewable energy market development, such as
53.13 low interest loans for renewable energy equipment manufacturing, training grants to
53.14 support renewable energy workforce, development of a renewable energy supply chain
53.15 that represents and strengthens the industry throughout the state, and external marketing
53.16 to garner more national and international investment into Minnesota's renewable sector.
53.17 Expenditures in external marketing for renewable energy market development are not
53.18 subject to the limitations in clause (1); and

53.19 (3) provide private entrepreneurs with training, other technical assistance, and
53.20 financial assistance, as provided in the small cities development block grant program.

53.21 Sec. 5. Minnesota Statutes 2012, section 116J.8731, subdivision 8, is amended to read:

53.22 Subd. 8. **Disaster contingency account; repayments.** There is created a Minnesota
53.23 investment fund disaster contingency account in the special revenue fund. Repayment of
53.24 loan amounts to the local government unit or development authority under this section
53.25 shall be forwarded to the commissioner and deposited in the disaster contingency account
53.26 in the Minnesota investment fund to be appropriated by law for future disaster relief.

53.27 Sec. 6. Minnesota Statutes 2012, section 116J.8731, subdivision 9, is amended to read:

53.28 Subd. 9. **Requirements for assistance.** (a) All awards under section 12A.07 are
53.29 subject to the following requirements in this subdivision.

53.30 ~~(a) Eligible applicants include the following:~~

53.31 (b) Eligible applicants are subject to the following requirements:

53.32 (1) Applicants may be any business or nonprofit organization in the area included
53.33 in the disaster declaration that was directly and adversely affected by the disaster. This

54.1 includes: businesses, cooperatives, utilities, industrial, commercial, retail, and nonprofit
 54.2 organizations, including those nonprofits that provide residential, health care, child care,
 54.3 social, or other services on behalf of the Department of Human Services to residents
 54.4 included in the disaster area.

54.5 (2) Business applicants must be organized as a proprietorship, partnership, LLC, or
 54.6 a corporation.

54.7 (3) Applicants must have been in operation before the date of the disaster.

54.8 ~~(b) Eligible activities:~~ (c) Loan funds may be used to assist businesses only in their
 54.9 recovery efforts but are not available to provide relief from economic losses.

54.10 ~~(e) Eligible costs:~~ (d) Eligible costs may include the following: repair of buildings,
 54.11 leasehold improvements, fixtures and/or equipment, loss of inventory, and cleanup costs.

54.12 ~~(d)~~ (e) Ineligible activities include all of the following:

54.13 (1) ~~Ineligible applicants:~~ Any applicants not meeting the eligibility requirements
 54.14 outlined in this subdivision are ineligible to receive recovery loan funds.

54.15 (2) ~~Ineligible activities:~~ Funds may not be used for lending or investment operations,
 54.16 land speculation, or any activity deemed illegal by federal, state, or local law or ordinance.

54.17 (3) ~~Ineligible costs:~~ Ineligible costs include but are not limited to: economic injury
 54.18 losses, relocation, management fees, financing costs, franchise fees, debt consolidation,
 54.19 moving costs, refinancing debt existing prior to the date of the disaster, and operating costs.

54.20 ~~(e)~~ (f) Loan application:

54.21 ~~(1) Application process:~~ All parties seeking recovery loan funds must file an
 54.22 application with the local unit of government or development authority. Small Business
 54.23 Administration (SBA) application forms may be used. Applications must be transmitted
 54.24 in the form and manner prescribed by the commissioner.

54.25 ~~(f) Application information:~~ (g) Only completed applications will be reviewed for
 54.26 consideration. Submittal of the following information constitutes a complete application:

54.27 (1) Minnesota investment fund recovery loan fund application;

54.28 (2) business SBA disaster application, if applicable;

54.29 (3) regional development organization or responsible local government application,
 54.30 if applicable;

54.31 (4) administrative contact;

54.32 (5) business release for local government to review SBA damage assessment/loss
 54.33 verification, if applicable;

54.34 (6) proof of loss statement from insurer;

54.35 (7) construction cost estimates;

54.36 (8) invoices for work completed;

- 55.1 (9) quotes for equipment;
- 55.2 (10) proposed security;
- 55.3 (11) company historical financial statements for the 24 months immediately prior to
- 55.4 the application date;
- 55.5 (12) credit check release;
- 55.6 (13) number of jobs to be retained;
- 55.7 (14) wages paid;
- 55.8 (15) amount of loan request;
- 55.9 (16) documentation of damages incurred;
- 55.10 (17) property taxes paid and current;
- 55.11 (18) judgments, liens, agreements, consent decrees, stipulations for settlements, or
- 55.12 other such actions which would prevent the applicant from participating in any program
- 55.13 administered by the responsible local, state, or regional government;
- 55.14 (19) compliance with all applicable local ordinances and plans;
- 55.15 (20) documentation through financial and tax records that the business was a viable
- 55.16 operating entity at the time of the flood;
- 55.17 (21) business tax identification number; and
- 55.18 (22) other documentation as requested.
- 55.19 ~~(g)~~ (h) Incomplete applications will be assigned pending status and the applicant
- 55.20 will be informed in writing of the missing documentation.
- 55.21 ~~(h) Determination of eligibility.~~ (i) Applicant eligibility will be determined using
- 55.22 criteria enumerated in paragraph ~~(a)~~ (b). A credit check for the company and each of its
- 55.23 principal owners may be conducted. An owner's encumbrance report will be completed
- 55.24 by the Recorder's Office.
- 55.25 (j) A grant recipient is eligible for assistance provided under this section only after the
- 55.26 recipient has claimed all applicable private insurance and the recipient has utilized all other
- 55.27 sources of applicable assistance available under the act appropriating funding for the grant.

55.28 **Sec. 7. [116J.8748] MINNESOTA JOB CREATION FUND.**

55.29 **Subdivision 1. Definitions.** (a) For purposes of this section, the following terms

55.30 have the meanings given.

55.31 (b) "Agreement" or "business subsidy agreement" means a business subsidy

55.32 agreement under section 116J.994 that must include, but is not limited to: specification

55.33 of the duration of the agreement, job goals and a timeline for achieving those goals over

55.34 the duration of the agreement, construction and other investment goals and a timeline for

55.35 achieving those goals over the duration of the agreement, and the value of benefits the

56.1 firm may receive following achievement of construction and employment goals. The local
56.2 government and business must report to the commissioner on the business performance
56.3 using the forms developed by the commissioner.

56.4 (c) "Business" means an individual, corporation, partnership, limited liability
56.5 company, association, or other entity.

56.6 (d) "Capital investment" means money that is expended for the purpose of building
56.7 or improving real fixed property where employees under paragraphs (g) and (h) are or will
56.8 be employed and also includes construction materials, services, and supplies.

56.9 (e) "Commissioner" means the commissioner of employment and economic
56.10 development.

56.11 (f) "Minnesota job creation fund business" means a business that is designated
56.12 by the commissioner under subdivision 3.

56.13 (g) "New full-time employee" means an employee who:

56.14 (1) begins work at a Minnesota job creation fund business facility noted in a business
56.15 subsidy agreement and following the execution of the agreement; and

56.16 (2) has expected work hours of at least 2,080 hours annually.

56.17 (h) "Retained job" means a full-time position:

56.18 (1) that existed at the facility prior to the execution of the agreement; and

56.19 (2) has expected work hours of at least 2,080 hours annually.

56.20 (i) "Wages" has the meaning given in section 290.92, subdivision 1, clause (1).

56.21 Subd. 2. **Application.** (a) In order to qualify for designation as a Minnesota job
56.22 creation fund business under subdivision 3, a business must submit an application to the
56.23 local government entity where the facility is or will be located.

56.24 (b) A local government must submit the business application along with other
56.25 application materials to the commissioner for approval.

56.26 (c) The applications required under paragraphs (a) and (b) must be in the form and
56.27 be made under the procedures specified by the commissioner.

56.28 Subd. 3. **Minnesota job creation fund business designation; requirements.** (a)
56.29 To receive designation as a Minnesota job creation fund business, a business must satisfy
56.30 all of the following conditions:

56.31 (1) the business is or will be engaged in, within Minnesota, one of the following
56.32 as its primary business activity:

56.33 (i) manufacturing;

56.34 (ii) warehousing;

56.35 (iii) distribution;

56.36 (iv) information technology;

- 57.1 (v) finance;
- 57.2 (vi) insurance; or
- 57.3 (vii) professional or technical services;
- 57.4 (2) the business must not be primarily engaged in lobbying; gambling; entertainment;
- 57.5 professional sports; political consulting; leisure; hospitality; or professional services
- 57.6 provided by attorneys, accountants, business consultants, physicians, or health care
- 57.7 consultants; or primarily engaged in making retail sales to purchasers who are physically
- 57.8 present at the business's location;
- 57.9 (3) the business must enter into a binding construction and job creation business
- 57.10 subsidy agreement with the commissioner to expend at least \$500,000 in capital
- 57.11 investment in a construction project that includes a new, expanded, or remodeled facility
- 57.12 within one year following designation as a Minnesota job creation fund business and:
- 57.13 (i) create at least ten new full-time employee positions within two years of the
- 57.14 benefit date following the designation as a Minnesota job creation fund business; or
- 57.15 (ii) expend at least \$25,000,000 in capital investment and retain at least 200
- 57.16 employees;
- 57.17 (4) positions or employees moved or relocated from another Minnesota location
- 57.18 of the Minnesota job creation fund business must not be included in any calculation or
- 57.19 determination of job creation or new positions under this paragraph; and
- 57.20 (5) a Minnesota job creation fund business must not terminate, lay off, or reduce
- 57.21 the working hours of an employee for the purpose of hiring an individual to satisfy job
- 57.22 creation goals under this subdivision.
- 57.23 (b) Prior to approving the proposed designation of a business under this subdivision,
- 57.24 the commissioner shall consider the following:
- 57.25 (1) the economic outlook of the industry in which the business engages;
- 57.26 (2) the projected sales of the business that will be generated from outside the state
- 57.27 of Minnesota;
- 57.28 (3) how the business will build on existing regional, national, and international
- 57.29 strengths to diversify the state's economy;
- 57.30 (4) whether the business activity would occur without financial assistance;
- 57.31 (5) whether the business is unable to expand at an existing Minnesota operation
- 57.32 due to facility or land limitations;
- 57.33 (6) whether the business has viable location options outside Minnesota;
- 57.34 (7) the effect of financial assistance on industry competitors in Minnesota;
- 57.35 (8) financial contributions to the project made by local governments; and
- 57.36 (9) any other criteria the commissioner deems necessary.

58.1 (c) Upon receiving notification of local approval under subdivision 2, the
58.2 commissioner shall review the determination by the local government and consider the
58.3 conditions listed in paragraphs (a) and (b), to determine whether it is in the best interests of
58.4 the state and local area to designate a business as a Minnesota job creation fund business.

58.5 (d) If the commissioner designates a business as a Minnesota job creation fund
58.6 business, the business subsidy agreement shall include the performance outcome
58.7 commitments and the expected financial value of any Minnesota job creation fund benefits.

58.8 (e) The commissioner may amend an agreement once, upon request of a local
58.9 government on behalf of a business, only if the performance is expected to exceed
58.10 thresholds stated in the original agreement.

58.11 (f) A business may apply to be designated as a Minnesota job creation fund business
58.12 at the same location more than once only if all goals under a previous Minnesota job
58.13 creation fund agreement had been met and the agreement was completed.

58.14 Subd. 4. **Certification; benefits.** (a) The commissioner may certify a Minnesota job
58.15 creation fund business as eligible to receive a specific value of benefit under paragraphs
58.16 (b) and (c) when the business has achieved its job creation and construction goals noted in
58.17 its agreement under subdivision 3.

58.18 (b) A qualified Minnesota job creation fund business may be certified eligible for the
58.19 benefits in this paragraph for up to five years as determined by the commissioner when
58.20 considering the best interests of the state and local area. The eligibility for the following
58.21 benefits begins the date the commissioner certifies the business as a qualified Minnesota
58.22 job creation fund business under this subdivision:

58.23 (1) up to five percent rebate on capital investment on qualifying purchases as
58.24 provided in subdivision 5 with the total rebate for a project not to exceed \$500,000;

58.25 (2) an award of up to \$500,000 based on full-time job creation and wages paid as
58.26 provided in subdivision 6 with the total award not to exceed \$500,000;

58.27 (3) up to \$1,000,000 in capital investment rebates and \$1,000,000 in job creation
58.28 awards are allowable for projects that have at least \$25,000,000 in capital investment and
58.29 200 new employees; and

58.30 (4) up to \$1,000,000 in capital investment rebates are allowable for projects that
58.31 have at least \$25,000,000 in capital investment and 200 retained employees.

