

1.1 moves to amend H.F. No. 2781, the first engrossment, as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2008, section 116J.435, as amended by Laws 2009,
1.4 chapter 35, sections 1, 2; and Laws 2009, chapter 78, article 2, section 12, is amended to
1.5 read:

1.6 **116J.435 BIOSCIENCE AND CLEAN ENERGY BUSINESS DEVELOPMENT**
1.7 **PUBLIC INFRASTRUCTURE GRANT PROGRAM.**

1.8 Subdivision 1. **Creation of account.** A bioscience and clean energy business
1.9 development public infrastructure account is created in the bond proceeds fund. Money
1.10 in the account may only be used for capital costs of public infrastructure for eligible
1.11 bioscience and clean energy business development projects.

1.12 Subd. 2. **Definitions.** For purposes of this section:

1.13 (1) "local governmental unit" means a county, city, town, special district, public
1.14 higher education institution, or other political subdivision or public corporation;

1.15 (2) "governing body" means the council, board of commissioners, board of trustees,
1.16 board of regents, or other body charged with governing a local governmental unit;

1.17 (3) "public infrastructure" means publicly owned physical infrastructure in this state,
1.18 including, but not limited to, wastewater collection and treatment systems, drinking water
1.19 systems, storm sewers, utility extensions, telecommunications infrastructure, streets,
1.20 roads, bridges, parking ramps, facilities that support basic science and clinical research,
1.21 and research infrastructure; ~~and~~

1.22 (4) "eligible project" means:

1.23 (i) a bioscience business development capital improvement project in this state,
1.24 including: manufacturing; technology; warehousing and distribution; research and
1.25 development; bioscience business incubator; agricultural bioprocessing; or industrial,
1.26 office, or research park development that would be used by a bioscience-based business, or

(ii) a clean energy business development capital improvement project in this state;

(5) "clean energy business" means a business that furthers the development of Minnesota's green economy; and

(6) "green economy" has the meaning given in section 116J.437.

Subd. 3. **Grant program established.** (a) The commissioner shall make competitive grants to local governmental units to acquire and prepare land on which public infrastructure required to support an eligible project will be located, including demolition of structures and remediation of any hazardous conditions on the land, or to predesign, design, acquire, construct, furnish, and equip public infrastructure required to support an eligible project. The local governmental unit receiving a grant must provide for the remainder of the public infrastructure costs from other sources. The commissioner may waive the requirements related to an eligible project under subdivision 2 if a project would be eligible under this section but for the fact that its location requires infrastructure improvements to residential development.

(b) The amount of a grant may not exceed the lesser of the cost of the public infrastructure or 50 percent of the sum of the cost of the public infrastructure plus the cost of the completed eligible project.

(c) The purpose of the program is to keep or enhance jobs in the area, increase the tax base, or to expand or create new economic development through the growth of new bioscience businesses and organizations.

Subd. 4. **Application.** (a) The commissioner must develop forms and procedures for soliciting and reviewing applications for grants under this section. At a minimum, a local governmental unit must include the following information in its application:

(1) a resolution of its governing body certifying that the money required to be supplied by the local governmental unit to complete the public infrastructure is available and committed;

(2) a detailed estimate, along with necessary supporting evidence, of the total development costs for the public infrastructure and eligible project;

(3) an assessment of the potential or likely use of the site for bioscience or clean energy activities after completion of the public infrastructure and eligible project;

(4) a timeline indicating the major milestones of the public infrastructure and eligible project and their anticipated completion dates;

(5) a commitment from the governing body to repay the grant if the milestones are not realized by the completion date identified in clause (4); and

(6) any additional information or material the commissioner prescribes.

(b) The determination of whether to make a grant under subdivision 3 is within the discretion of the commissioner, subject to this section. The commissioner's decisions and application of the priorities are not subject to judicial review, except for abuse of discretion.

Subd. 5. **Priorities.** (a) If applications for grants exceed the available appropriations, grants must be made for public infrastructure that, in the commissioner's judgment, provides the highest return in public benefits for the public costs incurred. "Public benefits" include job creation, environmental benefits to the state and region, efficient use of public transportation, efficient use of existing infrastructure, provision of affordable housing, multiuse development that constitutes community rebuilding rather than single-use development, crime reduction, blight reduction, community stabilization, and property tax base maintenance or improvement. In making this judgment, the commissioner shall give priority to eligible projects with one or more of the following characteristics:

(1) the potential of the local governmental unit to attract viable bioscience or clean energy businesses;

(2) proximity to public transit if located in a metropolitan county, as defined in section 473.121, subdivision 4;

(3) multijurisdictional eligible projects that take into account the need for affordable housing, transportation, and environmental impact;

(4) the eligible project is not relocating substantially the same operation from another location in the state, unless the commissioner determines the eligible project cannot be reasonably accommodated within the local governmental unit in which the business is currently located, or the business would otherwise relocate to another state or country; and

(5) the number of jobs that will be created.

(b) The factors in paragraph (a) are not listed in a rank order of priority; rather, the commissioner may weigh each factor, depending upon the facts and circumstances, as the commissioner considers appropriate.

Subd. 6. **Cancellation of grant.** If a grant is awarded to a local governmental unit and funds are not encumbered for the grant within four years after the award date, the grant must be canceled.

Subd. 7. **Repayment of grant.** If an eligible project supported by public infrastructure funded with a grant awarded under this section is not occupied by a bioscience or clean energy business in accordance with the grant application under subdivision 4 within five years after the date of the last grant payment, the grant recipient must repay the amount of the grant received. The commissioner must deposit all money received under this subdivision into the state treasury and credit it to the debt service account in the state bond fund.

Sec. 2. Minnesota Statutes 2008, section 116J.437, subdivision 1, is amended to read:

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

(b) "Green economy" means products, processes, methods, technologies, or services intended to do one or more of the following:

(1) increase the use of energy from renewable sources, including through achieving the renewable energy standard established in section 216B.1691;

(2) achieve the statewide energy-savings goal established in section 216B.2401, including energy savings achieved by the conservation investment program under section 216B.241;

(3) achieve the greenhouse gas emission reduction goals of section 216H.02, subdivision 1, including through reduction of greenhouse gas emissions, as defined in section 216H.01, subdivision 2, or mitigation of the greenhouse gas emissions through, but not limited to, carbon capture, storage, or sequestration;

(4) monitor, protect, restore, and preserve the quality of surface waters, including actions to further the purposes of the Clean Water Legacy Act as provided in section 114D.10, subdivision 1; ~~or~~

(5) expand the use of biofuels, including by expanding the feasibility or reducing the cost of producing biofuels or the types of equipment, machinery, and vehicles that can use biofuels, including activities to achieve the biofuels 25 by 2025 initiative in sections 41A.10, subdivision 2, and 41A.11; or

(6) increase the use of green chemistry, as defined in section 116.9401.

For the purpose of clause (3), "green economy" includes strategies that reduce carbon emissions, such as utilizing existing buildings and other infrastructure, and utilizing mass transit or otherwise reducing commuting for employees.

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

Sec. 3. Minnesota Statutes 2008, section 116J.8731, subdivision 1, is amended to read:

Subdivision 1. **Purpose.** The Minnesota investment fund is created to provide financial and technical assistance, through partnership with communities, for the creation of new employment or to maintain existing employment, and for business start-up, expansions, and retention. It shall accomplish these goals by the following means:

(1) creation or retention of permanent private-sector jobs in order to create above-average economic growth consistent with environmental protection, which includes investments in technology and equipment that increase productivity and provide for a higher wage;

(2) stimulation or leverage of private investment to ensure economic renewal and competitiveness;

(3) increasing the local tax base, based on demonstrated measurable outcomes, to guarantee a diversified industry mix;

(4) improving the quality of existing jobs, based on increases in wages or improvements in the job duties, training, or education associated with those jobs;

(5) improvement of employment and economic opportunity for citizens in the region to create a reasonable standard of living, consistent with federal and state guidelines on low- to moderate-income persons; and

(6) stimulation of productivity growth through improved manufacturing or new technologies, including cold weather testing.

Sec. 4. Minnesota Statutes 2009 Supplement, section 116J.8731, subdivision 3, is amended to read:

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

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

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

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

Sec. 5. Minnesota Statutes 2008, section 116J.8731, subdivision 4, is amended to read:

Subd. 4. **Eligible projects.** Assistance must be evaluated on the existence of the following conditions:

(1) creation of new jobs, retention of existing jobs, or improvements in the quality of existing jobs as measured by the wages, skills, or education associated with those jobs;

(2) increase in the tax base;

(3) the project can demonstrate that investment of public dollars induces private funds;

(4) the project can demonstrate an excessive public infrastructure or improvement cost beyond the means of the affected community and private participants in the project;

(5) the project provides higher wage levels to the community or will add value to current workforce skills;

(6) the project supports the development of microenterprises, as defined by federal statutes, through financial assistance, technical assistance, advice, or business services;

~~(6)~~ (7) whether assistance is necessary to retain existing business;

~~(7)~~ (8) whether assistance is necessary to attract out-of-state business; and

~~(8)~~ (9) the project promotes or advances the green economy as defined in section 116J.437.

A grant or loan cannot be made based solely on a finding that the conditions in clause ~~(6)~~ (7) or ~~(7)~~ (8) exist. A finding must be made that a condition in clause (1), (2), (3), (4), ~~or~~ (5), or (6) also exists.

Applications recommended for funding shall be submitted to the commissioner.

Sec. 6. Minnesota Statutes 2008, section 116J.996, is amended to read:

**116J.996 MILITARY RESERVIST ECONOMIC INJURY AND
VETERAN-OWNED SMALL BUSINESS LOANS.**

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Active service" has the meaning given in section 190.05.

(c) "Commissioner" means the commissioner of employment and economic development.

(d) "Eligible business" means a small business, as defined in section 645.445, that was operating in Minnesota on the date a military reservist received orders for active service.

(e) "Essential employee" means a military reservist who is an owner or employee of an eligible business and whose managerial or technical expertise is critical to the day-to-day operation of the eligible business.

(f) "Military reservist" means a member of the reserve component of the armed forces.

(g) "Reserve component of the armed forces" has the meaning given it in United States Code, title 10, section 101(c).

(h) "Substantial economic injury" means an economic harm to an eligible business that results in the inability of the eligible business to:

- (1) meet its obligations as they mature;
- (2) pay its ordinary and necessary operating expenses; or
- (3) manufacture, produce, market, or provide a product or service ordinarily manufactured, produced, marketed, or provided by the eligible business.

(i) "Veteran-owned small business" means a small business, as defined in section 645.445, that is majority-owned and operated by a recently separated veteran.

Subd. 2. **Loan program.** The commissioner may make onetime, interest-free loans of up to \$20,000 per borrower to: (1) eligible businesses that have sustained or are likely to sustain substantial economic injury as a result of the call to active service for 180 days or more of an essential employee; or (2) recently separated veterans who are veterans as defined in section 197.447, and have served in active military service, at any time on or after September 11, 2001, to start a veteran-owned small business. Loans for economic injury must be made for the purpose of preventing, remedying, or ameliorating the substantial economic injury.

Subd. 3. **Revolving loan account.** The commissioner shall use money appropriated for the purpose to establish a revolving loan account. All repayments of loans made under this section must be deposited into this account. Interest earned on money in the account accrues to the account. Money in the account is appropriated to the commissioner for purposes of the loan program created in this section, including costs incurred by the commissioner to establish and administer the program.

Subd. 4. **Rules.** Using the expedited rulemaking procedures of section 14.389, the commissioner shall develop and publish expedited rules for loan applications, use of funds, needed collateral, terms of loans, and other details of military reservist economic injury and veteran-owned small business loans.

Sec. 7. Minnesota Statutes 2008, section 116L.665, is amended to read:

116L.665 WORKFORCE DEVELOPMENT COUNCIL.

Subdivision 1. **Creation.** The governor's Workforce Development Council is created under the authority of the Workforce Investment Act, United States Code, title 29, section 2801, et seq. Local workforce development councils are authorized under the Workforce Investment Act. The governor's Workforce Development Council serves as Minnesota's Workforce Investment Board for the purposes of the federal Workforce Investment Act.

Subd. 2. **Membership.** The governor's Workforce Development Council is composed of 31 members appointed by the governor. The members may be removed

pursuant to section 15.059. In selecting the representatives of the council, the governor shall ensure that 50 percent of the members come from nominations provided by local workforce councils. Local education representatives shall come from nominations provided by local education to employment partnerships. The 31 members shall represent the following sectors:

(a) State agencies: the following individuals shall serve on the council:

(1) commissioner of the Minnesota Department of Employment and Economic Development;

(2) commissioner of the Minnesota Department of Education; and

(3) commissioner of the Minnesota Department of Human Services.

(b) Business and industry: six individuals shall represent the business and industry sectors of Minnesota.

(c) Organized labor: six individuals shall represent labor organizations of Minnesota.

(d) Community-based organizations: four individuals shall represent community-based organizations of Minnesota. Community-based organizations are defined by the Workforce Investment Act as private nonprofit organizations that are representative of communities or significant segments of communities and that have demonstrated expertise and effectiveness in the field of workforce investment and may include entities that provide job training services, serve youth, serve individuals with disabilities, serve displaced homemakers, union-related organizations, employer-related nonprofit organizations, and organizations serving nonreservation Indians and tribal governments.

(e) Education: six individuals shall represent the education sector of Minnesota as follows:

(1) one individual shall represent local public secondary education;

(2) one individual shall have expertise in design and implementation of school-based service-learning;

(3) one individual shall represent leadership of the University of Minnesota;

(4) one individual shall represent secondary/postsecondary vocational institutions;

(5) the chancellor of the Board of Trustees of the Minnesota State Colleges and Universities; and

(6) one individual shall have expertise in agricultural education.

(f) Other: two individuals shall represent other constituencies including:

(1) units of local government; and

(2) applicable state or local programs.

9.1 The speaker and the minority leader of the house of representatives shall each
9.2 appoint a representative to serve as an ex officio member of the council. The majority
9.3 and minority leaders of the senate shall each appoint a senator to serve as an ex officio
9.4 member of the council.

9.5 (g) Appointment: each member shall be appointed for a term of three years from the
9.6 first day of January or July immediately following their appointment. Elected officials
9.7 shall forfeit their appointment if they cease to serve in elected office.

9.8 (h) Members of the council are compensated as provided in section 15.059,
9.9 subdivision 3.

9.10 Subd. 2a. **Council meetings.** (a) If compliance with section 13D.02 is impractical,
9.11 the Governor's Workforce Development Council may conduct a meeting of its members
9.12 by telephone or other electronic means so long as the following conditions are met:

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

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

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

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

9.22 (b) Each member of the council participating in a meeting by telephone or other
9.23 electronic means is considered present at the meeting for purposes of determining a
9.24 quorum and participating in all proceedings.

9.25 (c) If telephone or other electronic means is used to conduct a meeting, the council,
9.26 to the extent practical, shall allow a person to monitor the meeting electronically from a
9.27 remote location. The council may require the person making such a connection to pay for
9.28 documented marginal costs that the council incurs as a result of the additional connection.

9.29 (d) If telephone or other electronic means is used to conduct a regular, special, or
9.30 emergency meeting, the council shall provide notice of the regular meeting location, of the
9.31 fact that some members may participate by telephone or other electronic means, and of
9.32 the provisions of paragraph (c). The timing and method of providing notice is governed
9.33 by section 13D.04.

9.34 Subd. 3. **Purpose; duties.** The governor's Workforce Development Council shall
9.35 replace the governor's Job Training Council and assume all of its requirements, duties,

and responsibilities under the Workforce Investment Act. Additionally, the Workforce Development Council shall assume the following duties and responsibilities:

(a) Review the provision of services and the use of funds and resources under applicable federal human resource programs and advise the governor on methods of coordinating the provision of services and the use of funds and resources consistent with the laws and regulations governing the programs. For purposes of this section, applicable federal and state human resource programs mean the:

(1) Workforce Investment Act, United States Code, title 29, section 2911, et seq.;

(2) Carl D. Perkins Vocational and Applied Technology Education Act, United States Code, title 20, section 2301, et seq.;

(3) Adult Education Act, United States Code, title 20, section 1201, et seq.;

(4) Wagner-Peyser Act, United States Code, title 29, section 49;

(5) Personal Responsibility and Work Opportunities Act of 1996 (TANF);

(6) Food Stamp Act of 1977, United States Code, title 7, section 6(d)(4), Food Stamp Employment and Training Program, United States Code, title 7, section 2015(d)(4); and

(7) programs defined in section 116L.19, subdivision 5.

Additional federal and state programs and resources can be included within the scope of the council's duties if recommended by the governor after consultation with the council.

(b) Review federal, state, and local education, postsecondary, job skills training, and youth employment programs, and make recommendations to the governor and the legislature for establishing an integrated seamless system for providing education and work skills development services to learners and workers of all ages.