58.32 (c) The job creation award may be provided in multiple years as long as the qualified
58.33 Minnesota job creation fund business continues to meet the job creation goals provided
58.34 for in its agreement under subdivision 3 and the total award does not exceed \$500,000
58.35 except as provided under paragraph (b), clauses (3) and (4).

59.1 (d) No rebates or award may be provided until the Minnesota job creation fund
59.2 business has at least \$500,000 in capital investment in the project and at least ten full-time
59.3 jobs have been created and maintained for at least one year or the retained employees, as
59.4 provided in paragraph (b), clause (4), remain for at least one year. The agreement may
59.5 require additional performance outcomes that need to be achieved before rebates and
59.6 awards are provided. If fewer retained jobs are maintained, the capital investment award
59.7 shall be reduced on a proportionate basis.

59.8 (e) The forms needed to be submitted to document performance by the Minnesota
59.9 job creation fund business must be in the form and be made under the procedures specified
59.10 by the commissioner. The forms shall include documentation and certification by the
59.11 business that it is in compliance with the business subsidy agreement, sections 116L.66,
59.12 116J.871, and other provisions as specified by the commissioner.

59.13 (f) Minnesota job creation fund businesses must pay each new full-time employee
59.14 added pursuant to the agreement total compensation, including benefits not mandated by
59.15 law, that on an annualized basis is equal to at least 110 percent of the federal poverty
59.16 level for a family of four.

59.17 Subd. 5. **Capital investment rebate.** (a) A qualified Minnesota job creation fund
59.18 business is eligible for a rebate on the purchase and use of construction materials, services,
59.19 and supplies used for or consumed in the construction project as described in the goals
59.20 under the agreement provided under subdivision 1, paragraph (a).

59.21 (b) The rebate under this subdivision applies regardless of whether the purchases are
59.22 made by the qualified Minnesota job creation fund business or a contractor hired to perform
59.23 work or provide services at the qualified Minnesota job creation fund business location.

59.24 (c) Minnesota job creation fund businesses seeking the rebate for capital investment
59.25 provided under subdivision 4 must submit forms and applications to the Department of
59.26 Employment and Economic Development as prescribed by the commissioner of each
59.27 department.

59.28 Subd. 6. **Job creation award.** (a) A qualified Minnesota job creation fund business
59.29 is eligible for an annual award for each new job created and maintained by the business
59.30 using the following schedule: \$1,000 for each job position paying annual wages at least
59.31 \$26,000 but less than \$35,000; \$2,000 for each job position paying at least \$35,000 but
59.32 less than \$45,000; and \$3,000 for each job position paying at least \$45,000; and as noted
59.33 in the goals under the agreement provided under subdivision 1.

59.34 (b) The job creation award schedule must be adjusted annually using the percentage
59.35 increase in the federal poverty level for a family of four.

60.1 (c) Minnesota job creation fund businesses seeking an award credit provided under
60.2 subdivision 4 must submit forms and applications to the Department of Employment and
60.3 Economic Development as prescribed by the commissioner.

60.4 Subd. 7. **Rules.** The procedures and operations used by the commissioner are
60.5 exempt from the rulemaking provisions of chapter 14.

60.6 **EFFECTIVE DATE.** This section is effective January 1, 2014.

60.7 Sec. 8. **[116J.9661] TRADE POLICY ADVISORY GROUP.**

60.8 Subdivision 1. **Establishment.** The trade policy advisory group is established to
60.9 advise and assist the governor and the legislature regarding government procurement
60.10 agreements of United States trade agreements.

60.11 Subd. 2. **Membership.** (a) The trade policy advisory group shall be appointed by
60.12 the governor and comprised of 12 members as follows:

60.13 (1) two representatives of organized labor;

60.14 (2) a representative of an organization representing environmental interests;

60.15 (3) a representative of organizations representing family farmers;

60.16 (4) two representatives from business and industry;

60.17 (5) a representative of a nonprofit organization focused on international trade and
60.18 development;

60.19 (6) the commissioner of employment and economic development or designee;

60.20 (7) two senators, including one member from the majority party and one member
60.21 from the minority party, appointed by the Subcommittee on Committees of the Committee
60.22 on Rules and Administration of the senate; and

60.23 (8) two members of the house of representatives, including one member appointed
60.24 by the speaker of the house and one member appointed by the minority leader.

60.25 (b) Members of the trade policy advisory group shall serve for a term of two years
60.26 and may be reappointed. Members shall serve until their successors have been appointed.

60.27 (c) The trade policy advisory group may invite representatives from other state
60.28 agencies, industries, trade and labor organizations, nongovernmental organizations, and
60.29 local governments to join the group as nonvoting ex officio members.

60.30 Subd. 3. **Administration.** (a) The commissioner of employment and economic
60.31 development or the commissioner's designee shall:

60.32 (1) coordinate with the other appointing authorities to designate their representatives;
60.33 and

60.34 (2) provide meeting space and administrative services for the group.

61.1 (b) The members shall elect a chair from the legislative members of the working
61.2 group. The chair will assume responsibility for convening future meetings of the group.

61.3 (c) Public members of the advisory group serve without compensation or payment of
61.4 expenses.

61.5 Subd. 4. **Duties.** The trade policy advisory group shall:

61.6 (1) serve as an advisory group to the governor and the legislature on matters relating
61.7 to government procurement agreements of United States trade agreements;

61.8 (2) assess the potential impact of government procurement agreements on the state's
61.9 economy;

61.10 (3) advise the governor and the legislature of the group's findings and make
61.11 recommendations, including any draft legislation necessary to implement the
61.12 recommendations, to the governor and the legislature;

61.13 (4) determine, on a case-by-case basis, the impact of a specific government
61.14 procurement agreement by requesting input from state agencies, seeking expert advice,
61.15 convening public hearings, and taking other reasonable and appropriate actions;

61.16 (5) provide advice on other issues related to trade agreements other than government
61.17 procurement agreements when specifically requested by the governor or the legislature;

61.18 (6) request information from the Office of the United States Trade Representative
61.19 necessary to conduct an appropriate review of government procurement agreements or
61.20 other trade issues as directed by the governor or the legislature; and

61.21 (7) receive information obtained by the United States Trade Representative's single
61.22 point of contact for Minnesota.

61.23 Subd. 5. **Report.** The trade policy advisory group shall issue a report to the
61.24 legislature with its findings and recommendations no less than once per fiscal year.

61.25 Sec. 9. **[116J.978] MINNESOTA TRADE OFFICES IN FOREIGN MARKETS.**

61.26 (a) The commissioner of employment and economic development shall establish
61.27 three new Minnesota Trade Offices in key foreign markets selected for their potential to
61.28 increase Minnesota exports and attract foreign direct investment.

61.29 (b) The commissioner shall establish a performance rating system for the new offices
61.30 established under this section and create specific annual goals for the offices to meet. The
61.31 commissioner shall monitor activities of the office, including, but not limited to, the number
61.32 of inquiries and projects received and completed, meetings arranged between Minnesota
61.33 companies and potential investors, distributors, or customers, and agreements signed.

61.34 Sec. 10. **[116J.979] MINNESOTA STEP GRANTS.**

62.1 Subdivision 1. **Establishment.** The commissioner of employment and economic
 62.2 development shall create a State Trade and Export Promotion grants program, hereafter
 62.3 STEP grants, to provide financial and technical assistance to eligible Minnesota small
 62.4 businesses with an active interest in exporting products or services to foreign markets.

62.5 Subd. 2. **Grants.** Recipients may apply, on an application devised by the
 62.6 commissioner, for up to \$7,500 in reimbursement for approved export-development
 62.7 activities, including, but not limited to:

62.8 (1) participation in trade missions;

62.9 (2) export training;

62.10 (3) exhibition at trade shows or industry-specific events;

62.11 (4) translation of marketing materials;

62.12 (5) development of foreign language Web sites, Gold Key, or other business
 62.13 matchmaking services;

62.14 (6) company-specific international sales activities; and

62.15 (7) testing and certification required to sell products in foreign markets.

62.16 Sec. 11. **[116J.9801] INVEST MINNESOTA.**

62.17 The commissioner shall establish the Invest Minnesota marketing initiative. This
 62.18 initiative must focus on branding the state's economic development initiatives and
 62.19 promoting Minnesota business opportunities. The initiative may include measures to
 62.20 communicate the benefits of doing business in Minnesota to companies considering
 62.21 relocating, establishing a United States presence, or expanding.

62.22 Sec. 12. **[116L.191] WORKFORCE CENTER; CREDENTIAL ASSISTANCE.**

62.23 (a) The commissioner shall provide at local workforce centers services that
 62.24 assist individuals in identifying and obtaining industry-recognized credentials for jobs,
 62.25 particularly jobs in high demand. The workforce centers must consult and cooperate
 62.26 with training institutions, particularly postsecondary institutions to identify credential
 62.27 programs to individuals.

62.28 (b) Each workforce center shall provide information under section 116J.4011,
 62.29 paragraph (b), clause (3), linked as a shortcut from the desktop of each workforce center
 62.30 computer and available in hard copy. Prominent signs should be posted in workforce
 62.31 centers directing individuals to where they can find a list of top job vacancies and related
 62.32 credential information.

62.33 Sec. 13. Minnesota Statutes 2012, section 116U.26, is amended to read:

63.1 **116U.26 FILM PRODUCTION JOBS PROGRAM.**

63.2 (a) The film production jobs program is created. The program shall be operated
 63.3 by the Minnesota Film and TV Board with administrative oversight and control by the
 63.4 commissioner of ~~administration~~ employment and economic development. The program
 63.5 shall make payment to producers of feature films, national television or Internet programs,
 63.6 documentaries, music videos, and commercials that directly create new film jobs in
 63.7 Minnesota. To be eligible for a payment, a producer must submit documentation to the
 63.8 Minnesota Film and TV Board of expenditures for production costs incurred in Minnesota
 63.9 that are directly attributable to the production in Minnesota of a film product.

63.10 The Minnesota Film and TV Board shall make recommendations to the
 63.11 commissioner of ~~administration~~ employment and economic development about program
 63.12 payment, but the commissioner has the authority to make the final determination on
 63.13 payments. The commissioner's determination must be based on proper documentation of
 63.14 eligible production costs submitted for payments. No more than five percent of the funds
 63.15 appropriated for the program in any year may be expended for administration, including
 63.16 costs for independent audits and financial reviews of projects.

63.17 (b) For the purposes of this section:

63.18 (1) "production costs" means the cost of the following:

63.19 (i) a story and scenario to be used for a film;

63.20 (ii) salaries of talent, management, and labor, including payments to personal
 63.21 services corporations for the services of a performing artist;

63.22 (iii) set construction and operations, wardrobe, accessories, and related services;

63.23 (iv) photography, sound synchronization, lighting, and related services;

63.24 (v) editing and related services;

63.25 (vi) rental of facilities and equipment; ~~or~~

63.26 (vii) other direct costs of producing the film in accordance with generally accepted
 63.27 entertainment industry practice; ~~and~~

63.28 (viii) above-the-line talent fees for nonresident talent; or

63.29 (ix) costs incurred during postproduction; and

63.30 (2) "film" means a feature film, television or Internet ~~show~~, pilot, program, series,
 63.31 documentary, music video, or television commercial, whether on film, video, or digital
 63.32 media. Film does not include news, current events, public programming, or a program
 63.33 that includes weather or market reports; a talk show; a production with respect to a
 63.34 questionnaire or contest; a sports event or sports activity; a gala presentation or awards
 63.35 show; a finished production that solicits funds; or a production for which the production

64.1 company is required under United States Code, title 18, section 2257, to maintain records
64.2 with respect to a performer portrayed in a single-media or multimedia program.

64.3 (c) Notwithstanding any other law to the contrary, the Minnesota Film and TV Board
64.4 may make reimbursements of: (1) up to ~~20~~ 25 percent of ~~film~~ production costs for films that
64.5 locate production outside the metropolitan area, as defined in section 473.121, subdivision
64.6 2, or that incur production costs in excess of \$5,000,000 ~~in the metropolitan area~~ within a
64.7 12-month period; or (2) up to ~~15~~ 20 percent of ~~film~~ production costs for films that incur
64.8 production costs of \$5,000,000 or less in the metropolitan area within a 12-month period.

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

64.10 Sec. 14. Minnesota Statutes 2012, section 136F.37, is amended to read:

64.11 **136F.37 JOB PLACEMENT IMPACT ON PROGRAM REVIEW;**
64.12 **INFORMATION TO STUDENTS.**

64.13 Subdivision 1. **Colleges; technical occupational program.** The board must
64.14 assess labor market data when conducting college program reviews. Colleges must
64.15 provide prospective students with the job placement rate for graduates of technical and
64.16 occupational programs offered at the colleges.

64.17 Subd. 2. **DEED labor market survey; MnSCU usage and disclosure.** The data
64.18 assessed under subdivision 1 must include labor market data compiled by the Department
64.19 of Employment and Economic Development under section 116J.4011. The board and its
64.20 colleges and universities must use this market data when deciding upon course and program
64.21 offerings. The board must provide a link to this labor market data on its Internet portal.

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

64.23 Sec. 15. **[383D.412] DAKOTA COUNTY COMMUNITY DEVELOPMENT**
64.24 **AGENCY, MINNESOTA INVESTMENT FUND.**

64.25 Subdivision 1. **Treatment.** As long as the conditions set forth in subdivision 2 are met
64.26 and notwithstanding the provisions of section 116J.8731, the Dakota County Community
64.27 Development Agency will be treated as if it were a general purpose local governmental unit
64.28 and may apply for and receive state-funded money from the Minnesota investment fund.

64.29 Subd. 2. **Conditions precedent.** Conditions precedent to the treatment of the
64.30 Dakota County Community Development Agency as a general purpose local governmental
64.31 unit as described in subdivision 1, are:

64.32 (a) the board of commissioners of Dakota County shall have adopted a resolution
64.33 approving such treatment of the Dakota County Community Development Agency, and

65.1 such resolution shall be in full force and effect and shall not have been revoked by
 65.2 Dakota County; and

65.3 (b) the members of the board of commissioners of Dakota County shall be the same
 65.4 persons as the members of the board of commissioners of the Dakota County Community
 65.5 Development Agency.

65.6 **Sec. 16. EMPLOYMENT SUPPORT AND INDEPENDENT LIVING SERVICES**
 65.7 **FOR INDIVIDUALS WITH HIGH-FUNCTIONING AUTISM, ASPERGER'S**
 65.8 **SYNDROME, NONVERBAL LEARNING DISORDERS, AND PERVASIVE**
 65.9 **DEVELOPMENT DISORDER, NOT OTHERWISE SPECIFIED; PILOT**
 65.10 **PROGRAM.**

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

65.13 (b) "Communication" means the ability to effectively give and receive information
 65.14 through spoken words, writing, speaking, listening, or other means of communication,
 65.15 including but not limited to nonverbal expressions, gestures, or other adaptive methods.

65.16 (c) "Functional areas" means communication, interpersonal skills, mobility, self-care,
 65.17 self-direction, preemployment skills, work tolerance, and independent living skills.

65.18 (d) "Independent living assessment" means an active, performance-based skill
 65.19 assessment in the functional areas of communication, interpersonal skills, mobility,
 65.20 self-care, self-direction, preemployment skills, and independent living skills, that provides
 65.21 an analysis of the individual's ability to independently achieve certain skills and which
 65.22 is performed through direct observation.

65.23 (e) "Interpersonal skills" means the ability to establish and maintain personal,
 65.24 family, work, and community relationships.

65.25 (f) "Mobility" means the physical and psychological ability to move about from
 65.26 place to place, including travel to and from destinations in the community for activities
 65.27 of daily living, training, or work.

65.28 (g) "Natural supports" means the process of assisting an employer to expand its
 65.29 capacity for training, supervising, and supporting workers with disabilities.

65.30 (h) "Ongoing employment support services" means any of the following services:

65.31 (1) facilitation of natural supports at the work site;

65.32 (2) disability awareness training for the worker, the worker's employer, supervisor,
 65.33 or coworkers;

65.34 (3) services necessary to increase the worker's inclusion at the work site;

65.35 (4) job skills training at the work site;

- 66.1 (5) regular observation or supervision of the worker;
66.2 (6) coordination of support services;
66.3 (7) job-related safety training;
66.4 (8) job-related advocacy skills training to advance employment;
66.5 (9) training in independent living skills and support including self-advocacy, money
66.6 management and organization, grooming and personal care, communication, interpersonal
66.7 skills, problem solving, orientation and mobility, and using public transportation or
66.8 driver's training;
66.9 (10) follow-up services necessary to reinforce and stabilize employment, including
66.10 regular contact with the worker's employer, supervisor or coworkers, parents, family
66.11 members, advocates, legal representatives, other suitable professionals, and informed
66.12 advisors;
66.13 (11) training in job seeking skills; and
66.14 (12) internships or career planning to assist the individual's advancement in
66.15 meaningful employment.
66.16 (i) "Preemployment skills" means the abilities and skills to successfully apply for,
66.17 secure, and maintain competitive employment.
66.18 (j) "Self-care" means skills needed to manage one's self or living environment,
66.19 including but not limited to, money management, personal health care, personal hygiene,
66.20 and safety needs, including medication management.
66.21 (k) "Self-direction" means the ability to plan, initiate, organize, or carry out
66.22 goal-directed activities or solve problems related to self-care, socialization, recreation, and
66.23 working independently.
66.24 (l) "Severe impairment to employment" means limitations experienced by persons
66.25 diagnosed with high-functioning autism, Asperger's syndrome, nonverbal learning
66.26 disorders, or pervasive development disorder, not otherwise specified due to an extended
66.27 history of unemployment or underemployment; limited education, training, or job skills;
66.28 and physical, intellectual, or emotional characteristics that seriously impair the individual's
66.29 ability to obtain and retain permanent employment.
66.30 (m) "Work tolerance" means the ability to effectively and efficiently perform jobs
66.31 with various levels of sensory and environmental components including scent, noise,
66.32 visual stimuli, physical space, and psychological demands.

66.33 **Subd. 2. Employment support plan and outcomes.** An individual participating in
66.34 the program under this section must develop an employment support plan that includes:

- 66.35 (1) employment goals;
66.36 (2) ongoing support services;

67.1 (3) program outcomes that focus on competitive employment in the community; and
 67.2 (4) ongoing independent living services and employment supports necessary for the
 67.3 individual to secure, maintain, and advance in employment that best fits the individual's
 67.4 strengths and career goals.

67.5 ARTICLE 4

67.6 UNEMPLOYMENT INSURANCE

67.7 Section 1. Minnesota Statutes 2012, section 116L.17, subdivision 4, is amended to read:

67.8 Subd. 4. **Use of funds.** Funds granted by the board under this section may be used
 67.9 for any combination of the following, except as otherwise provided in this section:

67.10 (1) employment transition services such as developing readjustment plans for
 67.11 individuals; outreach and intake; early readjustment; job or career counseling; testing;
 67.12 orientation; assessment of skills and aptitudes; provision of occupational and labor market
 67.13 information; job placement assistance; job search; job development; prelayoff assistance;
 67.14 relocation assistance; ~~and~~ programs provided in cooperation with employers or labor
 67.15 organizations to provide early intervention in the event of plant closings or substantial
 67.16 layoffs; and entrepreneurial training and business consulting;

67.17 (2) support services, including assistance to help the participant relocate to employ
 67.18 existing skills; out-of-area job search assistance; family care assistance, including child
 67.19 care; commuting assistance; emergency housing and rental assistance; counseling
 67.20 assistance, including personal and financial; health care; emergency health assistance;
 67.21 emergency financial assistance; work-related tools and clothing; and other appropriate
 67.22 support services that enable a person to participate in an employment and training program
 67.23 with the goal of reemployment;

67.24 (3) specific, short-term training to help the participant enhance current skills
 67.25 in a similar occupation or industry; entrepreneurial training, customized training, or
 67.26 on-the-job training; basic and remedial education to enhance current skills; and literacy
 67.27 and work-related English training for non-English speakers; and

67.28 (4) long-term training in a new occupation or industry, including occupational skills
 67.29 training or customized training in an accredited program recognized by one or more
 67.30 relevant industries. Long-term training shall only be provided to dislocated workers
 67.31 whose skills are obsolete and who have no other transferable skills likely to result in
 67.32 employment at a comparable wage rate. Training shall only be provided for occupations or
 67.33 industries with reasonable expectations of job availability based on the service provider's
 67.34 thorough assessment of local labor market information where the individual currently

68.1 resides or is willing to relocate. This clause shall not restrict training in personal services
68.2 or other such industries.

68.3 Sec. 2. Minnesota Statutes 2012, section 116L.17, is amended by adding a subdivision
68.4 to read:

68.5 Subd. 11. **Converting layoffs into Minnesota businesses (CLIMB).** Converting
68.6 layoffs into Minnesota businesses (CLIMB) is created to assist dislocated workers in
68.7 starting or growing a business. CLIMB must offer entrepreneurial training, business
68.8 consulting, and technical assistance to dislocated workers seeking to start or grow a
68.9 business. The commissioner, in cooperation with local workforce councils, must provide
68.10 the assistance in this subdivision by:

68.11 (1) encouraging closer ties between the Small Business Development Center
68.12 network, Small Business Development Center training providers; and workforce centers,
68.13 as well as other dislocated worker program service providers; and

68.14 (2) eliminating grantee performance data disincentives that would otherwise prevent
68.15 enrollment of dislocated workers in entrepreneurship-related training.

68.16 Sec. 3. Minnesota Statutes 2012, section 268.051, subdivision 5, is amended to read:

68.17 Subd. 5. **Tax rate for new employers.** (a) Each new taxpaying employer that does
68.18 not qualify for an experience rating under subdivision 3, except new employers in a high
68.19 experience rating industry, must be assigned, for a calendar year, a tax rate the higher of
68.20 (1) one percent, or (2) the tax rate computed, to the nearest 1/100 of a percent, by dividing
68.21 the total amount of unemployment benefits paid all applicants during the 48 calendar
68.22 months ending on June 30 of the prior calendar year by the total taxable wages of all
68.23 taxpaying employers during the same period, plus the applicable base tax rate and any
68.24 additional assessments under subdivision 2, paragraph (c).

68.25 (b) Each new taxpaying employer in a high experience rating industry that does not
68.26 qualify for an experience rating under subdivision 3, must be assigned, for a calendar year,
68.27 a tax rate the higher of (1) that assigned under paragraph (a), or (2) the tax rate, computed
68.28 to the nearest 1/100 of a percent, by dividing the total amount of unemployment benefits
68.29 paid to all applicants from high experience rating industry employers during the 48
68.30 calendar months ending on June 30 of the prior calendar year by the total taxable wages
68.31 of all high experience rating industry employers during the same period, to a maximum
68.32 provided for under subdivision 3, paragraph (b), plus the applicable base tax rate and any
68.33 additional assessments under subdivision 2, paragraph (c).

68.34 (c) An employer is considered to be in a high experience rating industry if:

69.1 (1) the employer is engaged in residential, commercial, or industrial construction,
69.2 including general contractors;

69.3 (2) the employer is engaged in sand, gravel, or limestone mining;

69.4 (3) the employer is engaged in the manufacturing of concrete, concrete products,
69.5 or asphalt; or

69.6 (4) the employer is engaged in road building, repair, or resurfacing, including bridge
69.7 and tunnels and residential and commercial driveways and parking lots.

69.8 (d) Regardless of any law to the contrary, a taxpaying employer must be assigned a
69.9 tax rate under this subdivision if:

69.10 ~~(1) the employer registers for a tax account under section 268.042 and for each of~~
69.11 ~~the five calendar quarters after registering files a "no wages paid" report on wage detail~~
69.12 ~~under section 268.044; or had no taxable wages during the experience rating period under~~
69.13 ~~subdivision 3.~~

69.14 ~~(2) the employer has filed 14 consecutive quarterly "no wages paid" reports on~~
69.15 ~~wage detail under section 268.044.~~

69.16 (e) The commissioner must send to the new employer, by mail or electronic
69.17 transmission, a determination of tax rate. An employer may appeal the determination of
69.18 tax rate in accordance with the procedures in subdivision 6, paragraph (c).