(c) Advise the governor on the development and implementation of statewide and local performance standards and measures relating to applicable federal human resource programs and the coordination of performance standards and measures among programs.

(d) Promote education and employment transitions programs and knowledge and skills of entrepreneurship among employers, workers, youth, and educators, and encourage employers to provide meaningful work-based learning opportunities;

(e) Evaluate and identify exemplary education and employment transitions programs and provide technical assistance to local partnerships to replicate the programs throughout the state.

(f) Advise the governor on methods to evaluate applicable federal human resource programs.

(g) Sponsor appropriate studies to identify human investment needs in Minnesota and recommend to the governor goals and methods for meeting those needs.

(h) Recommend to the governor goals and methods for the development and coordination of a human resource system in Minnesota.

(i) Examine federal and state laws, rules, and regulations to assess whether they present barriers to achieving the development of a coordinated human resource system.

(j) Recommend to the governor and to the federal government changes in state or federal laws, rules, or regulations concerning employment and training programs that present barriers to achieving the development of a coordinated human resource system.

(k) Recommend to the governor and to the federal government waivers of laws and regulations to promote coordinated service delivery.

(l) Sponsor appropriate studies and prepare and recommend to the governor a strategic plan which details methods for meeting Minnesota's human investment needs and for developing and coordinating a state human resource system.

(m) Establish a 10-member executive committee to serve as a management committee for the council. The executive committee shall be chaired by the chair of the governor's Workforce Development Council who shall select members of the executive committee from among the members of the governor's Workforce Development Council.

(n) Provide the commissioner of employment and economic development and the committees of the legislature with responsibility for economic development with recommendations provided to the governor under this subdivision.

(o) In consultation with local workforce councils and the Department of Employment and Economic Development, develop an ongoing process to identify and address local gaps in workforce services.

Subd. 4. **Executive committee duties.** The executive committee must, with advice and input of local workforce councils and other stakeholders as appropriate, develop performance standards for the state workforce centers and serve as a management committee to the council. By January 15, 2002, and each odd-numbered year thereafter, the executive committee shall submit a report to the senate and house of representatives committees with jurisdiction over workforce development programs regarding the performance and outcomes of the workforce centers. The report must provide recommendations regarding workforce center funding levels and sources, program changes, and administrative changes.

Subd. 5. **Subcommittees.** The chair of the Workforce Development Council may establish subcommittees in order to carry out the duties and responsibilities of the council.

Subd. 6. **Staffing.** The Department of Employment and Economic Development must provide staff support, including but not limited to professional, technical, and clerical staff necessary to perform the duties assigned to the Minnesota Workforce Development

Council. ~~The support includes professional, technical, and clerical staff necessary to perform the duties assigned to the Workforce Development Council.~~ All staff report to the commissioner. The council may ask for assistance from other units of state government as it requires in order to fulfill its duties and responsibilities.

Subd. 7. **Expiration.** The council expires if there is no federal funding for the human resource programs within the scope of the council's duties.

Subd. 8. **Funding.** The commissioner shall develop recommendations on a funding formula for allocating Workforce Investment Act funds to the council with a minimum allocation of \$350,000 per year. The commissioner shall report the funding formula recommendations to the legislature by January 15, 2011.

Sec. 8. **[116L.98] WORKFORCE PROGRAM OUTCOMES.**

The commissioner shall develop and implement a set of standard approaches for assessing the outcomes of workforce programs under chapter 116L. The outcomes assessed must include, but are not limited to, periodic comparisons of workforce program participants and nonparticipants.

The commissioner shall also monitor the activities and outcomes of programs and services funded by legislative appropriations and administered by the department on a pass-through basis and develop a consistent and equitable method of assessing recipients for the costs of its monitoring activities.

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

Sec. 9. Minnesota Statutes 2008, section 136F.06, is amended by adding a subdivision to read:

Subd. 4. **Workforce focus.** The board must identify colleges offering flexible academic programs that accommodate the needs of laid-off workers and assist its other institutions in determining whether to offer similar programs. Colleges must increase the number of certificate programs available to meet the needs of unemployed Minnesotans.

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

Sec. 10. Minnesota Statutes 2009 Supplement, section 268.095, subdivision 6, is amended to read:

Subd. 6. **Employment misconduct defined.** (a) Employment misconduct means any ~~intentional, negligent, or indifferent~~ conduct, on the job or off the job that ~~displays clearly~~.

- 13.1 ~~(1) a serious~~ is an egregious violation of the standards of behavior the employer has
13.2 the right to reasonably expect of the employee; ~~or~~ and displays clearly
13.3 ~~(2)~~ a substantial lack of concern for the employment.
- 13.4 (b) Regardless of paragraph (a), the following is not employment misconduct:
13.5 (1) conduct that was a consequence of the applicant's mental illness or impairment;
13.6 (2) conduct that was a consequence of the applicant's inefficiency or inadvertence;
13.7 (3) simple unsatisfactory conduct;
13.8 (4) conduct an average reasonable employee would have engaged in under the
13.9 circumstances;
13.10 (5) ~~poor performance because of~~ conduct that was a consequence of the applicant's
13.11 inability or incapacity;
13.12 (6) good faith errors in judgment if judgment was required;
13.13 (7) absence because of illness or injury of the applicant, with proper notice to the
13.14 employer;
13.15 (8) absence, with proper notice to the employer, in order to provide necessary care
13.16 because of the illness, injury, or disability of an immediate family member of the applicant;
13.17 (9) conduct that was a ~~direct result~~ consequence of the applicant's chemical
13.18 dependency, unless the applicant was previously diagnosed chemically dependent or had
13.19 treatment for chemical dependency, and since that diagnosis or treatment has failed to
13.20 make consistent efforts to control the chemical dependency; or
13.21 (10) conduct that was a ~~result~~ consequence of the applicant, or an immediate family
13.22 member of the applicant, being a victim of domestic abuse as defined under section
13.23 518B.01. Domestic abuse must be shown as provided for in subdivision 1, clause (9).
- 13.24 (c) Regardless of paragraph (b), clause (9), conduct in violation of sections 169A.20,
13.25 169A.31, or 169A.50 to 169A.53 that interferes with or adversely affects the employment
13.26 is employment misconduct.
- 13.27 (d) If the conduct for which the applicant was discharged involved only a single
13.28 incident, that is an important fact that must be considered in deciding whether the conduct
13.29 rises to the level of employment misconduct under paragraph (a).
- 13.30 (e) The definition of employment misconduct provided by this subdivision is
13.31 exclusive and no other definition applies. The term "egregious" sets a high threshold and
13.32 application of the term must take into consideration section 268.031, subdivision 2.
- 13.33 **EFFECTIVE DATE.** This section is effective for determinations under section
13.34 268.101, subdivision 2, and appeal decisions under section 268.105, subdivision 1, issued
13.35 on and after the Sunday following final enactment.

Sec. 11. **[268.102] BENEFITS REVIEW SPECIALIST.**

Subdivision 1. **Benefits review specialist.** The commissioner shall allocate unemployment insurance administrative or discretionary funds in an amount sufficient to finance the selection of at least ten unemployment insurance staff persons knowledgeable about eligibility, benefit determinations, and benefit calculations and designate them as benefit review specialists to work with benefit applicants in order to correct errors in applications, answer questions, and resolve issues before appeal.

Subd. 2. **Review option provided.** Notwithstanding any law or rule to the contrary, an applicant may request that any issue of ineligibility, determination of ineligibility, benefit amount or any other issue under this chapter be reviewed by a benefits review specialist prior to the expiration of the time for an appeal under sections 268.103 and 268.105. An applicant's appeal under sections 268.103 and 268.105 is considered timely if the appeal is made within ten calendar days after the mailing of the Benefit Review Specialist's written response to the applicant's request under this subdivision.

Subd. 3. **Notice.** The commissioner must include with any notice to or communication with an applicant, notification of an applicant's right to request a review as provided in subdivision 2, by a benefits review specialist.

Sec. 12. Minnesota Statutes 2009 Supplement, section 268.105, subdivision 1, is amended to read:

Subdivision 1. **Evidentiary hearing by unemployment law judge.** (a) Upon a timely appeal having been filed, the department must send, by mail or electronic transmission, a notice of appeal to all involved parties that an appeal has been filed, and that a de novo due process evidentiary hearing will be scheduled. The notice must set out the parties' rights and responsibilities regarding the hearing. The notice must explain that the facts will be determined by the unemployment law judge based upon a preponderance of the evidence. The notice must explain in clear and simple language the meaning of the term "preponderance of the evidence." The department must set a time and place for a de novo due process evidentiary hearing and send notice to any involved applicant and any involved employer, by mail or electronic transmission, not less than ten calendar days before the date of the hearing.

(b) The evidentiary hearing is conducted by an unemployment law judge as an evidence gathering inquiry. At the beginning of the hearing the unemployment law judge must fully explain how the hearing will be conducted, that the applicant has the right to request that the hearing be rescheduled so that documents or witnesses can be subpoenaed, that the facts will be determined based on a preponderance of the evidence, and, in

15.1 clear and simple language, the meaning of the term "preponderance of the evidence."
15.2 The unemployment law judge must ensure that all relevant facts are clearly and fully
15.3 developed. The department may adopt rules on evidentiary hearings. The rules need
15.4 not conform to common law or statutory rules of evidence and other technical rules of
15.5 procedure. The department has discretion regarding the method by which the evidentiary
15.6 hearing is conducted. A report of any employee of the department, except a determination,
15.7 made in the regular course of the employee's duties, is competent evidence of the facts
15.8 contained in it. An affidavit or written statement based on personal knowledge and signed
15.9 under penalty of perjury is competent evidence of the facts contained in it; however, the
15.10 veracity of statements contained within the document or the credibility of the witness
15.11 making the statement may be disputed with other documents or testimony and production
15.12 of such documents or testimony may be compelled by subpoena.

15.13 (c) After the conclusion of the hearing, upon the evidence obtained, the
15.14 unemployment law judge must make findings of fact and decision and send those, by mail
15.15 or electronic transmission, to all involved parties. When the credibility of an involved
15.16 party or witness testifying in an evidentiary hearing has a significant effect on the outcome
15.17 of a decision, the unemployment law judge must set out the reason for crediting or
15.18 discrediting that testimony. The unemployment law judge's decision is final unless a
15.19 request for reconsideration is filed under subdivision 2.

15.20 (d) Regardless of paragraph (c), if the appealing party fails to participate in the
15.21 evidentiary hearing, the unemployment law judge has the discretion to dismiss the appeal
15.22 by summary order. By failing to participate, the appealing party is considered to have
15.23 failed to exhaust available administrative remedies unless the appealing party files a
15.24 request for reconsideration under subdivision 2 and establishes good cause for failing to
15.25 participate in the evidentiary hearing under subdivision 2, paragraph (d). Submission
15.26 of a written statement does not constitute participation. The applicant must participate
15.27 personally and appearance solely by a representative does not constitute participation.

15.28 (e) Only employees of the department who are attorneys licensed to practice law
15.29 in Minnesota may serve as the chief unemployment law judge, senior unemployment
15.30 law judges who are supervisors, or unemployment law judges. The commissioner
15.31 must designate a chief unemployment law judge. The chief unemployment law judge
15.32 may transfer to another unemployment law judge any proceedings pending before an
15.33 unemployment law judge.

15.34 (f) A full-time unemployment law judge must be paid a salary of a minimum of 55
15.35 percent and a maximum of 75 percent of the salary set under section 15A.083, subdivision

16.1 7, for a workers' compensation judge; the salary paid within that range to any single
16.2 unemployment law judge is based on experience and performance.

16.3 **EFFECTIVE DATE.** This section is effective on July 1, 2010, and shall apply to all
16.4 new unemployment law judges hired on or after that date.

16.5 Sec. 13. Minnesota Statutes 2008, section 268.184, subdivision 1, is amended to read:

16.6 Subdivision 1. **Administrative penalties.** (a) The commissioner shall penalize
16.7 an employer if that employer or any employee, officer, or agent of that employer, is
16.8 in collusion with any applicant for the purpose of assisting the applicant to receive
16.9 unemployment benefits fraudulently. The penalty is \$500 or the amount of unemployment
16.10 benefits determined to be overpaid, whichever is greater.

16.11 (b) The commissioner shall penalize an employer if that employer or any employee,
16.12 officer, or agent of that employer (1) made a false statement or representation knowing
16.13 it to be false, (2) made a false statement or representation without a good faith belief
16.14 as to correctness of the statement or representation, or (3) knowingly failed to disclose
16.15 a material fact; or (4) made an offer of employment to an applicant when, in fact, the
16.16 employer had no employment available, but only if the employer's action:

16.17 (i) was taken to prevent or reduce the payment of unemployment benefits to any
16.18 applicant;

16.19 (ii) was taken to reduce or avoid any payment required from an employer under
16.20 this chapter or section 116L.20; or

16.21 (iii) caused an overpayment of unemployment benefits to an applicant.

16.22 The penalty is \$500, or 50 percent of the overpaid or reduced unemployment benefits
16.23 or payment required, whichever is greater.

16.24 (c) The commissioner shall penalize an employer if that employer failed or refused
16.25 to honor a subpoena issued under section 268.105, subdivision 4, or section 268.188. The
16.26 penalty is \$500 and any costs of enforcing the subpoena, including attorney fees.

16.27 (d) Penalties under this subdivision are in addition to any other penalties and subject
16.28 to the same collection procedures that apply to past due taxes. Penalties must be paid
16.29 within 30 calendar days of assessment and credited to the contingent account.

16.30 (e) The assessment of the penalty is final unless the employer files an appeal within
16.31 20 calendar days after the sending of notice of the penalty to the employer by mail or
16.32 electronic transmission. Proceedings on the appeal are conducted in accordance with
16.33 section 268.105.

16.34 Sec. 14. **[326B.091] DEFINITIONS.**

Subdivision 1. **Applicability.** For purposes of sections 326B.091 to 326B.098, the terms defined in this section have the meanings given them.

Subd. 2. **Applicant.** "Applicant" means a person who has submitted to the department an application for a license.

Subd. 3. **License.** "License" means any registration, certification, or other form of approval authorized by chapters 326B and 327B to be issued by the commissioner or department as a condition of doing business or conducting a trade, profession, or occupation in Minnesota. License includes specifically but not exclusively an authorization issued by the commissioner or department: to perform electrical work, plumbing or water conditioning work, high pressure piping work, or residential building work of a residential contractor, residential remodeler, or residential roofer; to install manufactured housing; to serve as a building official; or to operate a boiler or boat.

Subd. 4. **Licensee.** "Licensee" means the person named on the license as the person authorized to do business or conduct the trade, profession, or occupation in Minnesota.

Subd. 5. **Notification date.** "Notification date" means the date of the written notification from the department to an applicant that the applicant is qualified to take the examination required for licensure.

Subd. 6. **Renewal deadline.** "Renewal deadline," when used with respect to a license, means 30 days before the date that the license expires.

Sec. 15. **[326B.092] FEES.**

Subdivision 1. **Licenses requiring examination administered by commissioner.**

(a) If the applicant for a license must pass an examination administered by the commissioner in order to obtain the license, then the application for the initial license must be accompanied by an application and examination fee of \$50, which is separate from the license fee. The license fee is due after the applicant passes the examination and before the license is issued.

(b) If the applicant for a Minnesota license holds a license in another state and is seeking Minnesota licensure without examination based on reciprocity, then the application for the Minnesota license must be accompanied by the application and examination fee of \$50, which is separate from the license fee. If the commissioner approves the application, then the license fee is due before the license is issued.

Subd. 2. **Licenses not requiring examination administered by commissioner.** If the applicant for a license is not required to pass an examination in order to obtain the license, or is required to pass an examination that is not administered by the commissioner, then the license fee must accompany the application for the license. If the application is

for a license issued under sections 326B.802 to 326B.885 and is not an application for license renewal, then the contractor recovery fund fee required under section 326B.89, subdivision 3, is due after the department has determined that the applicant meets the qualifications for licensing and before the license is issued.

Subd. 3. **Late fee.** The department must receive a complete application for license renewal by the renewal deadline but not more than 90 days before the renewal deadline. If the department receives a renewal application after the expiration of the license, then the renewal application must be accompanied by a late fee equal to one-half of the license renewal fee; except that, for the purpose of calculating the late fee only, the license renewal fee shall not include any contractor recovery fund fee required by section 326B.89, subdivision 3.

Subd. 4. **Lapsed licensed fee.** If the department receives a renewal application within two years after expiration of the license, the renewal application must be accompanied by all license renewal fees to cover the period that the license was expired, plus the late fee described in subdivision 3 and the license renewal fee for the current renewal period.

Subd. 5. **Insufficient fees.** If the applicant does not include all required fees with the application, then the application will be incomplete and the department will notify the applicant of the amount of the deficiency.

Subd. 6. **Fees nonrefundable.** Application and examination fees, license fees, license renewal fees, and late fees are nonrefundable except for:

(1) license renewal fees received more than two years after expiration of the license, as described in section 326B.094, subdivision 2;

(2) any overpayment of fees; and

(3) if the license is not renewed, the contractor recovery fund fee and any additional assessment paid under subdivision 7, paragraph (e).