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

69.20 Sec. 4. Minnesota Statutes 2012, section 268.07, subdivision 3b, is amended to read:

69.21 Subd. 3b. **Limitations on applications and benefit accounts.** (a) An application for
69.22 unemployment benefits is effective the Sunday of the calendar week that the application
69.23 was filed. An application for unemployment benefits may be backdated one calendar week
69.24 before the Sunday of the week the application was actually filed if the applicant requests
69.25 the backdating at the time the application is filed. An application may be backdated only if
69.26 the applicant ~~had no employment~~ was unemployed during the period of the backdating.
69.27 If an individual attempted to file an application for unemployment benefits, but was
69.28 prevented from filing an application by the department, the application is effective the
69.29 Sunday of the calendar week the individual first attempted to file an application.

69.30 (b) A benefit account established under subdivision 2 is effective the date the
69.31 application for unemployment benefits was effective.

69.32 (c) A benefit account, once established, may later be withdrawn only if:

69.33 (1) the applicant has not been paid any unemployment benefits on that benefit
69.34 account; and

70.1 (2) a new application for unemployment benefits is filed and a new benefit account is
70.2 established at the time of the withdrawal.

70.3 A determination or amended determination of eligibility or ineligibility issued under
70.4 section 268.101, that was sent before the withdrawal of the benefit account, remains in
70.5 effect and is not voided by the withdrawal of the benefit account.

70.6 (d) An application for unemployment benefits is not allowed before the Sunday
70.7 following the expiration of the benefit year on a prior benefit account. Except as allowed
70.8 under paragraph (c), an applicant may establish only one benefit account each 52 calendar
70.9 weeks.

70.10 Sec. 5. [268.133] UNEMPLOYMENT BENEFITS WHILE IN
70.11 ENTREPRENEURIAL TRAINING.

70.12 Unemployment benefits are available to dislocated workers participating in the
70.13 converting layoffs into Minnesota businesses (CLIMB) program under section 116L.17,
70.14 subdivision 11. Applicants participating in CLIMB are considered in reemployment
70.15 assistance training under section 268.035, subdivision 21c. All requirements under section
70.16 268.069, subdivision 1, must be met, except the commissioner may waive:

70.17 (1) the earnings deductible provisions in section 268.085, subdivision 5; and

70.18 (2) the 32 hours of work limitation in section 268.085, subdivision 2, clause (6). A
70.19 maximum of 500 applicants may receive a waiver at any given time.

70.20 Sec. 6. Minnesota Statutes 2012, section 268.136, subdivision 1, is amended to read:

70.21 Subdivision 1. **Shared work agreement plan requirements.** (a) An employer
70.22 may submit a proposed shared work plan for an employee group to the commissioner
70.23 for approval in a manner and format set by the commissioner. The proposed ~~agreement~~
70.24 shared work plan must include:

70.25 (1) a certified statement that the normal weekly hours of work of all of the proposed
70.26 participating employees were full time or regular part time but are now reduced, or will be
70.27 reduced, with a corresponding reduction in pay, in order to prevent layoffs;

70.28 (2) the name and Social Security number of each participating employee;

70.29 (3) the number of layoffs that would have occurred absent the employer's ability to
70.30 participate in a shared work plan;

70.31 (4) a certified statement of when that each participating employee was first hired by
70.32 the employer, which must be at least one year before the proposed ~~agreement~~ shared work
70.33 plan is submitted and is not a seasonal, temporary, or intermittent worker;

71.1 ~~(4)~~ (5) the hours of work each participating employee will work each week for the
 71.2 duration of the ~~agreement~~ shared work plan, which must be at least ~~20~~ one-half the normal
 71.3 weekly hours ~~and but~~ no more than 32 hours per week, except that the ~~agreement~~ plan
 71.4 may provide for a uniform vacation shutdown of up to two weeks;

71.5 (6) a certified statement that any health benefits and any pension benefits provided
 71.6 by the employer to participating employees will continue to be provided under the same
 71.7 terms and conditions as though the participating employees' hours of work each week had
 71.8 not been reduced;

71.9 (7) a certified statement that the terms and implementation of the shared work plan is
 71.10 consistent with the employer's obligations under state and federal law;

71.11 (8) an acknowledgement that the employer understands that unemployment benefits
 71.12 paid under a shared work plan will be used in computing the future tax rate of a taxpaying
 71.13 employer or charged to the reimbursable account of a nonprofit or government employer;

71.14 ~~(5)~~ (9) the proposed duration of the ~~agreement~~ shared work plan, which must be
 71.15 at least two months and not more than one year, although ~~an agreement~~ a plan may be
 71.16 extended for up to an additional year upon approval of the commissioner;

71.17 ~~(6)~~ (10) a starting date beginning on a Sunday at least 15 calendar days after the date
 71.18 the proposed ~~agreement~~ shared work plan is submitted; and

71.19 ~~(7)~~ (11) a signature of an owner or officer of the employer who is listed as an owner
 71.20 or officer on the employer's account under section 268.045.

71.21 ~~(b) An agreement may not be approved for an employer that:~~

71.22 ~~(1) has any unemployment tax or reimbursements, including any interest, fees,~~
 71.23 ~~or penalties, due but unpaid; or~~

71.24 ~~(2) has the maximum experience rating provided for under section 268.051,~~
 71.25 ~~subdivision 3.~~

71.26 Sec. 7. Minnesota Statutes 2012, section 268.136, subdivision 2, is amended to read:

71.27 Subd. 2. **Agreement Approval by commissioner.** (a) The commissioner must
 71.28 promptly review a proposed ~~agreement~~ shared work plan and notify the employer, by mail
 71.29 or electronic transmission, within 15 days of receipt, whether the proposal satisfies the
 71.30 requirements of this section and has been approved. If the proposal does not comply
 71.31 with this section, the commissioner must specifically state why the proposal is not in
 71.32 compliance. If a proposed ~~agreement complies with this section~~ shared work plan has
 71.33 been approved, it must be implemented according to its terms.

72.1 (b) The commissioner may ~~reject an agreement~~ not approve a proposed shared work
 72.2 plan if the commissioner has cause to believe the proposal is not ~~was~~ submitted for ~~the a~~
 72.3 purpose of other than preventing layoffs due to lack of work.

72.4 (c) The commissioner may not approve a proposed shared work plan if the employer
 72.5 has any unemployment tax or reimbursements, including any interest, fees, or penalties,
 72.6 due but unpaid.

72.7 (d) A shared work plan that has been approved by the commissioner is considered
 72.8 a contract that is binding on the employer and the department. This contract may be
 72.9 canceled or modified under subdivision 5.

72.10 Sec. 8. Minnesota Statutes 2012, section 268.136, is amended by adding a subdivision
 72.11 to read:

72.12 Subd. 2a. **Notice to participating employee.** The employer must provide written
 72.13 notification to each participating employee that the employer has submitted a proposed
 72.14 shared work plan. The notification must be provided to the employee no later than at
 72.15 the time the commissioner notifies the employer that a proposed shared work plan has
 72.16 been approved. The notification must inform the employee of the proposed terms of the
 72.17 shared work plan along with notice to the employee of the employee's right to apply for
 72.18 unemployment benefits.

72.19 Sec. 9. Minnesota Statutes 2012, section 268.136, subdivision 3, is amended to read:

72.20 Subd. 3. **Applicant requirements.** (a) An applicant, in order to be paid
 72.21 unemployment benefits under this section, must meet all of the requirements under section
 72.22 268.069, subdivision 1. The following provisions of section 268.085 do not apply to an
 72.23 applicant ~~under this section~~ in an approved shared work plan:

72.24 (1) ~~the deductible earnings provision of section 268.085,~~ under subdivision 5;

72.25 (2) ~~the restriction under section 268.085, subdivision 6 2, clause (6),~~ if the applicant
 72.26 works exactly 32 hours in a week;

72.27 (3) ~~the requirement of being available for suitable employment under subdivision 1,~~
 72.28 clause (4), but only if the applicant is (i) available for the normal hours of work per week
 72.29 with the shared work employer, or (ii) is in a training program when not working; and

72.30 (4) ~~the requirement of actively seeking suitable employment under subdivision~~
 72.31 1, clause (5).

72.32 (b) An applicant is ineligible for unemployment benefits under this section for
 72.33 any week, if:

73.1 ~~(1)~~ the applicant works more than 32 hours in a week in employment with one or
73.2 more employer; ~~or,~~

73.3 ~~(2) the applicant works more hours in a week for the shared work employer than~~
73.4 ~~the reduced weekly hours provided for in the agreement.~~

73.5 Sec. 10. Minnesota Statutes 2012, section 268.136, subdivision 4, is amended to read:

73.6 Subd. 4. **Amount of unemployment benefits available.** (a) The weekly benefit
73.7 amount and maximum amount of unemployment benefits available are computed
73.8 according to section 268.07, except that an applicant is paid the amount of benefits
73.9 available is a reduced amount in direct proportion to the reduction in hours set out in the
73.10 shared work plan from the normal weekly hours.

73.11 (b) Regardless of paragraph (a), if the applicant works more hours in a week for the
73.12 shared work employer than the reduced weekly hours provided for in the shared work
73.13 plan, the amount of unemployment benefits available is a reduced amount in direct
73.14 proportion to the reduction in hours actually worked from the normal weekly hours.

73.15 (c) If an applicant works fewer hours in a week for the shared work employee than
73.16 set out in the shared work plan, the amount of unemployment benefits are available in
73.17 accordance with paragraph (a).

73.18 Sec. 11. Minnesota Statutes 2012, section 268.136, subdivision 5, is amended to read:

73.19 Subd. 5. **Cancellation; modification.** (a) An employer may cancel an agreement a
73.20 shared work plan at any time upon seven calendar days' notice to the commissioner in a
73.21 manner and format prescribed by the commissioner. The cancellation must be signed by
73.22 an owner or officer of the employer.

73.23 (b) An employer may request that the commissioner allow modification of the shared
73.24 work plan as to the hours of work each participating employee will work each week. The
73.25 request must be sent in a manner and form prescribed by the commissioner. The request
73.26 must be signed by an owner or officer of the employer. The commissioner must notify the
73.27 employer as soon as possible if the modification is allowed.

73.28 ~~(b)~~ (c) An employer that cancels an agreement or requests modification of a shared
73.29 work plan must provide written notice to each participating employee in the group of the
73.30 cancellation or requested modification at the time notice is sent to the commissioner.

73.31 ~~(e)~~ (d) If an employer cancels an agreement a shared work plan before the expiration
73.32 date provided for in subdivision 1, a new agreement shared work plan may not be entered
73.33 into with approved for that employer under this section for at least 60 calendar days.

74.1 ~~(d)~~ (e) The commissioner may immediately cancel any agreement shared work plan
 74.2 if the commissioner determines the agreement plan was based upon false information or
 74.3 the employer is ~~in breach~~ has failed to adhere to the terms of the contract shared work plan.
 74.4 The commissioner must immediately send written notice of cancellation to the employer.
 74.5 An employer that receives notice of cancellation ~~by the commissioner~~ must provide
 74.6 written notice to each participating ~~employer in the group~~ employee of the cancellation.

74.7 Sec. 12. Minnesota Statutes 2012, section 268.199, is amended to read:

74.8 **268.199 CONTINGENT ACCOUNT.**

74.9 (a) There is created in the state treasury a special account, to be known as the
 74.10 contingent account, ~~that does not lapse nor revert to any other fund or account~~. This
 74.11 account consists of all money collected under this chapter that is required to be placed
 74.12 in this account and any interest earned on the account. ~~All money in this account is~~
 74.13 ~~appropriated and available for administration of the Minnesota unemployment insurance~~
 74.14 ~~program unless otherwise appropriated by session law.~~ The money deposited in the
 74.15 account is transferred to the general fund.

74.16 ~~(b) All money in this account must be deposited, administered, and disbursed in the~~
 74.17 ~~same manner and under the same conditions and requirements as is provided by law for~~
 74.18 ~~the other special accounts in the state treasury.~~

74.19 **EFFECTIVE DATE.** This section is effective July 1, 2013.

74.20 Sec. 13. Minnesota Statutes 2012, section 268.23, is amended to read:

74.21 **268.23 SEVERABLE.**

74.22 ~~In the event that~~ If the United States Department of Labor determines that any
 74.23 provision of the Minnesota Unemployment Insurance Law, ~~or any other provision of~~
 74.24 ~~Minnesota Statutes relating to the unemployment insurance program,~~ is not in conformity
 74.25 with, or is inconsistent with, the requirements of federal law, the provision has no force
 74.26 or effect; ~~but~~. If only a portion of the provision, or the application to any person or
 74.27 circumstances, is ~~held~~ determined not in conformity, or determined inconsistent, the
 74.28 remainder of the provision and the application of the provision to other persons or
 74.29 circumstances are not affected.