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

(b) For purposes of this section, "license duration" means the number of years for which the license is issued except that:

(1) if the initial license is not issued for a whole number of years, the license duration shall be rounded up to the next whole number; and

(2) if the department receives an application for license renewal after the renewal deadline, license duration means the number of years for which the renewed license would have been issued if the renewal application had been submitted on time and all other requirements for renewal had been met.

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

<u>License Classification</u>	<u>License Duration</u>		
	<u>1 Year</u>	<u>2 Years</u>	<u>3 Years</u>
<u>Entry level</u>	<u>\$10</u>	<u>\$20</u>	<u>\$30</u>
<u>Journeyman</u>	<u>\$20</u>	<u>\$40</u>	<u>\$60</u>
<u>Master</u>	<u>\$40</u>	<u>\$80</u>	<u>\$120</u>
<u>Business</u>	<u>\$90</u>	<u>\$180</u>	<u>\$270</u>

(d) If there is a continuing education requirement for renewal of the license, then a continuing education fee must be included in the renewal license fee. The continuing education fee for all license classifications shall be: \$10 if the renewal license duration is one year; \$20 if the renewal license duration is two years; and \$30 if the renewal license duration is three years.

(e) If the license is issued under sections 326B.31 to 326B.59 or 326B.90 to 326B.93, then a board fee must be included in the license fee and the renewal license fee. The board fee for all license classifications shall be: \$4 if the license duration is one year; \$8 if the license duration is two years; and \$12 if the license duration is three years.

(f) If the application is for the renewal of a license issued under sections 326B.802 to 326B.885, then the contractor recovery fund fee required under section 326B.89, subdivision 3, and any additional assessment required under section 326B.89, subdivision 16, must be included in the license renewal fee.

Sec. 16. **[326B.093] LICENSES REQUIRING EXAMINATION**
ADMINISTERED BY COMMISSIONER.

Subdivision 1. Qualifications for examination. If the applicant for a license must pass an examination administered by the commissioner in order to obtain the license, then the applicant's complete application must demonstrate that the applicant is qualified to take the examination. The applicant is qualified to take the examination if the applicant meets all requirements for the license except for passing the examination.

Subd. 2. Not qualified for examination. If the applicant is not qualified to take the examination, then the commissioner must deny the application. The applicant may subsequently submit another application, accompanied by the required fee.

20.1 Subd. 3. **Taking the examination.** If the applicant is qualified to take the
20.2 examination, then the department must notify the applicant, and the applicant may
20.3 schedule a time to take the examination within one year after the notification date. If the
20.4 applicant does not take the examination at the scheduled time, the applicant may, one
20.5 time only, reschedule a time to take the examination on a date within one year after the
20.6 notification date. If the applicant fails to take the examination within one year after the
20.7 notification date, the commissioner must deny the application and the applicant forfeits the
20.8 application/examination fee. The applicant may subsequently submit another application,
20.9 accompanied by the required application/examination fee.

20.10 Subd. 4. **Examination results.** If the applicant receives a passing score on the
20.11 examination and meets all other requirements for licensure, the commissioner must
20.12 approve the application and notify the applicant of the approval within 60 days of the date
20.13 of the passing score. The applicant must, within 90 days after the notification of approval,
20.14 pay the license fee. Upon receipt of the license fee, the commissioner must issue the
20.15 license. If the applicant does not pay the license fee within 90 days after the notification
20.16 of approval, the commissioner will rescind the approval and must deny the application.
20.17 If the applicant does not receive a passing score on the examination, the commissioner
20.18 must deny the application. If the application is denied because of the applicant's failure
20.19 to receive a passing score on the examination, then the applicant cannot submit a new
20.20 application for the license until at least 30 days after the notification of denial.

20.21 **Sec. 17. [326B.094] RENEWAL OF LICENSES.**

20.22 Subdivision 1. **Expiration of licenses.** Unless and until the department or
20.23 commissioner issues a renewal of a license, the license expires on the expiration date
20.24 printed on the license. While the license is expired, the licensee cannot perform the
20.25 activities authorized by the license.

20.26 Subd. 2. **Availability of renewal.** A licensee may apply to renew a license no later
20.27 than two years after the expiration of the license. If the department receives a complete
20.28 renewal application no later than two years after the expiration of the license, then the
20.29 department must approve or deny the renewal application within 60 days of receiving the
20.30 complete renewal application. If the department receives a renewal application more than
20.31 two years after the expiration of the license, the department must return the renewal
20.32 license fee to the applicant without approving or denying the application. If the licensee
20.33 wishes to obtain a valid license more than two years after expiration of the license, the
20.34 licensee must apply for a new license.

21.1 Subd. 3. **Deadline for avoiding license expiration.** The department must receive
21.2 a complete application to renew a license no later than the renewal deadline. If the
21.3 department does not receive a complete application by the renewal deadline, the license
21.4 may expire before the department has either approved or denied the renewal application.

21.5 Sec. 18. **[326B.095] INCOMPLETE LICENSE APPLICATIONS.**

21.6 This section applies to both applications for initial licenses and license renewal
21.7 applications. If the department determines that an application is incomplete, the
21.8 department must notify the applicant of the deficiencies that must be corrected in
21.9 order to complete the application. If the applicant wishes to complete the application,
21.10 the department must receive the completed application within 90 days after the date
21.11 the department mailed or delivered the incomplete application to the applicant. If the
21.12 department does not receive the completed application by this deadline, the commissioner
21.13 must deny the application and the applicant will forfeit all fees except as provided
21.14 in section 326B.092, subdivision 6. If the application is for license renewal and the
21.15 department receives the corrected application after the license has expired, then the
21.16 corrected application must be accompanied by the late fee.

21.17 Sec. 19. **[326B.096] REINSTATEMENT OF LICENSES.**

21.18 Subdivision 1. **Reinstatement after revocation.** (a) If a license is revoked under
21.19 this chapter and if an applicant for a license needs to pass an examination administered by
21.20 the commissioner before becoming licensed, then, in order to have the license reinstated,
21.21 the person who holds the revoked license must:

21.22 (1) retake the examination and achieve a passing score; and

21.23 (2) meet all other requirements for an initial license, including payment of the
21.24 application and examination fee and the license fee. The person holding the revoked
21.25 license is not eligible for Minnesota licensure without examination based on reciprocity.

21.26 (b) If a license is revoked under a chapter other than this chapter, then, in order to
21.27 have the license reinstated, the person who holds the revoked license must:

21.28 (1) apply for reinstatement to the commissioner no later than two years after the
21.29 effective date of the revocation;

21.30 (2) pay a \$100 reinstatement application fee and any applicable renewal license
21.31 fee; and

21.32 (3) meet all applicable requirements for licensure, except that, unless required by the
21.33 order revoking the license, the applicant does not need to retake any examination and does
21.34 not need to repay a license fee that was paid before the revocation.

22.1 Subd. 2. **Reinstatement after suspension.** If a license is suspended, then, in order
22.2 to have the license reinstated, the person who holds the suspended license must:

22.3 (1) apply for reinstatement to the commissioner no later than two years after the
22.4 completion of the suspension period;

22.5 (2) pay a \$100 reinstatement application fee and any applicable renewal license
22.6 fee; and

22.7 (3) meet all applicable requirements for licensure, except that, unless required by the
22.8 order suspending the license, the applicant does not need to retake any examination and
22.9 does not need to repay a license fee that was paid before the suspension.

22.10 Subd. 3. **Reinstatement after voluntary termination.** A licensee who is not an
22.11 individual may voluntarily terminate a license issued to the person under this chapter. If a
22.12 licensee has voluntarily terminated a license under this subdivision, then, in order to have
22.13 the license reinstated, the person who holds the terminated license must:

22.14 (1) apply for reinstatement to the commissioner no later than the date that the license
22.15 would have expired if it had not been terminated;

22.16 (2) pay a \$100 reinstatement application fee and any applicable renewal license
22.17 fee; and

22.18 (3) meet all applicable requirements for licensure, except that the applicant does not
22.19 need to repay a license fee that was paid before the termination.

22.20 Sec. 20. **[326B.097] PROHIBITION OF TRANSFER.**

22.21 A licensee shall not transfer or sell any license.

22.22 Sec. 21. **[326B.098] CONTINUING EDUCATION.**

22.23 Subdivision 1. **Applicability.** This section applies to seminars offered by
22.24 the department for the purpose of allowing licensees to meet continuing education
22.25 requirements for license renewal.

22.26 Subd. 2. **Rescheduling.** An individual who is registered with the department to
22.27 attend a seminar may reschedule one time only, to attend the same seminar on a date
22.28 within one year after the date of the seminar the individual was registered to attend.

22.29 Subd. 3. **Fees nonrefundable.** All seminar fees paid to the department are
22.30 nonrefundable except for any overpayment of fees.

22.31 Sec. 22. Minnesota Statutes 2008, section 326B.133, subdivision 1, is amended to read:

22.32 Subdivision 1. **Designation.** Each municipality shall designate a building official to
22.33 administer the code. A municipality may designate no more than one building official

responsible for code administration defined by each certification category ~~established in rule~~ created by statute or rule. Two or more municipalities may combine in the designation of a building official for the purpose of administering the provisions of the code within their communities. In those municipalities for which no building officials have been designated, the state building official may use whichever state employees are necessary to perform the duties of the building official until the municipality makes a temporary or permanent designation. All costs incurred by virtue of these services rendered by state employees must be borne by the involved municipality and receipts arising from these services must be paid to the commissioner.

Sec. 23. Minnesota Statutes 2008, section 326B.133, is amended by adding a subdivision to read:

Subd. 2a. **Application; renewal; fees; expiration.** (a) An applicant for certification shall submit a completed application on a form approved by the commissioner to the department. The commissioner shall review applications for compliance with the requirements established by rule.

(b) Application for initial certification or renewal certification as a building official, building official-limited, or accessibility specialist shall be according to this section and sections 326B.092 to 326B.095.

(c) Fees shall be paid to the department according to section 326B.092.

(d) Unless revoked or suspended under this chapter, all certifications issued or renewed under this section expire two years from the date of original issuance and every two years thereafter.

Sec. 24. Minnesota Statutes 2008, section 326B.133, subdivision 3, is amended to read:

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

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

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

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

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

24.8 Sec. 25. Minnesota Statutes 2008, section 326B.133, is amended by adding a
24.9 subdivision to read:

24.10 Subd. 3a. **Certification categories.** (a) If a municipality has adopted or adopts
24.11 the State Building Code, the responsibilities for code administration and enforcement
24.12 are under the authority of its designated building official or the certified building
24.13 official-limited.

24.14 (b) Certified building official. This certification is identified as "certified building
24.15 official" on the certificate card. This certification is granted to an individual who has met
24.16 the certified building official requirements established by rule and passed the written
24.17 examination prepared by the state. A person with this certification may serve as the
24.18 designated building official for any municipality. For the purposes of calculating fees
24.19 under section 326B.092, certification as a building official is a master license.

24.20 (c) Certified building official-limited. This certification is identified as "certified
24.21 building official-limited" on the certification card. This certification is granted to an
24.22 individual who has met the certified building official-limited requirements established by
24.23 rule and passed the written examination prepared by the state. An individual with this
24.24 certification may perform code administration for one- and two-family dwellings, their
24.25 accessory structures, and "exempt classes of buildings" as provided in Minnesota Rules,
24.26 part 1800.5000, of the Board of Architecture, Engineering, Land Surveying, Landscape
24.27 Architecture, Geoscience, and Interior Design, and "facilities for persons with physical
24.28 disabilities" that are governed by the State Building Code. Subject to the limitations of the
24.29 building official-limited certification, an individual with this certification may serve as
24.30 the designated building official for any municipality. Code administration for all other
24.31 buildings must be performed by a certified building official as defined in paragraph (a). A
24.32 certified building official-limited may conduct inspections for other structures regulated
24.33 by the State Building Code under the direction of a designated certified building official or
24.34 the state building official.

25.1 Subject to all other certification requirements, as of January 1, 2012, valid Class I
25.2 certifications shall be included in the certified building official-limited category upon the
25.3 next immediate renewal. For the purposes of calculating fees under section 326B.092,
25.4 certification as a building official-limited is a journeyman license.

25.5 (d) Accessibility specialist. This certification is identified as accessibility specialist
25.6 on the certification card. This certification is granted to an individual who has met
25.7 the "accessibility specialist" requirements established by rule and passed the written
25.8 examination prepared by the state. An individual with this classification is limited to the
25.9 administration of those provisions of the State Building Code that provide access for
25.10 persons with disabilities. For the purposes of calculating fees under section 326B.092,
25.11 certification as an accessibility specialist is a journeyman license.

25.12 Sec. 26. Minnesota Statutes 2008, section 326B.133, subdivision 8, is amended to read:

25.13 Subd. 8. **Continuing education requirements; extension of time.** (a) This
25.14 subdivision establishes the number of continuing education units required within each
25.15 two-year certification period.

25.16 A certified building official shall accumulate 16 continuing education units in any
25.17 education program that is approved under Minnesota Rules, part 1301.1000.

25.18 A certified building official-limited shall, in each year of the initial two-year
25.19 certification period, accumulate eight continuing education units in any education program
25.20 that is approved under Minnesota Rules, part 1301.1000. Continuing education units
25.21 shall be reported annually during the initial two-year certification period by the method
25.22 established in rule. A certified building official-limited shall accumulate 16 continuing
25.23 education units for each two-year certification period thereafter in any education program
25.24 that is approved under Minnesota Rules, part 1301.1000.

25.25 An accessibility specialist must accumulate four continuing education units in any
25.26 of the programs described in Minnesota Rules, part 1301.1000, subpart 1 or 2. The four
25.27 units must be for courses relating to building accessibility, plan review, field inspection,
25.28 or building code administration.

25.29 Continuing education programs may be approved as established in rule.

25.30 (b) Subject to sections 326B.101 to 326B.194, the commissioner may by rule
25.31 establish or approve continuing education programs for certified building officials dealing
25.32 with matters of building code administration, inspection, and enforcement.

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

26.1 (c) The state building official may grant an extension of time to comply with
26.2 continuing education requirements if the certificate holder requesting the extension of
26.3 time shows cause for the extension. The request for the extension must be in writing. For
26.4 purposes of this section, the certificate holder's current certification effective dates shall
26.5 remain the same. The extension does not relieve the certificate holder from complying
26.6 with the continuing education requirements for the next two-year period.

26.7 Sec. 27. Minnesota Statutes 2008, section 326B.133, subdivision 11, is amended to
26.8 read:

26.9 Subd. 11. **Failure to renew.** An individual who has failed to make a timely
26.10 application for renewal of a certificate is not certified and must not serve as the designated
26.11 building official for any municipality, or a certified building official, a certified building
26.12 official-limited, or an accessibility specialist until a renewed certificate has been issued by
26.13 the commissioner.

26.14 Sec. 28. Minnesota Statutes 2008, section 326B.197, is amended to read:

26.15 **326B.197 BOND REQUIRED FOR CERTAIN CONTRACTORS.**

26.16 (a) A person contracting to do gas, heating, ventilation, cooling, air conditioning,
26.17 fuel burning, or refrigeration work must give and maintain bond to the state in the amount
26.18 of \$25,000 for all work entered into within the state. The bond must be for the benefit of
26.19 persons suffering financial loss by reason of the contractor's failure to comply with the
26.20 requirements of the State Mechanical Code. A bond given to the state must be filed with
26.21 the commissioner of labor and industry and is in lieu of all other bonds to any political
26.22 subdivision required for work covered by this section. The bond must be written by a
26.23 corporate surety licensed to do business in the state.

26.24 (b) The commissioner of labor and industry may charge each person giving bond
26.25 under this section ~~an annual~~ a biennial bond filing fee of ~~\$15~~ \$100.

26.26 Sec. 29. Minnesota Statutes 2008, section 326B.33, subdivision 18, is amended to read:

26.27 Subd. 18. **Examination.** In addition to the other requirements described in this
26.28 section and sections 326B.091 to 326B.098, and except as provided in subdivision 20, as a
26.29 precondition to issuance of a personal license, each applicant must pass a written or oral
26.30 examination developed and administered by the commissioner to ensure the competence of
26.31 each applicant for license. An oral examination shall be administered only to an applicant
26.32 who furnishes a written statement from a certified teacher or other professional, trained in
26.33 the area of reading disabilities stating that the applicant has a specific reading disability

which would prevent the applicant from performing satisfactorily on a written test. The oral examination shall be structured so that an applicant who passes the examination will not impair the applicant's own safety or that of others while acting as a licensed individual. ~~No individual failing an examination may retake it for six months thereafter, but within such six months the individual may take an examination for a lesser grade of license. Any individual failing to renew a personal license for two years or more after its expiration, and any licensee whose personal license is revoked under this chapter, shall be required to retake the examination before being issued a new license. An individual whose personal license is revoked under any other chapter is not required to retake the examination before being issued a new license, unless the personal license was revoked two years or more before the commissioner received the completed application for a new license. A licensee whose personal license is suspended for any reason is not required to retake the examination before the personal license is reinstated, unless the personal license has not been reinstated within two years after the suspension began.~~

~~An applicant for a personal license shall submit to the commissioner an application and examination fee at the time of application. Upon approval of the application, the commissioner shall schedule the applicant for the next available examination, which shall be held within 60 days. The applicant shall be allowed one opportunity to reschedule an examination without being required to submit another application and examination fee. Additionally, an applicant who fails an examination, or whose application was not approved, shall submit another application and examination fee.~~

Sec. 30. Minnesota Statutes 2009 Supplement, section 326B.33, subdivision 19, is amended to read:

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

~~(b) Fees for application and examination, and for the original issuance and each subsequent renewal, are:~~

~~(1) For each personal license application and examination: \$35;~~

28.1 ~~(2) For original issuance and each subsequent renewal of:~~

28.2 ~~Class A Master or master special electrician, including master elevator constructor:~~

28.3 ~~\$40 per year;~~

28.4 ~~Class B Master: \$25 per year;~~

28.5 ~~Power Limited Technician: \$15 per year;~~

28.6 ~~Class A Journeyman, Class B Journeyman, Installer, Elevator Constructor, Lineman,~~
28.7 ~~or Maintenance Electrician other than master special electrician: \$15 per year;~~

28.8 ~~Contractor: \$100 per year;~~

28.9 ~~Unlicensed individual registration: \$15 per year.~~

28.10 ~~(c) If any new license is issued in accordance with this subdivision for less than two~~
28.11 ~~years, the fee for the license shall be prorated on an annual basis.~~

28.12 ~~(d) A license fee may not be refunded after a license is issued or renewed. However,~~
28.13 ~~if the fee paid for a license was not prorated in accordance with this subdivision, the~~
28.14 ~~amount of the overpayment shall be refunded.~~

28.15 ~~(e) Any contractor who seeks reissuance of a license after it has been revoked or~~
28.16 ~~suspended under this chapter shall submit a reissuance fee of \$100 before the license is~~
28.17 ~~reinstated.~~

28.18 ~~(f) An individual or contractor who fails to renew a license before 30 days after the~~
28.19 ~~expiration or registration of the license must submit a late fee equal to one year's license~~
28.20 ~~fee in addition to the full renewal fee. Fees for renewed licenses or registrations are not~~
28.21 ~~prorated. An individual or contractor that fails to renew a license or registration by the~~
28.22 ~~expiration date is unlicensed until the license or registration is renewed.~~

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

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

28.27 (2) the following licenses shall be considered journeyman licenses: Class A
28.28 journeyman electrician, Class B journeyman electrician, Class A installer, Class B installer,
28.29 elevator constructor, lineman, maintenance electrician, and power limited technician;

28.30 (3) the following licenses shall be considered master licenses: Class A master
28.31 electrician, Class B master electrician, and master elevator constructor; and

28.32 (4) the following licenses shall be considered business licenses: Class A electrical
28.33 contractor, Class B electrical contractor, elevator contractor, and technology systems
28.34 contractor.

28.35 (c) For each filing of a certificate of responsible person by an employer, the fee is
28.36 \$100.

29.1 Sec. 31. Minnesota Statutes 2008, section 326B.33, subdivision 20, is amended to read:

29.2 Subd. 20. **Reciprocity.** The commissioner may enter into reciprocity agreements
29.3 for personal licenses with another state if approved by the board. Once approved by the
29.4 board, the commissioner may issue a personal license without requiring the applicant to
29.5 pass an examination provided the applicant:

29.6 (a) submits an application under this section;

29.7 (b) pays the application and examination fee and license fee required under ~~this~~
29.8 section 326B.092; and

29.9 (c) holds a valid comparable license in the state participating in the agreement.

29.10 Agreements are subject to the following:

29.11 (1) The parties to the agreement must administer a statewide licensing program that
29.12 includes examination and qualifying experience or training comparable to Minnesota's.

29.13 (2) The experience and training requirements under which an individual applicant
29.14 qualified for examination in the qualifying state must be deemed equal to or greater than
29.15 required for an applicant making application in Minnesota at the time the applicant
29.16 acquired the license in the qualifying state.

29.17 (3) The applicant must have acquired the license in the qualifying state through an
29.18 examination deemed equivalent to the same class of license examination in Minnesota.
29.19 A lesser class of license may be granted where the applicant has acquired a greater
29.20 class of license in the qualifying state and the applicant otherwise meets the conditions
29.21 of this subdivision.

29.22 (4) At the time of application, the applicant must hold a valid license in the
29.23 qualifying state and have held the license continuously for at least one year before making
29.24 application in Minnesota.

29.25 (5) An applicant is not eligible for a license under this subdivision if the applicant
29.26 has failed the same or greater class of license examination in Minnesota, or if the
29.27 applicant's license of the same or greater class has been revoked or suspended.

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

29.30 Sec. 32. Minnesota Statutes 2008, section 326B.33, subdivision 21, is amended to read:

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

29.34 (1) the individual is engaged in the maintenance and repair of electrical equipment,
29.35 apparatus, and facilities that are owned or leased by the individual's employer and that are

located within the limits of property operated, maintained, and either owned or leased by the individual's employer;

(2) the individual is supervised by:

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

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

(3) the individual's employer has ~~filed~~ on file with the commissioner a current certificate of responsible person, signed by the responsible master electrician of the contractor, the licensed master electrician, the licensed maintenance electrician, the electrical engineer, or the licensed power limited technician, and stating that the person signing the certificate is responsible for ensuring that the maintenance and repair work performed by the employer's employees complies with the Minnesota Electrical Act and the rules adopted under that act. The employer must pay a filing fee to file a certificate of responsible person with the commissioner. The certificate shall expire two years from the date of filing. In order to maintain a current certificate of responsible person, the employer must resubmit a certificate of responsible person, with a filing fee, no later than two years from the date of the previous submittal.

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

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

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

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

(c) Companies and their employees that plan, lay out, install, alter, or repair class 2 and class 3 remote control wiring associated with plug or cord and plug connected

31.1 appliances other than security or fire alarm systems installed in a residential dwelling are
31.2 not required to hold a license under sections 326B.31 to 326B.399.

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

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

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

31.15 (i) are used exclusively for the generation, transformation, distribution, transmission,
31.16 or metering of electric current, or the operation of railway signals, or the transmission
31.17 of intelligence and do not have as a principal function the consumption or use of electric
31.18 current or provided service by or for the benefit of any person other than such utility, cable
31.19 communications company, or telephone company, and

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

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

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

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

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

31.32 Sec. 33. Minnesota Statutes 2008, section 326B.42, is amended by adding a
31.33 subdivision to read:

31.34 Subd. 1a. **Contractor.** "Contractor" means a person who performs or offers
31.35 to perform any plumbing work, with or without compensation, who is licensed as a

32.1 contractor by the commissioner. Contractor includes plumbing contractors and restricted
32.2 plumbing contractors.

32.3 Sec. 34. Minnesota Statutes 2008, section 326B.42, is amended by adding a
32.4 subdivision to read:

32.5 Subd. 8. **Plumbing contractor.** "Plumbing contractor" means a licensed contractor
32.6 whose responsible licensed plumber is a licensed master plumber.

32.7 Sec. 35. Minnesota Statutes 2008, section 326B.42, is amended by adding a
32.8 subdivision to read:

32.9 Subd. 9. **Responsible licensed plumber.** A contractor's "responsible licensed
32.10 plumber" means the licensed master plumber or licensed restricted master plumber
32.11 designated in writing by the contractor in the contractor's license application, or in another
32.12 manner acceptable to the commissioner, as the individual responsible for the contractor's
32.13 compliance with sections 326B.41 to 326B.49, all rules adopted under these sections and
32.14 sections 326B.50 to 326B.59, and all orders issued under section 326B.082.

32.15 Sec. 36. Minnesota Statutes 2008, section 326B.42, is amended by adding a
32.16 subdivision to read:

32.17 Subd. 10. **Restricted plumbing contractor.** "Restricted plumbing contractor"
32.18 means a licensed contractor whose responsible licensed plumber is a licensed restricted
32.19 master plumber.

32.20 Sec. 37. Minnesota Statutes 2008, section 326B.44, is amended to read:

32.21 **326B.44 LOCAL REGULATIONS.**

32.22 Any of the following entities may, by ordinance, adopt local regulations providing
32.23 for plumbing permits, approval of plans and specifications, and inspections of plumbing,
32.24 which regulations are not in conflict with the plumbing code: any city having a system
32.25 of waterworks or sewerage, regardless of population; any town having a population of
32.26 5,000 or more according to the last federal census, exclusive of any statutory cities
32.27 located therein; and the Metropolitan Airports Commission. No such entity shall prohibit
32.28 ~~plumbers~~ plumbing contractors licensed by the commissioner from engaging in or working
32.29 at the business of plumbing, except cities and statutory cities which, prior to April 21,
32.30 1933, by ordinance required the licensing of plumbers. No such entity shall require any
32.31 person who engages in the business of plumbing to post a bond as a prerequisite for
32.32 engaging in the business of plumbing, except the bond to the state required under section

33.1 326B.46 and except any performance bond required under a contract with the person
33.2 for the performance of plumbing work for the entity. No such entity shall require any
33.3 person who engages in the business of plumbing to maintain public liability insurance
33.4 as a prerequisite for engaging in the business of plumbing, except the insurance required
33.5 under section 326B.46 and except any public liability insurance required under a contract
33.6 with the person for the performance of plumbing work for the entity. No city or town may
33.7 require a license for persons performing building sewer or water service installation who
33.8 have completed pipe laying training as prescribed by the commissioner of labor and
33.9 industry. Any city by ordinance may prescribe regulations, reasonable standards, and
33.10 inspections and grant permits to any person engaged in the business of installing water
33.11 softeners, who is not licensed as a ~~master plumber or journeyman plumber~~ contractor by
33.12 the commissioner, to connect water softening and water filtering equipment to private
33.13 residence water distribution systems, where provision has been previously made therefor
33.14 and openings left for that purpose or by use of cold water connections to a domestic
33.15 water heater; where it is not necessary to rearrange, make any extension or alteration of,
33.16 or addition to any pipe, fixture or plumbing connected with the water system except to
33.17 connect the water softener, and provided the connections so made comply with minimum
33.18 standards prescribed by the Plumbing Board.

33.19 Sec. 38. Minnesota Statutes 2008, section 326B.46, as amended by Laws 2009, chapter
33.20 78, article 5, section 14, and chapter 109, section 13, is amended to read:

33.21 **326B.46 LICENSING, BOND AND INSURANCE.**

33.22 Subdivision 1. **License required.** (a) No ~~person~~ individual shall engage in or work
33.23 at the business of a master plumber, restricted master plumber, journeyman plumber,
33.24 and restricted journeyman plumber unless licensed to do so by the ~~state~~ commissioner.
33.25 A license is not required for individuals performing building sewer or water service
33.26 installation who have completed pipe laying training as prescribed by the commissioner
33.27 ~~of labor and industry~~. A master plumber may also work as a journeyman plumber, a
33.28 restricted journeyman plumber, and a restricted master plumber. A journeyman plumber
33.29 may also work as a restricted journeyman plumber. Anyone not so licensed may do
33.30 plumbing work which complies with the provisions of the minimum standards prescribed
33.31 by the Plumbing Board on premises or that part of premises owned and actually occupied
33.32 by the worker as a residence, unless otherwise forbidden to do so by a local ordinance.

33.33 (b) No person shall engage in the business of planning, superintending, or installing
33.34 plumbing or shall install plumbing in connection with the dealing in and selling of
33.35 plumbing material and supplies unless at all times a licensed master plumber, or in cities

and towns with a population of fewer than 5,000 according to the last federal census, a restricted master plumber, who shall be responsible for proper installation, is in charge of the plumbing work of the person, ~~firm, or corporation~~.

(c) Except as provided in subdivision 2, no person shall perform or offer to perform plumbing work with or without compensation unless the person obtains a contractor's license. A contractor's license does not of itself qualify its holder to perform the plumbing work authorized by holding a master, journeyman, restricted master, or restricted journeyman license.

Subd. 1a. **Exemptions from licensing.** (a) An individual without a contractor license may do plumbing work on the individual's residence in accordance with subdivision 1, paragraph (a).

(b) An individual who is an employee working on the maintenance and repair of plumbing equipment, apparatus, or facilities owned or leased by the individual's employer and which is within the limits of property owned or leased, and operated or maintained by the individual's employer, shall not be required to maintain a contractor license as long as the employer has on file with the commissioner a current certificate of responsible person. The certificate must be signed by the responsible master plumber or, in an area of the state that is not a city or town with a population of more than 5,000 according to the last federal census, restricted master plumber, and must state that the person signing the certificate is responsible for ensuring that the maintenance and repair work performed by the employer's employees comply with sections 326B.41 to 326B.49, all rules adopted under those sections and sections 326B.50 to 326B.59, and all orders issued under section 326B.082. The employer must pay a filing fee to file a certificate of responsible person with the commissioner. The certificate shall expire two years from the date of filing. In order to maintain a current certificate of responsible person, the employer must resubmit a certificate of responsible person, with a filing fee, no later than two years from the date of the previous submittal. The filing of the certificate of responsible person does not exempt any employee of the employer from the requirements of this chapter regarding individual licensing as a plumber or registration as a plumber's apprentice.

(c) If a contractor employs a licensed plumber, the licensed plumber does not need a separate contractor license to perform plumbing work on behalf of the employer within the scope of the licensed plumber's license.

Subd. 1b. **Employment of master plumber or restricted master plumber.** (a) Each contractor must designate a responsible licensed plumber, who shall be responsible for the performance of all plumbing work in accordance with sections 326B.41 to 326B.49, all rules adopted under these sections and sections 326B.50 to 326B.59, and all

orders issued under section 326B.082. A plumbing contractor's responsible licensed plumber must be a master plumber. A restricted plumbing contractor's responsible licensed plumber must be a master plumber or a restricted master plumber. A plumbing contractor license authorizes the contractor to offer to perform and, through licensed and registered individuals, to perform plumbing work in all areas of the state. A restricted plumbing contractor license authorizes the contractor to offer to perform and, through licensed and registered individuals, to perform plumbing work in all areas of the state except in cities and towns with a population of more than 5,000 according to the last federal census.

(b) If the contractor is an individual or sole proprietorship, the responsible licensed plumber must be the individual, proprietor, or managing employee. If the contractor is a partnership, the responsible licensed plumber must be a general partner or managing employee. If the contractor is a limited liability company, the responsible licensed plumber must be a chief manager or managing employee. If the contractor is a corporation, the responsible licensed plumber must be an officer or managing employee. If the responsible licensed plumber is a managing employee, the responsible licensed plumber must be actively engaged in performing plumbing work on behalf of the contractor, and cannot be employed in any capacity as a plumber for any other contractor. An individual may be the responsible licensed plumber for only one contractor.

(c) All applications and renewals for contractor licenses shall include a verified statement that the applicant or licensee has complied with this subdivision.

Subd. 2. **Bond; insurance.** ~~Any person contracting to do plumbing work must give~~
As a condition of licensing, each contractor shall give and maintain bond to the state in the
amount of at least \$25,000 for (1) all plumbing work entered into within the state or (2)
all plumbing work and subsurface sewage treatment work entered into within the state.
If the bond is for both plumbing work and subsurface sewage treatment work, the bond
must comply with the requirements of this section and section 115.56, subdivision 2,
paragraph (e). The bond shall be for the benefit of persons injured or suffering financial
loss by reason of failure to comply with the requirements of the State Plumbing Code and,
if the bond is for both plumbing work and subsurface sewage treatment work, financial
loss by reason of failure to comply with the requirements of sections 115.55 and 115.56.
The bond shall be filed with the commissioner and shall be written by a corporate surety
licensed to do business in the state.

~~In addition, each applicant for a master plumber license or restricted master plumber license, or renewal thereof, shall provide evidence of~~
as a condition of licensing, each contractor shall have and maintain in effect public liability insurance, including products liability insurance with limits of at least \$50,000 per person and \$100,000 per occurrence

and property damage insurance with limits of at least \$10,000. The insurance shall be written by an insurer licensed to do business in the state of Minnesota and each licensed master plumber shall maintain on file with the commissioner a certificate evidencing the insurance providing that the insurance shall not be canceled without the insurer first giving 15 days written notice to the commissioner. ~~The term of the insurance shall be concurrent with the term of the license.~~

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

~~Subd. 4. **Fee.** (a) Each person giving bond to the state under subdivision 2 shall pay the department a bond registration fee of \$40 for one year or \$80 for two years.~~

~~(b) The commissioner shall in a manner determined by the commissioner, without the need for any rulemaking under chapter 14, phase in the bond registration from one year to two years so that the expiration of bond registration corresponds with the expiration of the license issued under section 326B.475 or 326B.49, subdivision 1.~~

Subd. 5. **Exterior connections.** Persons licensed as manufactured home installers under chapter 327B are not required to be licensed under sections 326B.42 to 326B.49 when connecting the exterior building drain sewer outlets to the aboveground building sewer system and when connecting the exterior water line to the aboveground water system to the manufactured home as described in National Manufactured Housing Construction and Safety Standards Act of 1974, United States Code, title 42, section 5401 et seq. No additional licensure, bond, or insurance related to the scope of work permitted under this subdivision may be required of a licensed manufactured home installer by any unit of government.