74.30 Sec. 14. Laws 2012, chapter 201, article 1, section 3, the effective date, is amended to
 74.31 read:

75.1 **EFFECTIVE DATE.** This section is effective July 1, 2012, except the amendments
75.2 to paragraph (d) are effective for penalties ~~imposed~~ credited on or after July 1, 2013.

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

75.4 Sec. 15. **UNEMPLOYMENT INSURANCE EMPLOYER TAX REDUCTION.**

75.5 (a) Notwithstanding Minnesota Statutes, section 268.051, subdivision 2, if, on
75.6 September 30, 2013, the balance in the Minnesota Unemployment Trust Fund is more than
75.7 \$800,000,000, the base tax rate for calendar year 2014 is 0.1 percent and there will be no
75.8 additional assessment assigned. If, on September 30, 2014, the balance in the Minnesota
75.9 Unemployment Trust Fund is more than \$900,000,000, the base tax rate for calendar year
75.10 2015 is 0.1 percent and there will be no additional assessment assigned.

75.11 (b) This section expires December 31, 2015.

75.12 Sec. 16. **COMMISSIONER AUTHORIZED TO REQUEST SHARED WORK**
75.13 **FUNDS.**

75.14 The commissioner of employment and economic development is authorized to
75.15 request federal funding for Minnesota's "shared work" unemployment benefit program
75.16 under Minnesota Statutes, section 268.136. Federal funding is available under the Middle
75.17 Class Tax Relief and Job Creation Act of 2012, Public Law 112-96. Federal funding
75.18 provided under that act for the "shared work" program must be immediately deposited
75.19 in the Minnesota Unemployment Insurance Trust Fund. The exception under Minnesota
75.20 Statutes, section 268.047, subdivision 2, clause (10), does not apply to the federal money.

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

75.22 **ARTICLE 5**

75.23 **MISCELLANEOUS**

75.24 Section 1. Minnesota Statutes 2012, section 154.001, is amended by adding a
75.25 subdivision to read:

75.26 Subd. 4. **Comprehensive examination.** "Comprehensive examination" means all
75.27 parts of a test administered by the board, including but not limited to written, oral, and
75.28 practical components.

75.29 Sec. 2. Minnesota Statutes 2012, section 154.003, is amended to read:

75.30 **154.003 FEES.**

76.1 (a) The fees collected, as required in this chapter, chapter 214, and the rules of the
 76.2 board, shall be paid to the board. The board shall deposit the fees in the general fund
 76.3 in the state treasury.

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

- 76.5 (1) examination and certificate, registered barber, \$85;
 76.6 (2) retake of written examination, registered barber, \$10;
 76.7 ~~(2)~~ (3) examination and certificate, apprentice, \$80;
 76.8 (4) retake of written examination, apprentice, \$10;
 76.9 ~~(3)~~ (5) examination, instructor, \$180;
 76.10 ~~(4)~~ (6) certificate, instructor, \$65;
 76.11 ~~(5)~~ (7) temporary teacher or apprentice permit, \$80;
 76.12 ~~(6)~~ (8) renewal of license, registered barber, \$80;
 76.13 ~~(7)~~ (9) renewal of license, apprentice, \$70;
 76.14 ~~(8)~~ (10) renewal of license, instructor, \$80;
 76.15 ~~(9)~~ (11) renewal of temporary teacher permit, \$65;
 76.16 ~~(10)~~ (12) student permit, \$45;
 76.17 (13) renewal of student permit, \$25;
 76.18 ~~(11)~~ (14) initial shop registration, \$85;
 76.19 ~~(12)~~ (15) initial school registration, \$1,030;
 76.20 ~~(13)~~ (16) renewal shop registration, \$85;
 76.21 ~~(14)~~ (17) renewal school registration, \$280;
 76.22 ~~(15)~~ (18) restoration of registered barber license, \$95;
 76.23 ~~(16)~~ (19) restoration of apprentice license, \$90;
 76.24 ~~(17)~~ (20) restoration of shop registration, \$105;
 76.25 ~~(18)~~ (21) change of ownership or location, \$55;
 76.26 ~~(19)~~ (22) duplicate license, \$40; and
 76.27 ~~(20)~~ (23) home study course, ~~\$95~~ \$75;
 76.28 (24) letter of license verification, \$25; and
 76.29 (25) reinspection, \$100.

76.30 Sec. 3. Minnesota Statutes 2012, section 154.02, is amended to read:

76.31 **154.02 WHAT CONSTITUTES BARBERING.**

76.32 Any one or any combination of the following practices when done upon the head
 76.33 and neck for cosmetic purposes and not for the treatment of disease or physical or mental
 76.34 ailments and when done for payment directly or indirectly or without payment for the
 76.35 public generally constitutes the practice of barbering within the meaning of sections

77.1 154.001, 154.002, 154.003, 154.01 to 154.161, 154.19 to 154.21, and 154.24 to 154.26:
77.2 to shave the face or neck, trim the beard, cut or bob the hair of any person of either sex
77.3 for compensation or other reward received by the person performing such service or any
77.4 other person; to give facial and scalp massage or treatments with oils, creams, lotions,
77.5 or other preparations either by hand or mechanical appliances; to singe, shampoo the
77.6 hair, or apply hair tonics; or to apply cosmetic preparations, antiseptics, powders, oils,
77.7 clays, or lotions to hair, scalp, face, or neck.

77.8 Sec. 4. Minnesota Statutes 2012, section 154.05, is amended to read:

77.9 **154.05 WHO MAY RECEIVE CERTIFICATES OF REGISTRATION AS A**
77.10 **REGISTERED BARBER.**

77.11 A person is qualified to receive a certificate of registration as a registered barber:

77.12 (1) who is qualified under the provisions of section 154.06;

77.13 (2) who has practiced as a registered apprentice for a period of 12 months under the
77.14 immediate personal supervision of a registered barber; and

77.15 (3) who has passed an examination conducted by the board to determine fitness to
77.16 practice barbering.

77.17 An apprentice applicant for a certificate of registration to practice as a registered
77.18 barber who fails to pass the comprehensive examination conducted by the board and
77.19 who fails to pass a onetime retake of the written examination, shall continue to practice
77.20 as an apprentice for an additional ~~two months~~ 300 hours before being ~~again entitled to~~
77.21 ~~take eligible to retake~~ the comprehensive examination for a registered barber as many
77.22 times as necessary to pass.

77.23 Sec. 5. Minnesota Statutes 2012, section 154.06, is amended to read:

77.24 **154.06 WHO MAY RECEIVE CERTIFICATES OF REGISTRATION AS A**
77.25 **REGISTERED APPRENTICE.**

77.26 A person is qualified to receive a certificate of registration as a registered apprentice:

77.27 (1) who has completed at least ten grades of an approved school;

77.28 (2) who has graduated from a barber school approved by the a barber board within
77.29 the previous four years; and

77.30 (3) who has passed an examination conducted by the board to determine fitness to
77.31 practice as a registered apprentice. An applicant who graduated from a barber school
77.32 approved by a barber board more than four years prior to application is required to
77.33 complete a further course of study of at least 500 hours.

78.1 An applicant for a an initial certificate of registration to practice as an apprentice,
78.2 who fails to pass the comprehensive examination conducted by the board, and who fails to
78.3 pass a onetime retake of the written examination, is required to complete a further course
78.4 of study of at least 500 hours, of not more than eight hours in any one working day, in a
78.5 barber school approved by the board before being eligible to retake the comprehensive
78.6 examination as many times as necessary to pass.

78.7 A certificate of registration of an apprentice shall be valid for four years ~~from the~~
78.8 ~~date the certificate of registration is issued by the board~~ and shall not be renewed for a fifth
78.9 year. During the four-year period the certificate of registration shall remain in full force
78.10 and effect only if the apprentice complies with all the provisions of sections 154.001,
78.11 154.002, 154.003, 154.01 to 154.161, 154.19 to 154.21, and 154.24 to 154.26, including
78.12 the payment of an annual fee, and the rules of the board.

78.13 If a registered apprentice, during the term in which the certificate of registration is in
78.14 effect, enters full-time active duty in the armed forces of the United States of America,
78.15 the expiration date of the certificate of registration shall be extended by a period of time
78.16 equal to the period or periods of active duty.

78.17 If a registered apprentice graduates from a barber school approved by the board and
78.18 is issued a certificate of registration while incarcerated by the Department of Corrections
78.19 of the Federal Bureau of Prisons, the expiration date of the certificate of registration shall
78.20 be extended one time so that it expires four years from the date of first release from a
78.21 correctional facility.

78.22 Sec. 6. Minnesota Statutes 2012, section 154.065, subdivision 2, is amended to read:

78.23 Subd. 2. **Qualifications.** A person is qualified to receive a certificate of registration
78.24 as an instructor of barbering who:

78.25 (1) is a graduate ~~from~~ of an approved high school, or its equivalent, as determined
78.26 by examination by the Department of Education;

78.27 (2) has ~~qualified for a teacher's or instructor's vocational certificate;~~ successfully
78.28 completed vocational instructor training from a board-approved program or accredited
78.29 college or university program that includes the following courses or their equivalents as
78.30 determined by the board:

78.31 (i) introduction to career and technical education training;

78.32 (ii) philosophy and practice of career and technical education;

78.33 (iii) course development for career and technical education;

78.34 (iv) instructional methods for career and technical education; and

78.35 (v) human relations;

79.1 (3) is currently a registered barber and has at least three years experience as a
 79.2 registered barber in this state, or its equivalent as determined by the board; and

79.3 (4) has passed an examination conducted by the board to determine fitness to
 79.4 instruct in barbering.

79.5 ~~A certificate of registration under this section is provisional until a teacher's or~~
 79.6 ~~instructor's vocational certificate has been issued by the Department of Education. A~~
 79.7 ~~provisional certificate of registration is valid for 30 days and is not renewable.~~

79.8 Sec. 7. Minnesota Statutes 2012, section 154.07, subdivision 1, is amended to read:

79.9 Subdivision 1. **Admission requirements; course of instruction.** No barber school
 79.10 shall be approved by the board unless it requires, as a prerequisite to admission, ten grades
 79.11 of an approved school or its equivalent, as determined by an examination conducted by
 79.12 the commissioner of education, which shall issue a certificate that the student has passed
 79.13 the required examination, and unless it requires, as a prerequisite to graduation, a course
 79.14 of instruction of at least 1,500 hours, of not more than eight hours in any one working day.
 79.15 The course of instruction must include the following subjects: scientific fundamentals
 79.16 for barbering; hygiene; practical study of the hair, skin, muscles, and nerves; structure of
 79.17 the head, face, and neck; elementary chemistry relating to sterilization and antiseptics;
 79.18 diseases of the skin, hair, and glands; massaging and manipulating the muscles of the face
 79.19 and neck; haircutting; shaving; trimming the beard; bleaching, tinting and dyeing the hair;
 79.20 and the chemical waving and straightening of hair.

79.21 Sec. 8. Minnesota Statutes 2012, section 154.08, is amended to read:

79.22 **154.08 APPLICATION; FEE.**

79.23 Each applicant for an examination shall:

79.24 (1) make application to the Board of Barber Examiners on blank forms prepared and
 79.25 furnished by it, the application to contain proof under the applicant's oath of the particular
 79.26 qualifications and identity of the applicant;

79.27 ~~(2) furnish to the board two five-inch x three-inch signed photographs of the~~
 79.28 ~~applicant, one to accompany the application and one to be returned to the applicant,~~
 79.29 ~~to be presented to the board when the applicant appears for examination~~ provide all
 79.30 documentation required in support of the application; and

79.31 (3) pay to the board the required fee; and

79.32 (4) present a government-issued photo identification as proof of identity upon
 79.33 application and when the applicant appears for examination.

80.1 Sec. 9. Minnesota Statutes 2012, section 154.09, is amended to read:

80.2 **154.09 EXAMINATIONS, CONDUCT AND SCOPE.**

80.3 The board shall conduct examinations of applicants for certificates of registration to
80.4 practice as barbers and apprentices not more than six times each year, at such time and
80.5 place as the board may determine. Additional written examinations may be scheduled
80.6 by the board and conducted by board staff as designated by the board. The proprietor
80.7 of a barber school must file an affidavit ~~shall be filed~~ with the board ~~by the proprietor~~
80.8 ~~of a barber school that~~ of hours completed by students applying to take the apprentice
80.9 examination ~~have completed.~~ Students must complete 1,500 hours in a barber school
80.10 ~~registered with~~ approved by the board.