Sec. 39. Minnesota Statutes 2008, section 326B.47, is amended to read:

326B.47 PLUMBER'S APPRENTICES.

Subdivision 1. **Registration; supervision; records.** (a) All plumber's apprentices must be registered. To be a registered plumber's apprentice, an individual must either:

(1) be an individual employed in the trade of plumbing under an apprenticeship agreement approved by the department under Minnesota Rules, part 5200.0300; or

37.1 (2) be an unlicensed individual registered with the commissioner under subdivision
37.2 3.

37.3 (b) A plumber's apprentice is authorized to assist in the installation of plumbing
37.4 only while under the direct supervision of a master, restricted master, journeyman, or
37.5 restricted journeyman plumber. The master, restricted master, journeyman, or restricted
37.6 journeyman plumber is responsible for ensuring that all plumbing work performed by the
37.7 plumber's apprentice complies with the plumbing code. The supervising master, restricted
37.8 master, journeyman, or restricted journeyman must be licensed and must be employed
37.9 by the same employer as the plumber's apprentice. Licensed individuals shall not permit
37.10 plumber's apprentices to perform plumbing work except under the direct supervision of
37.11 an individual actually licensed to perform such work. Plumber's apprentices shall not
37.12 supervise the performance of plumbing work or make assignments of plumbing work
37.13 to unlicensed individuals.

37.14 (c) Contractors employing plumber's apprentices to perform plumbing work shall
37.15 maintain records establishing compliance with this subdivision that shall identify all
37.16 plumber's apprentices performing plumbing work, and shall permit the department to
37.17 examine and copy all such records.

37.18 Subd. 2. **Journeyman exam.** A plumber's apprentice who has completed four
37.19 years of practical plumbing experience is eligible to take the journeyman plumbing
37.20 examination. Up to 24 months of practical plumbing experience prior to becoming a
37.21 plumber's apprentice may be applied to the four-year experience requirement. However,
37.22 none of this practical plumbing experience may be applied if the individual did not have
37.23 any practical plumbing experience in the 12-month period immediately prior to becoming
37.24 a plumber's apprentice. The Plumbing Board may adopt rules to evaluate whether
37.25 the individual's past practical plumbing experience is applicable in preparing for the
37.26 journeyman's examination. If two years after completing the training the individual has
37.27 not taken the examination, the four years of experience shall be forfeited.

37.28 The commissioner may allow an extension of the two-year period for taking the
37.29 exam for cases of hardship or other appropriate circumstances.

37.30 Subd. 3. **Registration, rules, applications, renewals, and fees.** An unlicensed
37.31 individual may register by completing and submitting to the commissioner ~~a registration~~
37.32 an application form provided by the commissioner, with all fees required by section
37.33 326B.092. A completed ~~registration~~ application form must state the date the individual
37.34 began training, the individual's age, schooling, previous experience, and employer,
37.35 and other information required by the commissioner. The board may prescribe rules,
37.36 not inconsistent with this section, for the registration of unlicensed individuals. ~~Each~~

~~applicant for initial registration as a plumber's apprentice shall pay the department an application fee of \$25. Applications for initial registration may be submitted at any time. Registration must be renewed annually and shall be for the period from July 1 of each year to June 30 of the following year. Applications for renewal registration must be received by the commissioner by June 30 of each registration period on forms provided by the commissioner, and must be accompanied by a fee of \$25. An application for renewal registration received on or after July 1 in any year but no more than three months after expiration of the previously issued registration must pay the past due renewal fee plus a late fee of \$25. No applications for renewal registration will be accepted more than three months after expiration of the previously issued registration.~~

Sec. 40. Minnesota Statutes 2008, section 326B.475, subdivision 2, is amended to read:

Subd. 2. **Use of license.** A restricted master plumber and restricted journeyman plumber may engage in the plumbing trade in all areas of the state except in cities and towns with a population of more than 5,000 according to the last federal census.

Sec. 41. Minnesota Statutes 2009 Supplement, section 326B.475, subdivision 4, is amended to read:

Subd. 4. **Renewal; use period for license.** (a) A restricted master plumber and restricted journeyman plumber license must be renewed for as long as that licensee engages in the plumbing trade. Notwithstanding section 326B.094, failure to renew a restricted master plumber and restricted journeyman plumber license within 12 months after the expiration date will result in permanent forfeiture of the restricted master plumber and restricted journeyman plumber license.

(b) The commissioner shall in a manner determined by the commissioner, without the need for any rulemaking under chapter 14, phase in the renewal of restricted master plumber and restricted journeyman plumber licenses from one year to two years. By June 30, 2011, all restricted master plumber and restricted journeyman plumber licenses shall be two-year licenses.

Sec. 42. Minnesota Statutes 2009 Supplement, section 326B.49, subdivision 1, is amended to read:

Subdivision 1. **Application, examination, and license fees.** (a) Applications for master and journeyman plumber's license licenses shall be made to the commissioner, with ~~fee~~ all fees required by section 326B.092. Unless the applicant is entitled to a renewal, the applicant shall be licensed by the commissioner only after passing a satisfactory

examination developed and administered by the commissioner, based upon rules adopted by the Plumbing Board, showing fitness. ~~Examination fees for both journeyman and master plumbers shall be \$50 for each examination. Upon being notified of having successfully passed the examination for original license the applicant shall submit an application, with the license fee herein provided. The license fee for each initial master plumber's license shall be \$240. The license fee for each initial journeyman plumber's license shall be \$110.~~

(b) All initial ~~master and~~ journeyman plumber's licenses shall be effective for more than one calendar year and shall expire on December 31 of the year after the year in which the application is made. ~~The license fee for each renewal master plumber's license shall be \$120 for one year or \$240 for two years. The license fee for each renewal journeyman plumber's license shall be \$55 for one year or \$110 for two years. All master plumber's licenses shall expire on December 31 of each even-numbered year after issuance or renewal.~~ The commissioner shall in a manner determined by the commissioner, without the need for any rulemaking under chapter 14, phase in the renewal of master and journeyman plumber's licenses from one year to two years. By June 30, 2011, all renewed master and journeyman plumber's licenses shall be two-year licenses.

(c) ~~Any licensee who does not renew a license within two years after the license expires is no longer eligible for renewal. Such an individual must retake and pass the examination before a new license will be issued. A journeyman or master plumber who submits a license renewal application after the time specified in rule but within two years after the license expired must pay all past due renewal fees plus a late fee of \$25.~~ Applications for contractor licenses shall be made to the commissioner, with all fees required by section 326B.092. All contractor licenses shall expire on December 31 of each odd-numbered year after issuance or renewal.

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

(1) the following licenses shall be considered business licenses: plumbing contractor and restricted plumbing contractor;

(2) the following licenses shall be considered master licenses: master plumber and restricted master plumber;

(3) the following licenses shall be considered journeyman licenses: journeyman plumber and restricted journeyman plumber; and

(4) the registration of a plumber's apprentice under section 326B.47, subdivision 3, shall be considered an entry level license.

40.1 (e) For each filing of a certificate of responsible person by an employer, the fee is
40.2 \$100.

40.3 Sec. 43. Minnesota Statutes 2008, section 326B.50, is amended by adding a
40.4 subdivision to read:

40.5 Subd. 1a. **Responsible licensed master.** "Responsible licensed master" means the
40.6 licensed water conditioning master or licensed master plumber designated in writing by
40.7 the water conditioning contractor in the water conditioning contractor's license application,
40.8 or in another manner acceptable to the commissioner, as the individual responsible for
40.9 the water conditioning contractor's compliance with sections 326B.50 to 326B.59, all
40.10 rules adopted under these sections, the Minnesota Plumbing Code, and all orders issued
40.11 under section 326B.082.

40.12 Sec. 44. Minnesota Statutes 2008, section 326B.50, is amended by adding a
40.13 subdivision to read:

40.14 Subd. 2a. **Water conditioning contractor.** "Water conditioning contractor"
40.15 means a person who performs or offers to perform any water conditioning installation or
40.16 water conditioning servicing, with or without compensation, who is licensed as a water
40.17 conditioning contractor by the commissioner.

40.18 Sec. 45. Minnesota Statutes 2008, section 326B.50, is amended by adding a
40.19 subdivision to read:

40.20 Subd. 3a. **Water conditioning journeyman.** "Water conditioning journeyman"
40.21 means an individual, other than a water conditioning master, who has demonstrated
40.22 practical knowledge of water conditioning installation and servicing, and who is licensed
40.23 by the commissioner as a water conditioning journeyman.

40.24 Sec. 46. Minnesota Statutes 2008, section 326B.50, is amended by adding a
40.25 subdivision to read:

40.26 Subd. 3b. **Water conditioning master.** "Water conditioning master" means
40.27 an individual who has demonstrated skill in planning, superintending, installing, and
40.28 servicing water conditioning installations, and who is licensed by the commissioner as a
40.29 water conditioning master.

40.30 Sec. 47. Minnesota Statutes 2008, section 326B.54, is amended to read:

40.31 **326B.54 VIOLATIONS TO BE REPORTED TO COMMISSIONER.**

41.1 Such local authority as may be designated by any such ordinance for the issuance
41.2 of such water conditioning installation and servicing permits and approval of such plans
41.3 shall report to the commissioner persistent or willful violations of the same and any
41.4 incompetence of a licensed water conditioning contractor, licensed water conditioning
41.5 master, or licensed water conditioning ~~installer~~ journeyman observed by the local authority.

41.6 Sec. 48. Minnesota Statutes 2008, section 326B.55, as amended by Laws 2010, chapter
41.7 183, section 13, is amended to read:

41.8 **326B.55 LICENSING IN CERTAIN CITIES; QUALIFICATIONS; RULES.**

41.9 Subdivision 1. **Licensing.** (a) Except as provided in paragraph (d), no individual
41.10 shall perform water conditioning installation or water conditioning servicing unless
41.11 licensed by the commissioner as a master plumber, journeyman plumber, water
41.12 conditioning master, or water conditioning journeyman, or, in all areas of the state except
41.13 in cities and towns with a population of more than 5,000 according to the last federal
41.14 census, as a restricted master plumber or restricted journeyman plumber.

41.15 (b) Except as provided in paragraph (e), no person shall perform or offer to
41.16 perform water conditioning installation or water conditioning servicing with or without
41.17 compensation unless the person obtains a water conditioning contractor's license. A water
41.18 conditioning contractor's license does not of itself qualify its holder to perform the water
41.19 conditioning installation or water conditioning servicing authorized by holding a water
41.20 conditioning master or water conditioning journeyman license.

41.21 (c) Except as provided in paragraph (d), no person shall engage in or work at the
41.22 business of water conditioning installation or servicing anywhere in the state unless (1)
41.23 at all times an individual licensed as a master plumber or water conditioning contractor
41.24 ~~master~~ by the commissioner ~~shall be~~, who is responsible for the proper installation and
41.25 ~~servicing~~, is in charge of the water conditioning installation and servicing work ~~of such~~
41.26 ~~person, and (2) all installations, other than.~~

41.27 If a water conditioning contractor employs a licensed master, restricted master,
41.28 journeyman or restricted journeyman plumber, or a licensed water conditioning master
41.29 or journeyman, then the licensed individual does not need a separate water conditioning
41.30 contractor license to perform water conditioning installation or servicing on behalf of the
41.31 employer within the scope of the individual's plumber license.

41.32 (d) No water conditioning contractor, water conditioning master, or water
41.33 conditioning journeyman license is required:

(1) for exchanges of portable water conditioning equipment, are performed by a licensed water conditioning contractor or licensed water conditioning installer. Any individual not so licensed may, or

(2) for an individual to perform water conditioning work that complies with the minimum standards prescribed by the Plumbing Board on premises or that part of premises owned and occupied by the ~~worker~~ individual as a residence, unless otherwise prohibited by a local ordinance. The scope of work that a master plumber, restricted master plumber, journeyman plumber, or restricted journeyman plumber is authorized to perform as an employee of a licensed water conditioning contractor shall be limited to the scope of work that the licensed water conditioning contractor is licensed to perform.

Subd. 2. **Qualifications for licensing.** (a) A water conditioning ~~contractor~~ master license shall be issued only to an individual who has demonstrated skill in planning, superintending, and servicing water conditioning installations, and has successfully passed the examination for water conditioning ~~contractors~~ masters. A water conditioning ~~installer~~ journeyman license shall only be issued to an individual other than a water conditioning ~~contractor~~ master who has demonstrated practical knowledge of water conditioning installation, and has successfully passed the examination for water conditioning ~~installers~~ journeymen. A water conditioning ~~installer~~ journeyman must successfully pass the examination for water conditioning ~~contractors~~ masters before being licensed as a water conditioning ~~contractor~~ master.

(b) Each water conditioning contractor must designate a responsible licensed master plumber or a responsible licensed water conditioning master, who shall be responsible for the performance of all water conditioning installation and servicing in accordance with the requirements of sections 326B.50 to 326B.59, all rules adopted under these sections, the Minnesota Plumbing Code, and all orders issued under section 326B.082. If the water conditioning contractor is an individual or sole proprietorship, the responsible licensed master must be the individual, proprietor, or managing employee. If the water conditioning contractor is a partnership, the responsible licensed master must be a general partner or managing employee. If the water conditioning contractor is a limited liability company, the responsible licensed master must be a chief manager or managing employee. If the water conditioning contractor is a corporation, the responsible licensed master must be an officer or managing employee. If the responsible licensed master is a managing employee, the responsible licensed master must be actively engaged in performing water conditioning work on behalf of the water conditioning contractor, and cannot be employed in any capacity as a water conditioning master or water conditioning journeyman for any

43.1 other water conditioning contractor. An individual must not be the responsible licensed
43.2 master for more than one water conditioning contractor.

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

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

43.8 Subd. 3. **Commissioner.** The commissioner shall:

43.9 (1) license water conditioning contractors, water conditioning masters, and installers
43.10 water conditioning journeymen; and

43.11 (2) collect ~~an examination fee from each examinee for a license as a water~~
43.12 ~~conditioning contractor and an examination fee from each examinee for a license as a~~
43.13 ~~water conditioning installer in an amount set forth in section 326B.58~~ the fees required by
43.14 section 326B.092.

43.15 Sec. 49. Minnesota Statutes 2008, section 326B.56, as amended by Laws 2009, chapter
43.16 78, article 5, section 18, is amended to read:

43.17 **326B.56 ~~ALTERNATIVE STATE BONDING AND INSURANCE~~**
43.18 **~~REGULATION.~~**

43.19 Subdivision 1. **Bonds.** (a) ~~An applicant for a water conditioning contractor or~~
43.20 ~~installer license or renewal thereof who is required by any political subdivision to give a~~
43.21 ~~bond to obtain or maintain the license, may comply with any political subdivision bonding~~
43.22 ~~requirement by giving~~ As a condition of licensing, each water conditioning contractor
43.23 shall give and maintain a bond to the state as described in paragraph (b). No applicant for a
43.24 water conditioning contractor or installer license who maintains the bond under paragraph
43.25 (b) shall be otherwise required to meet the bond requirements of any political subdivision.

43.26 (b) Each bond given to the state under this subdivision shall be in the total sum of
43.27 \$3,000 conditioned upon the faithful and lawful performance of all water conditioning
43.28 ~~contracting or installing work~~ installation or servicing done within the state. The bond
43.29 shall be for the benefit of persons suffering injuries or damages due to the work. The bond
43.30 shall be filed with the commissioner and shall be written by a corporate surety licensed to
43.31 do business in this state. The bond must remain in effect at all times while the application
43.32 is pending and while the license is in effect.

43.33 Subd. 2. **Insurance.** (a) ~~Each applicant for a water conditioning contractor or~~
43.34 ~~installer license or renewal thereof who is required by any political subdivision to maintain~~
43.35 ~~insurance to obtain or maintain the license may comply with any political subdivision's~~

~~insurance requirement by maintaining~~ As a condition of licensing, each water conditioning contractor shall have and maintain in effect the insurance described in paragraph (b).

No applicant for a water conditioning contractor or installer license who maintains the insurance described in paragraph (b) shall be otherwise required to meet the insurance requirements of any political subdivision.