80.11 The examination of applicants for certificates of registration as barbers and
80.12 apprentices shall include ~~both~~ a practical demonstration and a written and oral test ~~and~~
80.13 ~~embrace.~~ The examination must cover the subjects usually taught in barber schools
80.14 registered with the board.

80.15 Sec. 10. Minnesota Statutes 2012, section 154.10, subdivision 1, is amended to read:

80.16 Subdivision 1. **Application.** Each applicant for an initial certificate of registration
80.17 shall make application to the board on forms prepared and furnished by the board with
80.18 proof under oath of the particular qualifications and identity of each applicant. This
80.19 application shall be accompanied by a fee prescribed by law or the rules of the board to
80.20 defray the expenses of making investigation and for the examination of such applicant.

80.21 Sec. 11. Minnesota Statutes 2012, section 154.11, subdivision 1, is amended to read:

80.22 Subdivision 1. **Examination of nonresidents.** A person who meets all of the
80.23 requirements for barber registration in sections 154.001, 154.002, 154.003, 154.01 to
80.24 154.161, 154.19 to 154.21, and 154.24 to 154.26 and either has a license, certificate
80.25 of registration, or an equivalent as a practicing barber or instructor of barbering from
80.26 another state or country which in the discretion of the board has substantially the same
80.27 requirements for registering barbers and instructors of barbering as required by sections
80.28 154.001, 154.002, 154.003, 154.01 to 154.161, 154.19 to 154.21, and 154.24 to 154.26 or
80.29 can prove by sworn affidavits practice as a barber or instructor of barbering in another
80.30 state or country for at least five years immediately prior to making application in this state,
80.31 shall, upon payment of the required fee, be issued a certificate of registration without
80.32 examination, ~~provided that the other state or country grants the same privileges to holders~~
80.33 ~~of Minnesota certificates of registration.~~

81.1 Sec. 12. Minnesota Statutes 2012, section 154.12, is amended to read:

81.2 **154.12 EXAMINATION OF NONRESIDENT APPRENTICES.**

81.3 A person who meets all of the requirements for registration as a barber in sections
81.4 154.001, 154.002, 154.003, 154.01 to 154.161, 154.19 to 154.21, and 154.24 to 154.26 and
81.5 who has a license, a certificate of registration, or its equivalent as an apprentice in a state
81.6 or country which in the discretion of the board has substantially the same requirements for
81.7 registration as an apprentice as is provided by sections 154.001, 154.002, 154.003, 154.01
81.8 to 154.161, 154.19 to 154.21, and 154.24 to 154.26, shall, upon payment of the required
81.9 fee, be issued a certificate of registration without examination, ~~provided that the other state~~
81.10 ~~or country grants the same privileges to holders of Minnesota certificates of registration.~~

81.11 Sec. 13. Minnesota Statutes 2012, section 154.14, is amended to read:

81.12 **154.14 CERTIFICATES OF REGISTRATION AND TEMPORARY PERMITS**
81.13 **TO BE DISPLAYED.**

81.14 Every holder of a certificate of registration as a registered barber or registered
81.15 apprentice or temporary apprentice permit shall display it the certificate or permit, with a
81.16 photograph of the certificate or permit holder that meets the same standards as required for
81.17 a United States passport, in a conspicuous place adjacent to or near the chair where work
81.18 is performed. Every holder of a certificate of registration as an instructor of barbering or
81.19 ~~as a barber school~~, of a temporary permit as an instructor of barbering, shall display the
81.20 certificate or permit, with a photograph of the certificate or permit holder that meets the
81.21 same standards as required for a United States passport, in a conspicuous place accessible
81.22 to the public. Every holder of a certificate of registration as a barber school and of a shop
81.23 registration card shall display it in a conspicuous place accessible to the public.

81.24 Sec. 14. Minnesota Statutes 2012, section 154.15, subdivision 2, is amended to read:

81.25 Subd. 2. **Effect of failure to renew.** A registered barber or a registered apprentice
81.26 who has not renewed a certificate of registration may be reinstated within ~~one year~~ four
81.27 years of such failure to renew without examination upon the payment of the required
81.28 restoration fee for each year the certificate is lapsed. A registered instructor of barbering
81.29 who has not renewed a certificate of registration may be reinstated within ~~three~~ four years
81.30 of such failure to renew without examination upon payment of the required restoration fee
81.31 for each year the certificate is lapsed. All registered barbers and registered apprentices
81.32 who allow their certificates of registration to lapse for more than ~~one year~~ four years shall
81.33 be required to reexamine before being issued a certificate of registration. All registered
81.34 instructors of barbering who allow their certificates of registration to lapse for more

82.1 than ~~three~~ four years shall be required to reexamine before being issued a certificate of
82.2 registration. A barber shop owner who has not renewed the barber shop certificate for more
82.3 than one year may reinstate the barber shop registration upon payment of the restoration
82.4 fee for each year the shop card was lapsed. If lapsed or unlicensed status is discovered by
82.5 the barber inspector during inspection, penalties under section 154.162 shall apply.

82.6 Sec. 15. **[154.162] ADMINISTRATIVE PENALTIES.**

82.7 The board shall impose and collect the following penalties:

82.8 (1) missing or lapsed shop registration discovered upon inspection; penalty imposed
82.9 on shop owner: \$500;

82.10 (2) unlicensed or unregistered apprentice or registered barber, first occurrence
82.11 discovered upon inspection; penalty imposed on shop owner and unlicensed or
82.12 unregistered individual: \$500; and

82.13 (3) unlicensed or unregistered apprentice or registered barber, second occurrence
82.14 discovered upon inspection; penalty imposed on shop owner and unlicensed or
82.15 unregistered individual: \$1,000.

82.16 Sec. 16. Minnesota Statutes 2012, section 154.26, is amended to read:

82.17 **154.26 MUNICIPALITIES ~~MAY REGULATE HOURS; REGULATION~~**
82.18 **AUTHORIZED.**

82.19 The governing body of any city of this state may regulate by ordinance the opening
82.20 and closing hours of barber shops within its municipal limits in addition to all other
82.21 applicable local regulations.

82.22 Sec. 17. **[154.27] MISREPRESENTATION.**

82.23 No person shall represent themselves to the public, solicit business, advertise as a
82.24 licensed barber or as operating a licensed barber shop, use the title or designation of barber
82.25 or barber shop, engage in any other act or practice that would create the impression to
82.26 members of the public that the person is a licensed barber or is operating a licensed barber
82.27 shop unless the person holds the appropriate license under this chapter.

82.28 Sec. 18. **[154.28] SYMBOLS; BARBER POLE.**

82.29 No person shall place a barber pole in a location that would create or tend to create
82.30 the impression to the public that the business is a barber shop unless the operator holds a
82.31 valid license under this chapter. For the purposes of this section, "barber pole" means a

83.1 red and white or red, white, and blue striped vertical cylinder commonly recognized as
83.2 a barber pole.

83.3 Sec. 19. Minnesota Statutes 2012, section 155A.23, subdivision 3, is amended to read:

83.4 Subd. 3. **Cosmetology.** "Cosmetology" is the practice of personal services, for
83.5 compensation, for the cosmetic care of the hair, nails, and skin. These services include
83.6 cleaning, conditioning, shaping, reinforcing, coloring and enhancing the body surface in
83.7 the areas of the head, scalp, face, arms, hands, legs, ~~and feet,~~ and trunk of the body, except
83.8 where these services are performed by a barber under sections 154.001, 154.002, 154.003,
83.9 154.01 to 154.161, 154.19 to 154.21, and 154.24 to 154.26.

83.10 Sec. 20. Minnesota Statutes 2012, section 155A.23, subdivision 8, is amended to read:

83.11 Subd. 8. **Manager.** A "manager" is any person who conducts, operates, or manages a
83.12 cosmetology school or salon and who also instructs in or provides any services, as defined
83.13 in subdivision 3. A school manager must maintain an active salon manager's license.

83.14 Sec. 21. Minnesota Statutes 2012, section 155A.23, subdivision 11, is amended to read:

83.15 Subd. 11. **Instructor.** An "instructor" is any person employed by a school to prepare
83.16 and present the theoretical and practical education of cosmetology to persons who seek to
83.17 practice cosmetology. An instructor must maintain an active operator or manager's license
83.18 in the area in which the instructor holds an instructor's license.

83.19 Sec. 22. Minnesota Statutes 2012, section 155A.25, subdivision 1a, is amended to read:

83.20 Subd. 1a. **Schedule.** The fee schedule for licensees is as follows ~~for licenses issued~~
83.21 ~~after June 30, 2010, and prior to July 1, 2013:~~

83.22 (a) Three-year license fees:

83.23 (1) cosmetologist, nail technician manicurist, or esthetician:

83.24 (i) \$90 for each initial license and a \$40 nonrefundable initial license application fee,
83.25 for a total of \$130; and

83.26 (ii) \$60 for each renewal and a \$15 nonrefundable renewal application fee, for
83.27 a total of \$75;

83.28 (2) instructor or manager:

83.29 (i) \$120 for each initial license and a \$40 nonrefundable initial license application
83.30 fee, for a total of \$160; and

83.31 (ii) \$90 for each renewal and a \$15 nonrefundable renewal application fee, for a
83.32 total of \$105;

- 84.1 (3) salon:
- 84.2 (i) \$130 for each initial license and a \$100 nonrefundable initial license application
- 84.3 fee, for a total of \$230; and
- 84.4 (ii) \$100 for each renewal and a \$50 nonrefundable renewal application fee, for a
- 84.5 total of \$150; and
- 84.6 (4) school:
- 84.7 (i) \$1,500 for each initial license and a \$1,000 nonrefundable initial license
- 84.8 application fee, for a total of \$2,500; and
- 84.9 (ii) \$1,500 for each renewal and a \$500 nonrefundable renewal application fee,
- 84.10 for a total of \$2,000.
- 84.11 (b) Penalties:
- 84.12 (1) reinspection fee, variable;
- 84.13 (2) manager and owner with lapsed practitioner found on inspection, \$150 each;
- 84.14 (3) lapsed practitioner or instructor found on inspection, \$200;
- 84.15 (4) lapsed salon found on inspection, \$500;
- 84.16 (5) lapsed school found on inspection, \$1,000;
- 84.17 (6) failure to display current license, \$100;
- 84.18 (7) failure to dispose of single-use equipment, implements, or materials as provided
- 84.19 under section 155A.355, paragraph (a), \$500;
- 84.20 (8) use of prohibited razor-type callus shavers, rasps, or graters under section
- 84.21 155A.355, \$500;
- 84.22 (9) performing manicuring or cosmetology services in esthetician salon, or
- 84.23 performing esthetician or cosmetology services in manicure salon, \$500;
- 84.24 (10) owner and manager allowing an operator to work as an independent contractor,
- 84.25 \$200;
- 84.26 (11) operator working as an independent contractor, \$100;
- 84.27 (12) refusal or failure to cooperate with an inspection, \$500;
- 84.28 ~~(3)~~ (13) expired cosmetologist, manicurist, esthetician, manager, school manager,
- 84.29 and instructor license, \$45; and
- 84.30 ~~(4)~~ (14) expired salon or school license, \$50.
- 84.31 (c) Administrative fees:
- 84.32 (1) certificate of identification, \$20;
- 84.33 (2) name change, \$20;
- 84.34 (3) letter of license verification, \$30;
- 84.35 (4) duplicate license, \$20;
- 84.36 (5) processing fee, \$10;

- 85.1 (6) special event permit, \$75 per year; and
85.2 (7) registration of hair braiders, \$20 per year.

85.3 Sec. 23. Minnesota Statutes 2012, section 155A.25, subdivision 4, is amended to read:

85.4 Subd. 4. **License expiration date.** The board shall, in a manner determined by the
85.5 board and without the need for rulemaking under chapter 14, phase in changes to initial
85.6 and renewal license expiration dates so that by January 1, 2014:

85.7 (1) individual licenses expire on the last day of the licensee's birth month of the
85.8 year due; and

85.9 (2) salon and school licenses expire on the last day of the month of initial licensure
85.10 of the year due.

85.11 Sec. 24. Minnesota Statutes 2012, section 155A.27, subdivision 4, is amended to read:

85.12 Subd. 4. **Testing.** All theory, practical, and Minnesota law and rule testing must
85.13 be done by a board-approved provider. Appropriate standardized tests shall be used and
85.14 shall include subject matter relative to the application of Minnesota law. In every case,
85.15 the primary consideration shall be to safeguard the health and safety of consumers by
85.16 determining the competency of the applicants to provide the services indicated.

85.17 Sec. 25. Minnesota Statutes 2012, section 155A.27, subdivision 10, is amended to read:

85.18 Subd. 10. **Nonresident licenses.** (a) A nonresident cosmetologist, manicurist, or
85.19 esthetician may be licensed in Minnesota if the individual has completed cosmetology
85.20 school in a state or country with the same or greater school hour requirements, has an
85.21 active license in that state or country, and has passed a board-approved theory and
85.22 practice-based examination, the Minnesota-specific written operator examination for
85.23 cosmetologist, manicurist, or esthetician. If a test is used to verify the qualifications of
85.24 trained cosmetologists, the test should be translated into the nonresident's native language
85.25 within the limits of available resources. Licenses shall not be issued under this subdivision
85.26 for managers or instructors.

85.27 (b) If an individual has less than the required number of school hours, the
85.28 individual must have a current active license in another state or country for at least
85.29 three years, and have passed a board-approved theory and practice-based examination,
85.30 or the Minnesota-specific written operator examination for cosmetologist, manicurist, or
85.31 esthetician. If a test is used to verify the qualifications of trained cosmetologists, the test
85.32 should be translated into the nonresident's native language within the limits of available
85.33 resources. Licenses must not be issued under this subdivision for managers or instructors.

86.1 (c) Applicants claiming training and experience in a foreign country shall supply
86.2 official English-language translations of all required documents from a board-approved
86.3 source.

86.4 Sec. 26. Minnesota Statutes 2012, section 155A.29, subdivision 2, is amended to read:

86.5 Subd. 2. **Requirements.** (a) The conditions and process by which a salon is licensed
86.6 shall be established by the board by rule. In addition to those requirements, no license
86.7 shall be issued unless the board first determines that the conditions in clauses (1) to (5)
86.8 have been satisfied:

86.9 (1) compliance with all local and state laws, particularly relating to matters of
86.10 sanitation, health, and safety;

86.11 (2) the employment of a manager, as defined in section 155A.23, subdivision 8;

86.12 ~~(3) inspection and licensing prior to the commencing of business;~~

86.13 ~~(4)~~ (3) if applicable, evidence of compliance with section 176.182; and

86.14 ~~(5)~~ (4) evidence of continued professional liability insurance coverage of at least
86.15 \$25,000 for each claim and \$50,000 total coverage for each policy year for each operator.

86.16 (b) A licensed esthetician or manicurist who complies with the health, safety,
86.17 sanitation, inspection, and insurance rules promulgated by the board to operate a salon
86.18 solely for the performance of those personal services defined in section 155A.23,
86.19 subdivision 5, in the case of an esthetician, or subdivision 7, in the case of a manicurist.

86.20 Sec. 27. Minnesota Statutes 2012, section 155A.30, is amended by adding a
86.21 subdivision to read:

86.22 Subd. 11. **Instruction requirements.** (a) Instruction may be offered for no more
86.23 than ten hours per day per student.

86.24 (b) Instruction must be given within a licensed school building. Online instruction is
86.25 permitted for board-approved theory-based classes. Practice-based classes must not be
86.26 given online.

86.27 Sec. 28. **[155A.355] PROHIBITED USES.**

86.28 (a) Single-use equipment, implements, or materials that are made or constructed of
86.29 paper, wood, or other porous materials must only be used for one application or client
86.30 service. Presence of used articles in the work area is prima facie evidence of reuse.

86.31 Failure to dispose of the materials in this paragraph is punishable by penalty under section
86.32 155A.25, subdivision 1a, paragraph (b), clause (7).

87.1 (b) Razor-type callus shavers, rasps, or graters designed and intended to cut growths
 87.2 of skin such as corns and calluses, including but not limited to credo blades, are prohibited.
 87.3 Presence of these articles in the work area is prima facie evidence of use and may be
 87.4 punishable by penalty in section 155A.25, subdivision 1a, paragraph (b), clause (8);

87.5 (c) Licensees must not use any of the following substances or products in performing
 87.6 cosmetology services:

87.7 (1) methyl methacrylate liquid monomers, also known as MMA; and

87.8 (2) fumigants, including but not limited to formalin tablets or formalin liquids.

87.9 **Sec. 29. [179.90] OFFICE OF COLLABORATION AND DISPUTE**
 87.10 **RESOLUTION.**

87.11 Subdivision 1. **Establishment of office.** The commissioner of mediation services
 87.12 shall establish an Office of Collaboration and Dispute Resolution within the bureau. The
 87.13 office must:

87.14 (1) promote the broad use of community mediation in the state, ensuring that all areas
 87.15 of the state have access to services by providing grants to private nonprofits entities certified
 87.16 by the state court administrator under chapter 494 that assist in resolution of disputes;

87.17 (2) assist state agencies, offices of the executive, legislative, and judicial branches,
 87.18 and units of local government in improving collaboration and dispute resolution;

87.19 (3) support collaboration and dispute resolution in the public and private sector by
 87.20 providing technical assistance and information on best practices and new developments in
 87.21 dispute resolution options;

87.22 (4) educate the public and governmental entities on dispute resolution options: and

87.23 (5) promote and utilize collaborative dispute resolution models and processes based
 87.24 on documented best practices including, but not limited to, the Minnesota Solutions model:

87.25 (i) establishing criteria and procedures for identification and assessment of dispute
 87.26 resolution projects;

87.27 (ii) designating projects and appointing impartial convenors by the commissioner
 87.28 or the commissioner's designee;

87.29 (iii) forming multidisciplinary conflict resolution teams; and

87.30 (iv) utilizing collaborative techniques, processes, and standards through facilitated
 87.31 meetings until consensus among parties is reached in resolving a dispute.

87.32 **Sec. 30. [179.91] GRANTS.**

87.33 Subdivision 1. **Authority.** The commissioner of mediation services shall to the
 87.34 extent funds are appropriated for this purpose, make grants to private nonprofit community

88.1 mediation entities certified by the state court administrator under chapter 494 that assist
88.2 in resolution of disputes. The commissioner shall establish a grant review committee to
88.3 assist in the review of grant applications and the allocation of grants under this section.

88.4 Subd. 2. **Eligibility.** To be eligible for a grant under this section, a nonprofit
88.5 organization must meet the requirements of section 494.05, subdivision 1, clauses (1),
88.6 (2), (4), and (5).

88.7 Subd. 4. **Conditions and exclusions.** A nonprofit entity receiving a grant must
88.8 agree to comply with guidelines adopted by the state court administrator under section
88.9 494.015, subdivision 1 . Sections 16B.97 and 16B.98 and policies adopted under those
88.10 sections apply to grants under this section. The exclusions in section 494.03 apply to
88.11 grants under this section.

88.12 Subd. 5. **Reporting.** Grantees must report data required under chapter 494 to
88.13 evaluate quality and outcomes.

88.14 Sec. 31. Minnesota Statutes 2012, section 326A.04, subdivision 2, is amended to read:

88.15 Subd. 2. **Timing.** (a) Certificates must be initially issued and renewed ~~for periods of~~
88.16 ~~not more than three years~~ annually but in any event must expire on December 31 in the year
88.17 prescribed by the board by rule. Applications for certificates must be made in the form, and
88.18 in the case of applications for renewal between the dates, specified by the board in rule.
88.19 The board shall grant or deny an application no later than 90 days after the application is
88.20 filed in proper form. If the applicant seeks the opportunity to show that issuance or renewal
88.21 of a certificate was mistakenly denied, or if the board is unable to determine whether it
88.22 should be granted or denied, the board may issue to the applicant a provisional certificate
88.23 that expires 90 days after its issuance, or when the board determines whether or not to
88.24 issue or renew the certificate for which application was made, whichever occurs first.

88.25 (b) Certificate holders who do not provide professional services and do not use the
88.26 certified public accountant designation in any manner are not required to renew their
88.27 certificates provided they have notified the board as provided in board rule and comply
88.28 with the requirements for nonrenewal as specified in board rule.

88.29 (c) Applications for renewal of a certificate that are complete and timely filed with
88.30 the board and are not granted or denied by the board before January 1 are renewed on a
88.31 provisional basis as of January 1 and for 90 days thereafter, or until the board grants or
88.32 denies the renewal of the certificate, whichever occurs first, provided the licensee meets
88.33 the requirements in this chapter and rules adopted by the board.

88.34 **EFFECTIVE DATE.** This section is effective for licenses issued or renewed after
88.35 January 1, 2014.

89.1 Sec. 32. Minnesota Statutes 2012, section 326A.04, subdivision 3, is amended to read:

89.2 Subd. 3. **Residents of other states.** (a) With regard to an applicant who must
89.3 obtain a certificate in this state because the applicant does not qualify under the substantial
89.4 equivalency standard in section 326A.14, subdivision 1, the board shall issue a certificate
89.5 to a holder of a certificate, license, or permit issued by another state upon a showing that:

89.6 (1) the applicant passed the examination required for issuance of a certificate in
89.7 this state;

89.8 (2) the applicant had four years of experience of the type described in section
89.9 326A.03, subdivision 6, paragraph (b), ~~if application is made on or after July 1, 2006,~~
89.10 ~~or section 326A.03, subdivision 8, if application is made before July 1, 2006;~~ or the
89.11 applicant meets equivalent requirements prescribed by the board by rule, after passing
89.12 the examination upon which the applicant's certificate was based and within the ten years
89.13 immediately preceding the application;

89.14 (3) if the applicant's certificate, license, or permit was issued more than four years
89.15 prior to the application for issuance of an initial certificate under this subdivision, that the
89.16 applicant has fulfilled the requirements of continuing professional education that would
89.17 have been applicable under subdivision 4; and

89.18 (4) the applicant has met the qualifications prescribed by the board by rule.

89.19 (b) A certificate holder licensed by another state who establishes a principal place
89.20 of business in this state shall request the issuance of a certificate from the board prior to
89.21 establishing the principal place of business. The board shall issue a certificate to the person
89.22 if the person's individual certified public accountant qualifications, upon verification, are
89.23 substantially equivalent to the certified public accountant licensure requirements of this
89.24 chapter or the person meets equivalent requirements as the board prescribes by rule.
89.25 Residents of this state who provide professional services in this state at an office location
89.26 in this state shall be considered to have their principal place of business in this state.

89.27 Sec. 33. Minnesota Statutes 2012, section 326A.04, subdivision 4, is amended to read:

89.28 Subd. 4. **Program of learning.** (a) Each licensee shall participate in a program of
89.29 learning designed to maintain professional competency. The program of learning must
89.30 comply with rules adopted by the board. The board may by rule create an exception to this
89.31 requirement for licensees who do not perform or offer to perform for the public one or more
89.32 kinds of services involving the use of accounting or auditing skills, including issuance of
89.33 reports on financial statements or of one or more kinds of management advisory, financial
89.34 advisory or consulting services, or the preparation of tax returns or the furnishing of advice
89.35 on tax matters. A licensee granted such an exception by the board must place the word

90.1 "inactive" adjacent to the CPA title on any business card, letterhead, or any other document
90.2 or device, with the exception of the licensee's certificate on which the CPA title appears.

90.3 (b) Licensees holding a certificate with an "active" status shall comply with the
90.4 continuing professional education requirements in Minnesota Rules, part 1105.3000.
90.5 Notwithstanding Minnesota Rules, part 1105.3000, effective for licenses renewed or
90.6 issued on or after January 1, 2014, the continuing professional education credit reporting
90.7 year ends on December 31 and credits must be earned by December 31.

90.8 Sec. 34. Minnesota Statutes 2012, section 326A.04, subdivision 5, is amended to read:

90.9 Subd. 5. **Fee.** (a) The board shall charge a fee for each application for initial
90.10 issuance or renewal of a certificate under this section as provided in paragraph (b).

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

90.12 (1) initial issuance of certificate, \$150;

90.13 (2) renewal of certificate with an active status, \$100 per year;

90.14 (3) initial CPA firm permits, except for sole practitioners, \$100;

90.15 (4) renewal of CPA firm permits, except for sole practitioners and those firms
90.16 specified in clause (17), \$35 per year;

90.17 (5) initial issuance and renewal of CPA firm permits for sole practitioners, except for
90.18 those firms specified in clause (17), \$35 per year;

90.19 (6) annual late processing delinquency fee for permit, certificate, or registration
90.20 renewal applications not received prior to expiration date, \$50;

90.21 (7) copies of records, per page, 25 cents;

90.22 (8) registration of noncertificate holders, nonlicensees, and nonregistrants in
90.23 connection with renewal of firm permits, \$45 per year;

90.24 (9) applications for reinstatement, \$20;

90.25 (10) initial registration of a registered accounting practitioner, \$50;

90.26 (11) initial registered accounting practitioner firm permits, \$100;

90.27 (12) renewal of registered accounting practitioner firm permits, except for sole
90.28 practitioners, \$100 per year;

90.29 (13) renewal of registered accounting practitioner firm permits for sole practitioners,
90.30 \$35 per year;

90.31 (14) CPA examination application, \$40;

90.32 (15) CPA examination, fee determined by third-party examination administrator;

90.33 (16) renewal of certificates with an inactive status, \$25 per year; and

90.34 (17) renewal of CPA firm permits for firms that have one or more offices located in
90.35 another state, \$68 per year.