(b) The insurance shall provide coverage, including products liability coverage, for all damages in connection with licensed work for which the licensee is liable, with personal damage limits of at least \$50,000 per person and \$100,000 per occurrence and property damage insurance with limits of at least \$10,000. The insurance shall be written by an insurer licensed to do business in this state and a certificate evidencing the insurance shall be filed with the commissioner. The insurance must remain in effect at all times while the application is pending and while the license is in effect. The insurance shall not be canceled without the insurer first giving 15 days' written notice to the commissioner.

Subd. 3. **Bond and insurance exemption.** A water conditioning contractor or installer who is an employee of a water conditioning contractor or installer, including an employee engaged in the maintenance and repair of water conditioning equipment, apparatus, or facilities owned, leased and operated, or maintained by the employer, is not required to meet the bond and insurance requirements of subdivisions 1 and 2 or of any political subdivision.

Subd. 4. **Fee.** (a) The commissioner shall collect a \$40 bond registration fee for one year or \$80 for two years from each applicant for issuance or renewal of a water conditioning contractor or installer license who elects to proceed under subdivisions 1 and 2.

(b) The commissioner shall in a manner determined by the commissioner, without the need for any rulemaking under chapter 14, phase in the bond registration from one year to two years so that the expiration of bond registration corresponds with the expiration of the license issued under section 326B.55.

Sec. 50. Minnesota Statutes 2009 Supplement, section 326B.58, is amended to read:

326B.58 FEES; RENEWAL.

(a) ~~Examination fees for both water conditioning contractors and water conditioning installers shall be \$50 for each examination.~~ Each initial water conditioning contractor and installer master and water conditioning journeyman license shall be effective for more than one calendar year and shall expire on December 31 of the year after the year in which the application is made. ~~The license fee for each initial water conditioning contractor's license shall be \$140, except that the license fee shall be \$105 if the application is~~

~~submitted during the last three months of the calendar year. The license fee for each renewal water conditioning contractor's license shall be \$70 for one year or \$140 for two years. The license fee for each initial water conditioning installer license shall be \$70, except that the license fee shall be \$52.50 if the application is submitted during the last three months of the calendar year. The license fee for each renewal water conditioning installer license shall be \$35 for one year or \$70 for two years.~~

(b) The commissioner shall in a manner determined by the commissioner, without the need for any rulemaking under chapter 14, phase in the renewal of water conditioning ~~contractor and installer~~ master and journeyman licenses from one year to two years. By June 30, 2011, all renewed water conditioning contractor and installer licenses shall be two-year licenses. The ~~commissioner~~ Plumbing Board may by rule prescribe for the expiration and renewal of licenses.

~~(c) Any licensee who does not renew a license within two years after the license expires is no longer eligible for renewal. Such an individual must retake and pass the examination before a new license will be issued. A water conditioning contractor or water conditioning installer who submits a license renewal application after the time specified in rule but within two years after the license expired must pay all past due renewal fees plus a late fee of \$25. All water conditioning contractor licenses shall expire on December 31 of the year after issuance or renewal.~~

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

(1) a water conditioning journeyman license shall be considered a journeyman license;

(2) a water conditioning master license shall be considered a master license; and

(3) a water conditioning contractor license shall be considered a business license.

Sec. 51. Minnesota Statutes 2008, section 326B.805, subdivision 6, is amended to read:

Subd. 6. **Exemptions.** The license requirement does not apply to:

(1) an employee of a licensee performing work for the licensee;

(2) a material person, manufacturer, or retailer furnishing finished products, materials, or articles of merchandise who does not install or attach the items;

(3) an owner of residential real estate who builds or improves any structure on residential real estate, if the building or improving is performed by the owner's bona fide employees or by individual owners personally. This exemption does not apply to an owner who constructs or improves property for purposes of speculation if the building or improving is performed by the owner's bona fide employees or by individual owners

personally. A residential building contractor or residential remodeler will be presumed to be building or improving for purposes of speculation if the contractor or remodeler constructs or improves more than one property within any 24-month period;

(4) an architect or professional engineer engaging in professional practice as defined by section 326.02, subdivisions 2 and 3;

(5) a person whose total gross annual receipts for performing specialty skills for which licensure would be required under this section do not exceed \$15,000;

(6) a mechanical contractor;

(7) a plumber, electrician, or other person whose profession is otherwise subject to statewide licensing, when engaged in the activity which is the subject of that licensure;

(8) specialty contractors who provide only one special skill as defined in section 326B.802;

(9) a school district, or a technical college governed under chapter 136F; and

(10) Habitat for Humanity and Builders Outreach Foundation, and their individual volunteers when engaged in activities on their behalf.

To qualify for the exemption in clause (5), a person must obtain a certificate of exemption from licensure from the commissioner. A certificate of exemption will be issued upon the applicant's filing with the commissioner, an affidavit stating that the applicant does not expect to exceed \$15,000 in gross annual receipts derived from performing services which require licensure under this section during the calendar year in which the affidavit is received. For the purposes of calculating fees under section 326B.092, a certificate of exemption is an entry level license. To renew the exemption in clause (5), the applicant must file an affidavit stating that the applicant did not exceed \$15,000 in gross annual receipts during the past calendar year. If a person, operating under the exemption in clause (5), exceeds \$15,000 in gross receipts during any calendar year, the person must immediately surrender the ~~exemption~~ certificate of exemption and apply for the appropriate license. The person must remain licensed until such time as the person's gross annual receipts during a calendar year fall below \$15,000. The person may then apply for an exemption for the next calendar year.

Sec. 52. Minnesota Statutes 2009 Supplement, section 326B.815, subdivision 1, is amended to read:

Subdivision 1. **Licensing fee Fees.** ~~(a) The licensing fee for persons licensed pursuant to sections 326B.802 to 326B.885, except for manufactured home installers, is \$200 for a two-year period. The~~ For the purposes of calculating fees under section 326B.092, an initial or renewed residential contractor, residential remodeler, or residential

roofer license is a business license. Notwithstanding section 326B.092, the licensing fee for manufactured home installers under section 327B.041 is \$300 for a three-year period.

(b) All initial and renewal licenses, except for manufactured home installer licenses, shall be effective for two years and shall expire on March 31 of the year after the year in which the application is made. ~~The license fee for each renewal of a residential contractor, residential remodeler, or residential roofer license shall be \$100 for one year and \$200 for two years.~~

(c) The commissioner shall in a manner determined by the commissioner, without the need for any rulemaking under chapter 14, phase in the renewal of residential contractor, residential remodeler, and residential roofer licenses from one year to two years. By June 30, 2011, all renewed residential contractor, residential remodeler, and residential roofer licenses shall be two-year licenses.

Sec. 53. Minnesota Statutes 2008, section 326B.83, subdivision 1, is amended to read:

Subdivision 1. **Form.** (a) An applicant for a license under sections 326B.802 to 326B.885 must submit an application, under oath and accompanied by the ~~license fee~~ fees required by section ~~326B.815~~ 326B.092, on a form prescribed by the commissioner. ~~Within 30 business days of receiving all required information, the commissioner must act on the license request.~~

(b) If one of the categories in the application does not apply, the applicant must identify the category and state the reason the category does not apply. The commissioner may refuse to issue a license if the application is not complete or contains unsatisfactory information.

Sec. 54. Minnesota Statutes 2008, section 326B.83, subdivision 3, is amended to read:

Subd. 3. **Examination.** (a) Each qualifying person must ~~satisfactorily complete~~ pass a written examination for the type of license requested. The commissioner may establish the examination qualifications, including related education experience and education, the examination procedure, and the examination for each licensing group. The examination must include at a minimum the following areas:

(1) appropriate knowledge of technical terms commonly used and the knowledge of reference materials and code books to be used for technical information; and

(2) understanding of the general principles of business management and other pertinent state laws.

(b) Each examination must be designed for the specified type of license requested.

~~(c) An individual's passing examination results expire two years from the examination date. An individual who passes the examination but does not choose to apply to act as a qualifying person for a licensee within two years from the examination date, must, upon application provide:~~

~~(1) passing examination results within two years from the date of application; or
(2) proof that the person has fulfilled the continuing education requirements in section 326B.821 in the manner required for a qualifying person of a licensee for each license period after the expiration of the examination results.~~

Sec. 55. Minnesota Statutes 2008, section 326B.83, subdivision 6, is amended to read:

Subd. 6. **License.** A nonresident of Minnesota may be licensed as a residential building contractor, residential remodeler, residential roofer, or manufactured home installer upon compliance with all the provisions of sections 326B.092 to 326B.098 and 326B.802 to 326B.885.

Sec. 56. Minnesota Statutes 2009 Supplement, section 326B.86, subdivision 1, is amended to read:

Subdivision 1. **Bond.** (a) Licensed manufactured home installers and licensed residential roofers must post a biennial surety bond in the name of the licensee with the commissioner, conditioned that the applicant shall faithfully perform the duties and in all things comply with all laws, ordinances, and rules pertaining to the license or permit applied for and all contracts entered into. The biennial bond must be continuous and maintained for so long as the licensee remains licensed. The aggregate liability of the surety on the bond to any and all persons, regardless of the number of claims made against the bond, may not exceed the amount of the bond. The bond may be canceled as to future liability by the surety upon 30 days' written notice mailed to the commissioner by regular mail.

(b) A licensed residential roofer must post a bond of at least \$15,000.

(c) A licensed manufactured home installer must post a bond of at least \$2,500.

Bonds issued under sections 326B.802 to 326B.885 are not state bonds or contracts for purposes of sections 8.05 and 16C.05, subdivision 2.

Sec. 57. Minnesota Statutes 2008, section 326B.865, is amended to read:

326B.865 SIGN CONTRACTOR; BOND.

(a) A sign contractor may post a compliance bond with the commissioner, conditioned that the sign contractor shall faithfully perform duties and comply with

laws, ordinances, rules, and contracts entered into for the installation of signs. The bond must be renewed ~~annually~~ biennially and maintained for so long as determined by the commissioner. The aggregate liability of the surety on the bond to any and all persons, regardless of the number of claims made against the bond, may not exceed the annual amount of the bond. The bond may be canceled as to future liability by the surety upon 30 days' written notice mailed to the commissioner by United States mail.

(b) The amount of the bond shall be \$8,000. The bond may be drawn upon only by a local unit of government that requires sign contractors to post a compliance bond. The bond is in lieu of any compliance bond required by a local unit of government.

(c) For purposes of this section, "sign" means a device, structure, fixture, or placard using graphics, symbols, or written copy that is erected on the premises of an establishment including the name of the establishment or identifying the merchandise, services, activities, or entertainment available on the premises.

Sec. 58. Minnesota Statutes 2008, section 326B.921, subdivision 2, is amended to read:

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

A person must have at all times as a full-time employee at least one individual holding a contracting high pressure pipefitter competency license. Only full-time employees who hold contracting high pressure pipefitter licenses are authorized to obtain high pressure piping permits in the name of the business. The contracting high pressure pipefitter competency license holder can be the employee of only one high pressure piping business at a time. An application for a high pressure piping business license shall include a verified statement that the applicant or licensee has complied with this subdivision.

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

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

50.1 The board shall prescribe by rule procedures for application for and issuance of
50.2 business licenses.

50.3 Sec. 59. Minnesota Statutes 2008, section 326B.921, subdivision 4, is amended to read:

50.4 Subd. 4. **Registration with commissioner.** An unlicensed individual may
50.5 register to assist in the practical construction and installation of high pressure piping
50.6 and appurtenances while in the employ of a licensed high pressure piping business by
50.7 completing and submitting to the commissioner a registration form provided by the
50.8 commissioner, with all fees required by section 326B.092. The board may prescribe rules,
50.9 not inconsistent with this section, for the registration of unlicensed individuals.

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

50.16 Sec. 60. Minnesota Statutes 2008, section 326B.921, subdivision 7, is amended to read:

50.17 Subd. 7. **License fee, registration, and renewal fees.** ~~The department shall charge~~
50.18 ~~the following license fees:~~

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

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

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

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

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

50.24 ~~(f) application to inactivate a contracting high pressure pipefitter competency license~~
50.25 ~~or inactivate a journeyman high pressure pipefitter competency license, \$40; and~~

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

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

50.32 ~~Payment must accompany the application for a license or renewal of a license. There~~
50.33 ~~shall be no refund of fees paid.~~

51.1 For purposes of calculating license, registration, and renewal fees required under
51.2 section 326B.092:

51.3 (1) the registration of an unlicensed individual under subdivision 4 is an entry
51.4 level license;

51.5 (2) a journeyman high pressure pipefitter license is a journeyman license;

51.6 (3) a contracting high pressure pipefitter license is a master license; and

51.7 (4) a high pressure piping business license is a business license.

51.8 Sec. 61. Minnesota Statutes 2008, section 326B.922, is amended to read:

51.9 **326B.922 LICENSE APPLICATION AND RENEWAL.**

51.10 (a) Application for a contracting high pressure pipefitter ~~competency or,~~ a
51.11 journeyman high pressure pipefitter ~~competency,~~ or a high pressure piping business
51.12 license shall be made to the department, with all fees required by section 326B.092.

51.13 (b) The applicant for a contracting high pressure pipefitter or a journeyman high
51.14 pressure pipefitter license shall be licensed only after passing an examination developed
51.15 and administered by the department in accordance with rules adopted by the board. ~~A~~
51.16 ~~competency license issued by the department shall expire on December 31 of each year. A~~
51.17 ~~renewal application must be received by the department within one year after expiration of~~
51.18 ~~the competency license. A license that has been expired for more than one year cannot~~
51.19 ~~be renewed, and can only be reissued if the applicant submits a new application for the~~
51.20 ~~competency license, pays a new application fee, and retakes and passes the applicable~~
51.21 ~~license examination.~~

51.22 (c) All initial contracting high pressure pipefitter licenses, journeyman high pressure
51.23 pipefitter licenses, and high pressure piping business licenses are effective for more than
51.24 one calendar year and expire on December 31 of the year after the year in which the
51.25 application is made. The commissioner shall in a manner determined by the commissioner,
51.26 without the need for any rulemaking under chapter 14, phase in the renewal of contracting
51.27 high pressure pipefitter, journeyman high pressure pipefitter, and high pressure piping
51.28 business licenses from one year to two years. By June 30, 2012, all such licenses shall be
51.29 two-year licenses.

51.30 Sec. 62. Minnesota Statutes 2009 Supplement, section 326B.94, subdivision 4, is
51.31 amended to read:

51.32 Subd. 4. **Examinations, licensing.** Every individual that operates a boat must
51.33 hold a current master's license issued by the commissioner, unless the individual holds
51.34 a valid, current Charter Boat Captain's license issued by the United States Coast Guard.

52.1 The commissioner shall develop and administer an examination for all masters of boats
52.2 carrying passengers for hire on the inland waters of the state as to their qualifications and
52.3 fitness. If found qualified and competent to perform their duties as a master of a boat
52.4 carrying passengers for hire, they shall be issued a license authorizing them to act as such
52.5 on the inland waters of the state. All initial master's licenses shall be for two years. The
52.6 commissioner shall in a manner determined by the commissioner, without the need for
52.7 any rulemaking under chapter 14, phase in the renewal of master's licenses from one year
52.8 to two years. By June 30, 2011, all renewed master's licenses shall be two-year licenses.
52.9 Fees for the original issue and renewal of the license authorized under this section shall
52.10 be pursuant to section ~~326B.986, subdivision 2~~ 326B.092.

52.11 Sec. 63. Minnesota Statutes 2008, section 326B.978, subdivision 2, is amended to read:

52.12 Subd. 2. **Applications.** Any individual who desires an engineer's license shall
52.13 submit an application on a written or electronic form prescribed by the commissioner, ~~at~~
52.14 ~~least 15 days before the requested exam date. If the commissioner approves the applicant~~
52.15 ~~for examination, the applicant may take the examination on one occasion within one~~
52.16 ~~year from the date the commissioner receives the application~~ with all fees required by
52.17 section 326B.092.

52.18 Sec. 64. Minnesota Statutes 2008, section 326B.978, is amended by adding a
52.19 subdivision to read:

52.20 Subd. 19. **Applicability.** This section shall not apply to traction or hobby boiler
52.21 engineer's licenses or provisional licenses.

52.22 Sec. 65. Minnesota Statutes 2009 Supplement, section 326B.986, subdivision 5,
52.23 is amended to read:

52.24 Subd. 5. **Boiler engineer license fees.** ~~(a) For the following licenses, the~~
52.25 ~~nonrefundable license and application fee is:~~

- 52.26 ~~(1) chief engineer's license, \$70;~~
52.27 ~~(2) first class engineer's license, \$70;~~
52.28 ~~(3) second class engineer's license, \$70;~~
52.29 ~~(4) special engineer's license, \$40;~~
52.30 ~~(5) traction or hobby boiler engineer's license, \$50; and~~
52.31 ~~(6) provisional license, \$50.~~

52.32 ~~(b) An engineer's license, except a provisional license, may be renewed upon~~
52.33 ~~application and payment of a renewal fee of \$20 for one year or \$40 for two years. If~~

53.1 ~~the renewal fee is paid later than 30 days after expiration, then a late fee of \$15 will be~~
 53.2 ~~added to the renewal fee.~~

53.3 (a) For purposes of calculating license fees and renewal license fees required under
 53.4 section 326B.092:

53.5 (1) the boiler special engineer license is an entry level license;

53.6 (2) the following licenses are journeyman licenses: first class engineer, Grade A;
 53.7 first class engineer, Grade B; first class engineer, Grade C; second class engineer, Grade
 53.8 A; second class engineer, Grade B; second class engineer, Grade C; and provisional
 53.9 license; and

53.10 (3) the following licenses are master licenses: boiler chief engineer, Grade A; boiler
 53.11 chief engineer, Grade B; boiler chief engineer, Grade C; boiler commissioner inspector; or
 53.12 traction or hobby boiler engineer.

53.13 (b) Notwithstanding section 326B.092, subdivision 7, paragraph (a), the license
 53.14 duration for steam traction and hobby engineer licenses are one year only for the purpose
 53.15 of calculating license fees under section 326B.092, subdivision 7, paragraph (b).

53.16 Sec. 66. Minnesota Statutes 2008, section 327.31, subdivision 17, is amended to read:

53.17 Subd. 17. **Installation.** "Installation" of a manufactured home means ~~assembly~~
 53.18 installation or reinstallation, at the site of occupancy, of all portions of a manufactured
 53.19 home, connection of the manufactured home to existing utility connections and installation
 53.20 of support and/or anchoring systems.

53.21 Sec. 67. Minnesota Statutes 2008, section 327.31, is amended by adding a subdivision
 53.22 to read:

53.23 Subd. 21. **Used manufactured home.** "Used manufactured home" means a home
 53.24 being offered for sale not less than 24 months after the first purchaser took legal ownership
 53.25 or possession of the home.

53.26 Sec. 68. Minnesota Statutes 2008, section 327.31, is amended by adding a subdivision
 53.27 to read:

53.28 Subd. 22. **Seller.** "Seller" means either the homeowner, manufactured home retailer
 53.29 or dealer, broker, or limited dealer or retailer.

53.30 Sec. 69. Minnesota Statutes 2008, section 327.32, subdivision 1, is amended to read:

53.31 Subdivision 1. **Requirement; new manufactured homes.** No person shall sell;
 53.32 or offer for sale; in this state; any new manufactured home ~~manufactured after July 1,~~

54.1 ~~1972, or manufacture any manufactured home in this state or install for occupancy any~~
 54.2 ~~manufactured home manufactured after July 1, 1972, in any manufactured home park in~~
 54.3 ~~this state unless the manufactured home complies with the Manufactured Home Building~~
 54.4 ~~Code and~~ bears a label as required by the secretary.

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

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

54.9 Sec. 70. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision
 54.10 to read:

54.11 Subd. 1a. **Requirement; used manufactured homes.** No person shall sell or
 54.12 offer for sale in this state any used manufactured home manufactured after June 14,
 54.13 1976, or install for occupancy any used manufactured home manufactured after June
 54.14 14, 1976, unless the used manufactured home complies with the Notice of Compliance
 54.15 Form as provided in this subdivision. If manufactured after June 14, 1976, the home
 54.16 must bear a label as required by the secretary. The Notice of Compliance Form shall be
 54.17 signed by the seller and purchaser indicating which party is responsible for either making
 54.18 or paying for any necessary corrections prior to the sale and transferring ownership of
 54.19 the manufactured home.

54.20 The Notice of Compliance Form shall be substantially in the following form:

54.21 **"Notice of Compliance Form as required in Minnesota Statutes,**
 54.22 **section 327.32, subdivision 1.**

54.23 This notice must be completed and signed by the purchaser(s) and the seller(s) of the
 54.24 used manufactured home described in the purchase agreement and on the bottom of this
 54.25 notice before the parties transfer ownership of a used manufactured home constructed
 54.26 after June 14, 1976.

54.27 Electric ranges and clothes dryers must have required four-conductor cords and plugs.

54.28 Complies Correction required

54.29 Initialed by Responsible Party: Buyer Seller

54.30 Solid fuel-burning fireplaces or stoves must be listed for use in manufactured homes, Code
 54.31 of Federal Regulations, title 24, section 3280.709(g), and installed correctly in accordance
 54.32 with their listing or standards (i.e., chimney, doors, hearth, combustion, or intake, etc.,
 54.33 Code of Federal Regulations, title 24, section 3280.709(g)).

54.34 Complies Correction required

54.35 Initialed by Responsible Party: Buyer Seller

55.1 Gas water heaters and furnaces must be listed for manufactured home use, Code of Federal
55.2 Regulations, title 24, section 3280.709(a) and (d)(1) and (2) and installed correctly, in
55.3 accordance with their listing or standards.

55.4 Complies Correction required

55.5 Initialed by Responsible Party: Buyer Seller

55.6 Smoke alarms are required to be installed and operational in accordance with Code of
55.7 Federal Regulations, title 24, section 3280.208.

55.8 Complies Correction required

55.9 Initialed by Responsible Party: Buyer Seller

55.10 Carbon monoxide alarms or CO detectors that are approved and operational are required
55.11 to be installed within ten feet of each room lawfully used for sleeping purposes.

55.12 Complies Correction required

55.13 Initialed by Responsible Party: Buyer Seller

55.14 Egress windows are required in every bedroom with at least one operable window with
55.15 a net clear opening of 20 inches wide and 24 inches high, five square feet in area, with
55.16 the bottom of windows opening no more than 36 inches above the floor. Locks, latches,
55.17 operating handles, tabs, or other operational devices shall not be located more than 54
55.18 inches above the finished floor.

55.19 Complies Correction required

55.20 Initialed by Responsible Party: Buyer Seller

55.21 The furnace compartment of the home is required to have interior finish with a flame
55.22 spread rating not exceeding 25 feet, as specified in the 1976 United States Department of
55.23 Housing and Urban Development Code governing manufactured housing construction.

55.24 Complies Correction required

55.25 Initialed by Responsible Party: Buyer Seller

55.26 The water heater enclosure in this home is required to have interior finish with a flame
55.27 spread rating not exceeding 25 feet, as specified in the 1976 United States Department of
55.28 Housing and Urban Development Code governing manufactured housing construction.

55.29 Complies Correction required

55.30 Initialed by Responsible Party: Buyer Seller

55.31 The home complies with the snowload and heat zone requirements for the state of
55.32 Minnesota as indicated by the data plate.

55.33 Complies Correction required

55.34 Initialed by Responsible Party: Buyer Seller

56.1 The parties to this agreement have initialed all required sections and agree by their
 56.2 signature to complete any necessary corrections prior to the sale or transfer of ownership
 56.3 of the home described below as listed in the purchase agreement. The state of Minnesota
 56.4 or a local building official has the authority to inspect the home in the manner described in
 56.5 Minnesota Statutes, section 327.33, prior to or after the sale to ensure compliance was
 56.6 properly executed as provided under the Manufactured Home Building Code.

56.7 Signature of Purchaser(s) of Home

56.8date.....date.....

56.9

56.10 Print name as appears on purchase Print name as appears on purchase
 56.11 agreement agreement

56.12 Signature of Seller(s) of Home

56.13date.....date.....

56.14

56.15 Print name and license number, if applicable Print name and license number, if applicable

56.16 (Street address of home at time of sale)

56.17

56.18 (City/State/Zip).....

56.19 Name of manufacturer of home.....

56.20 Model and Year.....

56.21 Serial Number....."

56.22 Sec. 71. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision
 56.23 to read:

56.24 Subd. 1b. **Alternative design plan.** An alternative frost-free design slab that is
 56.25 submitted to the department, stamped by a licensed professional engineer or architect,
 56.26 and is in compliance with either the federal installation standards in effect at the date of
 56.27 manufacture or the Minnesota State Building Code, when applicable, shall be issued a
 56.28 permit by the department within ten days.

56.29 Sec. 72. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision
 56.30 to read:

56.31 Subd. 1c. **Manufacturer's installation instructions; new home.** All new
 56.32 single-section manufactured homes and new multisection manufactured homes shall be
 56.33 installed in compliance with either the manufacturer's installation instructions in effect at
 56.34 the date of manufacture or, when applicable, the Minnesota State Building Code.

56.35 Sec. 73. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision
 56.36 to read:

57.1 Subd. 1d. **Manufacturer's installation instructions; used multisection homes.**

57.2 All used multisection manufactured homes shall be installed in compliance with either
57.3 the manufacturer's installation instructions in effect at the date of manufacture, approved
57.4 addenda or, when applicable, the Minnesota State Building Code.

57.5 Sec. 74. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision
57.6 to read:

57.7 Subd. 1e. **Reinstallation requirements for single-section used manufactured**
57.8 **homes.** (a) All single-section used manufactured homes reinstalled less than 24 months
57.9 from the date of installation by the first purchaser must be reinstalled in compliance with
57.10 subdivision 1c. All single-section used manufactured homes reinstalled more than 24
57.11 months from the date of installation by the first purchaser may be reinstalled without
57.12 a frost-protected foundation if the home is reinstalled in compliance with Minnesota
57.13 Rules, chapter 1350, for above frost-line installations and the notice requirement of
57.14 subdivision 1f is complied with by the seller and the purchaser of the single-section used
57.15 manufactured home.

57.16 (b) The installer shall affix an installation seal issued by the department to the
57.17 outside of the home as required by the Minnesota State Building Code. The certificate
57.18 of installation issued by the installer of record shall clearly state that the home has been
57.19 reinstalled with an above frost-line foundation. Fees for inspection of a reinstallation and
57.20 for issuance of reinstallation seals shall follow the requirements of sections 326B.802
57.21 to 326B.885. Fees for review of plans, specifications, and on-site inspections shall be
57.22 those as specified in section 326B.153, subdivision 1, paragraph (c). Whenever an
57.23 installation certificate for an above frost-line installation is issued to a single-section used
57.24 manufactured home being listed for sale, the purchase agreement must disclose that the
57.25 home is installed on a nonfrost-protected foundation and recommend that the purchaser
57.26 have the home inspected to determine the effects of frost on the home.

57.27 Sec. 75. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision
57.28 to read:

57.29 Subd. 1f. **Notice requirement.** The seller of the single-section used manufactured
57.30 home being reinstalled under subdivision 1e shall provide the following notice to the
57.31 purchaser and secure signatures of all parties to the purchase agreement on or before
57.32 signing a purchase agreement prior to submitting an application for an installation
57.33 certificate. Whenever a current owner of a manufactured home reinstalls the manufactured
57.34 home under subdivision 1e, the current owner is not required to comply with the notice

requirement under this subdivision. The notice shall be in at least 14-point font, except the heading, "WHICH MAY VOID WARRANTY," must be in capital letters, in 20-point font. The notice must be printed on a separate sheet of paper in a color different than the paper on which the purchase agreement is printed. The notice becomes a part of the purchase agreement, and it shall be substantially in the following form:

"Notice of Reinstalling of a Single-Section Used Manufactured

Home Above Frost-Line;

WHICH MAY VOID WARRANTY

It is recommended that the single-section used manufactured home being reinstalled follow the instructions in the manufacturer's installation manual. By signing this notice, the purchaser(s) are acknowledging they have elected to use footings placed above the local frost line in accordance with the Minnesota State Building Code.

The seller has explained the differences between the manufacturer's installation instructions and the installation system selected by the purchaser(s) with respect to possible effects of frost on the manufactured home.

The purchaser(s) acknowledge by signing this notice that there is no manufacturer's original warranty remaining on the home and recognize that any other extended or ancillary warranty could be adversely affected if any applicable warranty stipulates that the home be installed in accordance with the manufacturer's installation manual to remain effective.

After the reinstallation of the manufactured home, it is highly recommended that the purchaser(s) have a licensed manufactured home installer recheck the home's installation for any releveled needs or anchoring system adjustments each freeze-thaw cycle.

The purchaser(s) of the used manufactured home described below that is being reinstalled acknowledge they have read this notice and have been advised to contact the manufacturer of the home and/or the Department of Labor and Industry if they desire additional information before signing this notice. It is the intent of this notice to inform the purchaser(s) that the purchaser(s) elected not to use a frost-protected foundation system for the reinstallation of the manufactured home as originally required by the home's installation manual.

Plain language notice.

I understand that because this home will be installed with footings placed above the local frost-line, this home may be subject to adverse effects from frost heave that may damage this home. Purchaser(s) initials:

I understand that the installation of this home with footings placed above the local frost-line could affect my ability to obtain a mortgage or mortgage insurance on this home. Purchaser(s) initials:

59.1 I understand that the installation of this home with footings placed above the local
 59.2 frost-line could void my warranty on the home if any warranty is still in place on this
 59.3 home. Purchaser(s) initials:

59.4 Signature of Purchaser(s)

59.5date.....date.....

59.6

59.7 Print name Print name

59.8 (Street address of location where
 59.9 manufactured home is being reinstalled)

59.10

59.11 (City/State/Zip).....

59.12 Name of manufacturer of home.....

59.13 Model and year.....

59.14 Serial number.....

59.15 Name of licensed installer and license number or homeowner responsible for the
 59.16 installation of the home as described above.

59.17 Installer name:.....

59.18 License number:....."

59.19 Sec. 76. Minnesota Statutes 2008, section 327.34, subdivision 1, is amended to read:

59.20 Subdivision 1. **Generally.** It shall be a misdemeanor for any person,

59.21 (a) to sell, lease, or offer to sell or lease, any manufactured home manufactured
 59.22 after ~~July 1, 1972~~ June 14, 1976, which does not comply with the Manufactured Home
 59.23 Building Code or which does not bear a seal or label as required by sections 327.31 to
 59.24 327.34, unless the action is subject to the provisions of section 327.35;

59.25 (b) to affix a seal or label, or cause a seal or label to be affixed, to any manufactured
 59.26 home which does not comply with the Manufactured Home Building Code unless the
 59.27 action is subject to the provisions of section 327.35;

59.28 (c) to alter a manufactured home manufactured after ~~July 1, 1972~~ June 14, 1976,
 59.29 in a manner prohibited by sections 327.31 to 327.34; or

59.30 (d) to fail to correct a Manufactured Home Building Code violation in a
 59.31 manufactured home manufactured after ~~July 1, 1972~~ June 14, 1976, which is owned,
 59.32 manufactured, or sold by that person, within 40 days of being ordered to do so in writing
 59.33 by an authorized representative of the commissioner, unless the correction is subject to the
 59.34 provisions of section 327.35; ~~or~~

59.35 ~~(e) to interfere with, obstruct, or hinder any authorized representative of the~~
 59.36 ~~commissioner in the performance of duties relating to manufactured homes manufactured~~
 59.37 ~~after July 1, 1972, and prior to June 15, 1976.~~

60.1 Sec. 77. Minnesota Statutes 2008, section 327B.04, subdivision 2, is amended to read:

60.2 Subd. 2. **Subagency licenses.** Any dealer who has a place of business at more than
60.3 one location shall designate one location as its principal place of business, one name as its
60.4 principal name, and all other established places of business as subagencies. A subagency
60.5 license shall be required for each subagency. Subagency license renewal must coincide
60.6 with the principal license date. No dealer shall do business as a dealer under any other
60.7 name than the name on its license.

60.8 Sec. 78. Minnesota Statutes 2009 Supplement, section 327B.04, subdivision 7, is
60.9 amended to read:

60.10 Subd. 7. **Licenses; ~~when granted renewal.~~** In addition to the requirements of this
60.11 section, each application for a license or license renewal must be accompanied by a fee in
60.12 an amount established by subdivision 7a all applicable fees required by section 326B.092.
60.13 The fees shall be set in an amount which over the fiscal biennium will produce revenues
60.14 approximately equal to the expenses which the commissioner expects to incur during that
60.15 fiscal biennium while administering and enforcing sections 327B.01 to 327B.12. ~~The~~
60.16 ~~commissioner shall grant or deny a license application or a renewal application within 60~~
60.17 ~~days of its filing.~~ If the license is granted, the commissioner shall license the applicant as a
60.18 dealer or manufacturer for the remainder of the licensure period. Upon application by the
60.19 licensee, the commissioner shall renew the license for a two-year period, if:

60.20 (1) the renewal application satisfies the requirements of subdivisions 3 and 4;

60.21 (2) the renewal applicant has made all listings, registrations, notices and reports
60.22 required by the commissioner during the preceding licensure period; and

60.23 (3) the renewal applicant has paid all fees owed pursuant to sections 327B.01 to
60.24 327B.12 and all taxes, arrearages, and penalties owed to the state.

60.25 Sec. 79. Minnesota Statutes 2009 Supplement, section 327B.04, subdivision 7a,
60.26 is amended to read:

60.27 Subd. 7a. **Fees.** (a) Fees for licenses issued pursuant to this section ~~are as follows:~~
60.28 shall be calculated pursuant to section 326B.092.