91.1 Sec. 35. Minnesota Statutes 2012, section 326A.04, subdivision 7, is amended to read:

91.2 Subd. 7. **Certificates issued by foreign countries.** The board shall issue a
91.3 certificate to a holder of a generally equivalent foreign country designation, provided that:

91.4 (1) the foreign authority that granted the designation makes similar provision to
91.5 allow a person who holds a valid certificate issued by this state to obtain the foreign
91.6 authority's comparable designation;

91.7 (2) the foreign designation:

91.8 (i) was duly issued by a foreign authority that regulates the practice of public
91.9 accountancy and the foreign designation has not expired or been revoked or suspended;

91.10 (ii) entitles the holder to issue reports upon financial statements; and

91.11 (iii) was issued upon the basis of educational, examination, and experience
91.12 requirements established by the foreign authority or by law; and

91.13 (3) the applicant:

91.14 (i) received the designation, based on educational and examination standards
91.15 generally equivalent to those in effect in this state, at the time the foreign designation
91.16 was granted;

91.17 (ii) has, within the ten years immediately preceding the application, completed an
91.18 experience requirement that is generally equivalent to the requirement in section 326A.03,
91.19 subdivision 6, paragraph (b), ~~if application is made on or after July 1, 2006, or section~~
91.20 ~~326A.03, subdivision 8, if application is made before July 1, 2006,~~ in the jurisdiction that
91.21 granted the foreign designation; completed four years of professional experience in this
91.22 state; or met equivalent requirements prescribed by the board by rule; and

91.23 (iii) passed a uniform qualifying examination in national standards and an
91.24 examination on the laws, regulations, and code of ethical conduct in effect in this state
91.25 as the board prescribes by rule.

91.26 Sec. 36. Minnesota Statutes 2012, section 326A.10, is amended to read:

91.27 **326A.10 UNLAWFUL ACTS.**

91.28 (a) Only a licensee and individuals who have been granted practice privileges
91.29 under section 326A.14 may issue a report on financial statements of any person, firm,
91.30 organization, or governmental unit that results from providing attest services, or offer to
91.31 render or render any attest service. Only a certified public accountant, an individual who
91.32 has been granted practice privileges under section 326A.14, a CPA firm, or, to the extent
91.33 permitted by board rule, a person registered under section 326A.06, paragraph (b), may
91.34 issue a report on financial statements of any person, firm, organization, or governmental
91.35 unit that results from providing compilation services or offer to render or render any

92.1 compilation service. These restrictions do not prohibit any act of a public official or
92.2 public employee in the performance of that person's duties or prohibit the performance
92.3 by any nonlicensee of other services involving the use of accounting skills, including
92.4 the preparation of tax returns, management advisory services, and the preparation of
92.5 financial statements without the issuance of reports on them. Nonlicensees may prepare
92.6 financial statements and issue nonattest transmittals or information on them which do not
92.7 purport to be in compliance with the Statements on Standards for Accounting and Review
92.8 Services (SSARS). Nonlicensees registered under section 326A.06, paragraph (b), may,
92.9 to the extent permitted by board rule, prepare financial statements and issue nonattest
92.10 transmittals or information on them.

92.11 (b) Licensees and individuals who have been granted practice privileges under
92.12 section 326A.14 performing attest or compilation services must provide those services in
92.13 accordance with professional standards. To the extent permitted by board rule, registered
92.14 accounting practitioners performing compilation services must provide those services in
92.15 accordance with standards specified in board rule.

92.16 (c) A person who does not hold a valid certificate issued under section 326A.04
92.17 or a practice privilege granted under section 326A.14 shall not use or assume the title
92.18 "certified public accountant," the abbreviation "CPA," or any other title, designation,
92.19 words, letters, abbreviation, sign, card, or device tending to indicate that the person is a
92.20 certified public accountant.

92.21 (d) A firm shall not provide attest services or assume or use the title "certified public
92.22 accountants," the abbreviation "CPA's," or any other title, designation, words, letters,
92.23 abbreviation, sign, card, or device tending to indicate that the firm is a CPA firm unless
92.24 (1) the firm has complied with section 326A.05, and (2) ownership of the firm is in
92.25 accordance with this chapter and rules adopted by the board.

92.26 (e) A person or firm that does not hold a valid certificate or permit issued under
92.27 section 326A.04 or 326A.05 or has not otherwise complied with section 326A.04 or
92.28 326A.05 as required in this chapter shall not assume or use the title "certified accountant,"
92.29 "chartered accountant," "enrolled accountant," "licensed accountant," "registered
92.30 accountant," "accredited accountant," "accounting practitioner," "public accountant,"
92.31 "licensed public accountant," or any other title or designation likely to be confused
92.32 with the title "certified public accountant," or use any of the abbreviations "CA," "LA,"
92.33 "RA," "AA," "PA," "AP," "LPA," or similar abbreviation likely to be confused with the
92.34 abbreviation "CPA." The title "enrolled agent" or "EA" may only be used by individuals
92.35 so designated by the Internal Revenue Service.

93.1 (f) Persons registered under section 326A.06, paragraph (b), may use the title
93.2 "registered accounting practitioner" or the abbreviation "RAP." A person who does not
93.3 hold a valid registration under section 326A.06, paragraph (b), shall not assume or use
93.4 such title or abbreviation.

93.5 (g) Except to the extent permitted in paragraph (a), nonlicensees may not use
93.6 language in any statement relating to the financial affairs of a person or entity that is
93.7 conventionally used by licensees in reports on financial statements. In this regard, the
93.8 board shall issue by rule safe harbor language that nonlicensees may use in connection
93.9 with such financial information. A person or firm that does not hold a valid certificate or
93.10 permit, or a registration issued under section 326A.04, 326A.05, or 326A.06, paragraph
93.11 (b), or has not otherwise complied with section 326A.04 or 326A.05 as required in this
93.12 chapter shall not assume or use any title or designation that includes the word "accountant"
93.13 or "accounting" in connection with any other language, including the language of a report,
93.14 that implies that the person or firm holds such a certificate, permit, or registration or has
93.15 special competence as an accountant. A person or firm that does not hold a valid certificate
93.16 or permit issued under section 326A.04 or 326A.05 or has not otherwise complied with
93.17 section 326A.04 or 326A.05 as required in this chapter shall not assume or use any title
93.18 or designation that includes the word "auditor" in connection with any other language,
93.19 including the language of a report, that implies that the person or firm holds such a
93.20 certificate or permit or has special competence as an auditor. However, this paragraph
93.21 does not prohibit any officer, partner, member, manager, or employee of any firm or
93.22 organization from affixing that person's own signature to any statement in reference to the
93.23 financial affairs of such firm or organization with any wording designating the position,
93.24 title, or office that the person holds, nor prohibit any act of a public official or employee in
93.25 the performance of the person's duties as such.

93.26 (h)(1) No person holding a certificate or registration or firm holding a permit under
93.27 this chapter shall use a professional or firm name or designation that is misleading about
93.28 the legal form of the firm, or about the persons who are partners, officers, members,
93.29 managers, or shareholders of the firm, or about any other matter. However, names of one
93.30 or more former partners, members, managers, or shareholders may be included in the
93.31 name of a firm or its successor.

93.32 (2) A common brand name or network name part, including common initials, used
93.33 by a CPA firm in its name, is not misleading if the firm is a network firm as defined in
93.34 the American Institute of Certified Public Accountants (AICPA) Code of Professional
93.35 Conduct in effect July 1, 2011, and when offering or rendering services that require

94.1 independence under AICPA standards, the firm must comply with the AICPA code's
94.2 applicable standards on independence.

94.3 (i) Paragraphs (a) to (h) do not apply to a person or firm holding a certification,
94.4 designation, degree, or license granted in a foreign country entitling the holder to engage
94.5 in the practice of public accountancy or its equivalent in that country, if:

94.6 (1) the activities of the person or firm in this state are limited to the provision of
94.7 professional services to persons or firms who are residents of, governments of, or business
94.8 entities of the country in which the person holds the entitlement;

94.9 (2) the person or firm performs no attest or compilation services and issues no reports
94.10 with respect to the financial statements of any other persons, firms, or governmental
94.11 units in this state; and

94.12 (3) the person or firm does not use in this state any title or designation other than
94.13 the one under which the person practices in the foreign country, followed by a translation
94.14 of the title or designation into English, if it is in a different language, and by the name
94.15 of the country.

94.16 (j) No holder of a certificate issued under section 326A.04 may perform attest services
94.17 through any business form that does not hold a valid permit issued under section 326A.05.

94.18 (k) No individual licensee may issue a report in standard form upon a compilation
94.19 of financial information through any form of business that does not hold a valid permit
94.20 issued under section 326A.05, unless the report discloses the name of the business through
94.21 which the individual is issuing the report, and the individual:

94.22 (1) signs the compilation report identifying the individual as a certified public
94.23 accountant;

94.24 (2) meets the competency requirement provided in applicable standards; and

94.25 (3) undergoes no less frequently than once every three years, a peer review
94.26 conducted in a manner specified by the board in rule, and the review includes verification
94.27 that the individual has met the competency requirements set out in professional standards
94.28 for such services.

94.29 (l) No person registered under section 326A.06, paragraph (b), may issue a report
94.30 in standard form upon a compilation of financial information unless the board by rule
94.31 permits the report and the person:

94.32 (1) signs the compilation report identifying the individual as a registered accounting
94.33 practitioner;

94.34 (2) meets the competency requirements in board rule; and

95.1 (3) undergoes no less frequently than once every three years a peer review conducted
95.2 in a manner specified by the board in rule, and the review includes verification that the
95.3 individual has met the competency requirements in board rule.

95.4 (m) Nothing in this section prohibits a practicing attorney or firm of attorneys from
95.5 preparing or presenting records or documents customarily prepared by an attorney or firm
95.6 of attorneys in connection with the attorney's professional work in the practice of law.

95.7 (n) The board shall adopt rules that place limitations on receipt by a licensee or a
95.8 person who holds a registration under section 326A.06, paragraph (b), of:

95.9 (1) contingent fees for professional services performed; and

95.10 (2) commissions or referral fees for recommending or referring to a client any
95.11 product or service.

95.12 (o) Anything in this section to the contrary notwithstanding, it shall not be a violation
95.13 of this section for a firm not holding a valid permit under section 326A.05 and not having
95.14 an office in this state to provide its professional services in this state so long as it complies
95.15 with the applicable requirements of section 326A.05, subdivision 1.

95.16 **Sec. 37. ST. PAUL RIVERCENTRE ARENA.**

95.17 Notwithstanding Laws 1998, chapter 404, section 23, subdivision 6, as amended by
95.18 Laws 2002, chapter 220, Article 10, section 35, the city of St. Paul is not required to make
95.19 repayments is fiscal year 2014 and fiscal year 2015 only.

95.20 **Sec. 38. REVISOR'S INSTRUCTION.**

95.21 (a) The revisor of statutes shall change the term "manicurist" to "nail technician"
95.22 wherever it appears in Minnesota Rules and Statutes.

95.23 (b) The revisor of statutes shall change the term "licensed" to "registered" and
95.24 "license" to "registration" wherever it appears in chapter 154 or rule.

95.25 **Sec. 39. REPEALER.**

95.26 (a) Minnesota Statutes 2012, sections 116W.01; 116W.02; 116W.03; 116W.035;
95.27 116W.04; 116W.05; 116W.06; 116W.20; 116W.21; 116W.23; 116W.24; 116W.25;
95.28 116W.26; 116W.27; 116W.28; 116W.29; 116W.30; 116W.31; 116W.32; 116W.33;
95.29 116W.34; 155A.25, subdivision 1; and 326A.03, subdivisions 2, 5, and 8, are repealed.

95.30 (b) Minnesota Rules, parts 1105.0600; 1105.2550; and 1105.2700, are repealed."