60.29 ~~(1) initial dealer license for principal location, \$400. Fee is not refundable;~~

60.30 ~~(2) initial dealer license for subagency location, \$80;~~

60.31 ~~(3) dealer license biennial renewal, principal location, \$400; dealer subagency~~
60.32 ~~location biennial renewal, \$160. Subagency license renewal must coincide with the~~
60.33 ~~principal license date;~~

60.34 ~~(4) initial limited dealer license, \$200;~~

61.1 ~~(5) change of bonding company, \$10;~~

61.2 ~~(6) reinstatement of bond after cancellation notice has been received, \$10;~~

61.3 ~~(7) checks returned without payment, \$15; and~~

61.4 ~~(8) change of address, \$10.~~

61.5 (b) All initial limited dealer licenses shall be effective for more than one calendar
61.6 year and shall expire on December 31 of the year after the year in which the application
61.7 is made.

61.8 ~~(c) The license fee for each renewed limited dealer license shall be \$100 for one year~~
61.9 ~~and \$200 for two years. For the purposes of calculating fees under section 326B.092, any~~
61.10 license issued under this section is a business license, except that a subagency license is a
61.11 master license. The commissioner shall in a manner determined by the commissioner,
61.12 without the need for any rulemaking under chapter 14, phase in the renewal of limited
61.13 dealer licenses from one year to two years. By June 30, 2011, all renewed limited dealer
61.14 licenses shall be two-year licenses.

61.15 ~~(d) All fees are not refundable.~~

61.16 Sec. 80. Minnesota Statutes 2009 Supplement, section 327B.04, subdivision 8, is
61.17 amended to read:

61.18 Subd. 8. **Limited dealer's license.** The commissioner shall issue a limited dealer's
61.19 license to an owner of a manufactured home park authorizing the licensee as principal
61.20 only to engage in the sale, offering for sale, soliciting, or advertising the sale of used
61.21 manufactured homes located in the owned manufactured home park. The licensee must be
61.22 the title holder of the homes and may engage in no more than ten sales during each year of
61.23 the two-year licensure period. An owner may, upon payment of the applicable fee and
61.24 compliance with this subdivision, obtain a separate license for each owned manufactured
61.25 home park and is entitled to sell up to 20 homes per license period provided that only one
61.26 limited dealer license may be issued for each park. The license shall be issued after:

61.27 (1) receipt of an application on forms provided by the commissioner containing
61.28 the following information:

61.29 (i) the identity of the applicant;

61.30 (ii) the name under which the applicant will be licensed and do business in this state;

61.31 (iii) the name and address of the owned manufactured home park, including a copy
61.32 of the park license, serving as the basis for the issuance of the license;

61.33 (iv) the name, home, and business address of the applicant;

61.34 (v) the name, address, and telephone number of one individual that is designated
61.35 by the applicant to receive all communications and cooperate with all inspections and

62.1 investigations of the commissioner pertaining to the sale of manufactured homes in the
62.2 manufactured home park owned by the applicant;

62.3 (vi) whether the applicant or its designated individual has been convicted of a crime
62.4 within the previous ten years that is either related directly to the business for which the
62.5 license is sought or involved fraud, misrepresentation or misuse of funds, or has suffered a
62.6 judgment in a civil action involving fraud, misrepresentation, or conversion within the
62.7 previous five years or has had any government license or permit suspended or revoked
62.8 as a result of an action brought by a federal or state governmental agency in this or any
62.9 other state within the last five years; and

62.10 (vii) the applicant's qualifications and business history, including whether the
62.11 applicant or its designated individual has ever been adjudged bankrupt or insolvent, or has
62.12 any unsatisfied court judgments outstanding against it or them;

62.13 (2) payment of the license fee established by subdivision 7a; and

62.14 (3) provision of a surety bond in the amount of \$5,000. A separate surety bond
62.15 must be provided for each limited license.

62.16 The applicant need not comply with section 327B.04, subdivision 4, paragraph (e).
62.17 The holding of a limited dealer's license does not satisfy the requirement contained in
62.18 section 327B.04, subdivision 4, paragraph (e), for the licensee or salespersons with respect
62.19 to obtaining a dealer license. The commissioner may, upon application for a renewal of a
62.20 license, require only a verification that copies of sales documents have been retained and
62.21 payment of the renewal ~~fee fees~~ established by ~~subdivision 7a~~ section 326B.092. "Sales
62.22 documents" mean only the safety feature disclosure form defined in section 327C.07,
62.23 subdivision 3a, title of the home, financing agreements, and purchase agreements.

62.24 The license holder shall, upon request of the commissioner, make available for
62.25 inspection during business hours sales documents required to be retained under this
62.26 subdivision.

62.27 Sec. 81. Minnesota Statutes 2009 Supplement, section 327B.041, is amended to read:

62.28 **327B.041 MANUFACTURED HOME INSTALLERS.**

62.29 (a) Manufactured home installers are subject to all of the fees in section 326B.092
62.30 and the requirements of sections 326B.802 to 326B.885, except for the following:

62.31 (1) manufactured home installers are not subject to the continuing education
62.32 requirements of section 326B.821, but are subject to the continuing education requirements
62.33 established in rules adopted under section 327B.10;

62.34 (2) the examination requirement of section 326B.83, subdivision 3, for manufactured
62.35 home installers shall be satisfied by successful completion of a written examination

administered and developed specifically for the examination of manufactured home installers. The examination must be administered and developed by the commissioner. The commissioner and the state building official shall seek advice on the grading, monitoring, and updating of examinations from the Minnesota Manufactured Housing Association;

(3) a local government unit may not place a surcharge on a license fee, and may not charge a separate fee to installers;

(4) a dealer or distributor who does not install or repair manufactured homes is exempt from licensure under sections 326B.802 to 326B.885;

(5) the exemption under section 326B.805, subdivision 6, clause (5), does not apply; and

(6) manufactured home installers are not subject to the contractor recovery fund in section 326B.89.

(b) The commissioner may waive all or part of the requirements for licensure as a manufactured home installer for any individual who holds an unexpired license or certificate issued by any other state or other United States jurisdiction if the licensing requirements of that jurisdiction meet or exceed the corresponding licensing requirements of the department and the individual complies with section 326B.092, subdivisions 1 and 3 to 7. For the purposes of calculating fees under section 326B.092, licensure as a manufactured home installer is a business license.

Sec. 82. Minnesota Statutes 2008, section 471.59, subdivision 10, is amended to read:

Subd. 10. **Services performed by governmental units; commonality of powers.**

Notwithstanding the provisions of subdivision 1 requiring commonality of powers between parties to any agreement, the governing body of any governmental unit as defined in subdivision 1 may enter into agreements with any other governmental unit to perform on behalf of that unit any service or function which the governmental unit providing the service or function is authorized to provide for itself. If the agreement has the effect of eliminating or replacing a public employee who is part of a collective bargaining agreement represented by an exclusive representative, and there is no provision in the collective bargaining agreement detailing the effect of the action on the affected public employee, negotiations on the effects to the employee of the job elimination or restructuring must be conducted between the exclusive representative and the employer.

Sec. 83. Laws 2009, chapter 78, article 1, section 3, subdivision 2, is amended to read:

Subd. 2. **Business and Community Development**

8,980,000

8,980,000

64.1	Appropriations by Fund		
64.2	General	7,941,000	7,941,000
64.3	Remediation	700,000	700,000
64.4	Workforce		
64.5	Development	339,000	339,000

64.6 (a) \$700,000 the first year and \$700,000 the
64.7 second year are from the remediation fund for
64.8 contaminated site cleanup and development
64.9 grants under Minnesota Statutes, section
64.10 116J.554. This appropriation is available
64.11 until expended.

64.12 (b) \$200,000 each year is from the general
64.13 fund for a grant to WomenVenture for
64.14 women's business development programs
64.15 and for programs that encourage and assist
64.16 women to enter nontraditional careers in the
64.17 trades; manual and technical occupations;
64.18 science, technology, engineering, and
64.19 mathematics-related occupations; and green
64.20 jobs. This appropriation may be matched
64.21 dollar for dollar with any resources available
64.22 from the federal government for these
64.23 purposes with priority given to initiatives
64.24 that have a goal of increasing by at least ten
64.25 percent the number of women in occupations
64.26 where women currently comprise less than 25
64.27 percent of the workforce. The appropriation
64.28 is available until expended.

64.29 (c) \$105,000 each year is from the general
64.30 fund and \$50,000 each year is from the
64.31 workforce development fund for a grant to
64.32 the Metropolitan Economic Development
64.33 Association for continuing minority business
64.34 development programs in the metropolitan
64.35 area. This appropriation must be used for the
64.36 sole purpose of providing free or reduced

65.1 fee business consulting services to minority
65.2 entrepreneurs and contractors.

65.3 (d)(1) \$500,000 each year is from the
65.4 general fund for a grant to BioBusiness
65.5 Alliance of Minnesota for bioscience
65.6 business development programs to promote
65.7 and position the state as a global leader
65.8 in bioscience business activities. This
65.9 appropriation is added to the department's
65.10 base. These funds may be used to create,
65.11 recruit, retain, and expand biobusiness
65.12 activity in Minnesota; implement the
65.13 destination 2025 statewide plan; update
65.14 a statewide assessment of the bioscience
65.15 industry and the competitive position of
65.16 Minnesota-based bioscience businesses
65.17 relative to other states and other nations;
65.18 and develop and implement business and
65.19 scenario-planning models to create, recruit,
65.20 retain, and expand biobusiness activity in
65.21 Minnesota.

65.22 (2) The BioBusiness Alliance must report
65.23 each year by February 15 to the committees
65.24 of the house of representatives and the senate
65.25 having jurisdiction over bioscience industry
65.26 activity in Minnesota on the use of funds;
65.27 the number of bioscience businesses and
65.28 jobs created, recruited, retained, or expanded
65.29 in the state since the last reporting period;
65.30 the competitive position of the biobusiness
65.31 industry; and utilization rates and results of
65.32 the business and scenario-planning models
65.33 and outcomes resulting from utilization of
65.34 the business and scenario-planning models.

66.1 (e)(1) Of the money available in the
66.2 Minnesota Investment Fund, Minnesota
66.3 Statutes, section 116J.8731, to the
66.4 commissioner of the Department of
66.5 Employment and Economic Development,
66.6 up to \$3,000,000 is appropriated in fiscal year
66.7 2010 for a loan to an aircraft manufacturing
66.8 and assembly company, associated with the
66.9 aerospace industry, for equipment utilized
66.10 to establish an aircraft completion center
66.11 at the Minneapolis-St. Paul International
66.12 Airport. The finishing center must use the
66.13 state's vocational training programs designed
66.14 specifically for aircraft maintenance training,
66.15 and to the extent possible, work to recruit
66.16 employees from these programs. The center
66.17 must create at least 200 new manufacturing
66.18 jobs within 24 months of receiving the
66.19 loan, and create not less than 500 new
66.20 manufacturing jobs over a five-year period
66.21 in Minnesota.

66.22 (2) This loan is not subject to loan limitations
66.23 under Minnesota Statutes, section 116J.8731,
66.24 subdivision 5. Any match requirements
66.25 under Minnesota Statutes, section 116J.8731,
66.26 subdivision 3, may be made from current
66.27 resources. This is a onetime appropriation
66.28 and is effective the day following final
66.29 enactment.

66.30 (f) \$65,000 each year is from the general
66.31 fund for a grant to the Minnesota Inventors
66.32 Congress, of which at least \$6,500 must be
66.33 used for youth inventors.

67.1 (g) \$200,000 the first year and \$200,000 the
67.2 second year are for the Office of Science and
67.3 Technology. This is a onetime appropriation.

67.4 (h) \$500,000 the first year and \$500,000 the
67.5 second year are for a grant to Enterprise
67.6 Minnesota, Inc., for the small business
67.7 growth acceleration program under
67.8 Minnesota Statutes, section 116O.115. This
67.9 is a onetime appropriation and is available
67.10 until expended.

67.11 (i)(1) \$100,000 each year is from the
67.12 workforce development fund for a grant
67.13 under Minnesota Statutes, section 116J.421,
67.14 to the Rural Policy and Development
67.15 Center at St. Peter, Minnesota. The grant
67.16 shall be used for research and policy
67.17 analysis on emerging economic and social
67.18 issues in rural Minnesota, to serve as a
67.19 policy resource center for rural Minnesota
67.20 communities, to encourage collaboration
67.21 across higher education institutions, to
67.22 provide interdisciplinary team approaches
67.23 to research and problem-solving in rural
67.24 communities, and to administer overall
67.25 operations of the center.

67.26 (2) The grant shall be provided upon the
67.27 condition that each state-appropriated
67.28 dollar be matched with a nonstate dollar.
67.29 Acceptable matching funds are nonstate
67.30 contributions that the center has received and
67.31 have not been used to match previous state
67.32 grants. Any funds not spent the first year are
67.33 available the second year.

67.34 (j) Notwithstanding Minnesota Statutes,
67.35 section 268.18, subdivision 2, \$414,000 of

68.1 funds collected for unemployment insurance
68.2 administration under this subdivision is
68.3 appropriated as follows: \$250,000 to Lake
68.4 County for ice storm damage; \$64,000 is for
68.5 the city of Green Isle for reimbursement of
68.6 fire relief efforts and other expenses incurred
68.7 as a result of the fire in the city of Green Isle;
68.8 and \$100,000 is to develop the construction
68.9 mitigation pilot program to make grants ~~for~~
68.10 ~~up to five projects statewide available~~ to local
68.11 government units to mitigate the impacts of
68.12 transportation construction on local small
68.13 business. These are onetime appropriations
68.14 and are available until expended.

68.15 (k) Up to \$10,000,000 is appropriated
68.16 from the Minnesota minerals 21st century
68.17 fund to the commissioner of Iron Range
68.18 resources and rehabilitation to make a grant
68.19 or forgivable loan to a manufacturer of
68.20 windmill blades at a facility to be located
68.21 within the taconite tax relief area defined in
68.22 Minnesota Statutes, section 273.134.

68.23 (l) \$1,000,000 is appropriated from the
68.24 Minnesota minerals 21st century fund to
68.25 the Board of Trustees of the Minnesota
68.26 State Colleges and Universities for a grant
68.27 to the Northeast Higher Education District
68.28 for planning, design, and construction of
68.29 classrooms and housing facilities for upper
68.30 division students in the engineering program.

68.31 (m)(1) \$189,000 each year is appropriated
68.32 from the workforce development fund for
68.33 grants of \$63,000 to eligible organizations
68.34 each year to assist in the development of
68.35 entrepreneurs and small businesses. Each

69.1 state grant dollar must be matched with \$1
69.2 of nonstate funds. Any balance in the first
69.3 year does not cancel but is available in the
69.4 second year.

69.5 (2) Three grants must be awarded to
69.6 continue or to develop a program. One
69.7 grant must be awarded to the Riverbend
69.8 Center for Entrepreneurial Facilitation
69.9 in Blue Earth County, and two to other
69.10 organizations serving Faribault and Martin
69.11 Counties. Grant recipients must report to the
69.12 commissioner by February 1 of each year
69.13 that the organization receives a grant with the
69.14 number of customers served; the number of
69.15 businesses started, stabilized, or expanded;
69.16 the number of jobs created and retained; and
69.17 business success rates. The commissioner
69.18 must report to the house of representatives
69.19 and senate committees with jurisdiction
69.20 over economic development finance on the
69.21 effectiveness of these programs for assisting
69.22 in the development of entrepreneurs and
69.23 small businesses.

69.24 Sec. 84. **CUSTOMER SERVICE.**

69.25 The commissioner must assign at least one full-time equivalent unemployment
69.26 insurance customer service staff person to each workforce center to assist applicants in
69.27 applying for benefits, accessing resource room resources, searching for jobs, accessing
69.28 training and other services available to unemployed workers and answer questions about
69.29 unemployment benefits, options and appeals.

69.30 Sec. 85. **WORKFORCE SERVICES REPORT AND RECOMMENDATIONS.**

69.31 By January 15, 2011, the governor's Workforce Development Council Executive
69.32 Committee shall submit a report to the senate and house of representatives committees
69.33 with jurisdiction over workforce development programs on the performance and outcomes
69.34 of the workforce centers, as required by Minnesota Statutes, section 116L.665, subdivision

70.1 4. This report must contain recommendations for an ongoing process to identify local gaps
70.2 in workforce services and ways to fill the gaps. The Department of Employment and
70.3 Economic Development and the workforce councils should be included in the process
70.4 for identifying service gaps. The governor's Workforce Development Council Executive
70.5 Committee must submit draft guiding principles to the legislature for review and feedback
70.6 by August 12, 2010.

70.7 Sec. 86. **REVISOR'S INSTRUCTION.**

70.8 In Minnesota Rules, the Revisor of Statutes shall change all references to Minnesota
70.9 Rules, part 1350.8300 to Minnesota Statutes, section 327B.04."

70.10 Amend the title accordingly