

House Research Act Summary

CHAPTER: 140

SESSION: 2007 Regular Session

TOPIC: Construction Code and Licensing

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Analyst: Jeanne LeFevre

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Overview

This act implements Administrative Reorganization Order 193 (April 4, 2005) which consolidated various code enforcement and licensing functions in the Department of Labor and Industry. This act also adopts uniform code and licensing enforcement provisions and establishes boards for regulation of plumbing, electrical work, and high pressure piping systems.

Article 1: Revisor Instruction

- 1 Revisor instruction.** Instructs the revisor to change references in Minnesota Rules to reflect changes made in the act.

Article 2: General

- 1 Fire Code rulemaking.** Requires the commissioner of labor and industry to adopt a State Fire Code.
- 2 Definitions.** Defines "ASME," "commissioner," "department," "day," "individual," and "person" for purposes of new chapter 326B governing building codes.
- 3 Powers.** Provides that the responsibilities for the following areas are transferred from the named agency to the Department of Labor and Industry:
 - ▶ From Department of Administration; state building code, construction of low-cost manufactured home park storm shelters, manufactured homes, and statutory warranties in connection with the sale of dwellings and home

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improvement work.

- ▶ From the Department of Health; state plumbing code and licensing and water conditioning contractors and installers other than responsibilities transferred to the Plumbing Board by this act.
- ▶ From the Department of Commerce; residential contractors, residential remodelers, residential roofers, manufactured home installers and the contractor's recovery fund.
- ▶ From the Board of Electricity; state electrical code and licensing other than responsibilities transferred to the Board of Electricity by this act.

The commissioner of administration may not use the statutory authority to modify transfers of authority to named boards under this chapter. The state fire marshal is directed to work with the commissioner to improve services. The commissioner is granted rulemaking authority with respect to the responsibilities transferred.

4 Construction code fund. A construction code fund is established as a special revenue fund. Money collected under specified chapters (except penalties) is credited to the construction code fund and appropriated to the commissioner for administration and enforcement. Penalties assessed are credited to the workers' compensation assigned risk safety account. Provides for transfer of balances in certain separately maintained special revenue funds to the construction code fund.

5 Bonds. Bonds issued under this chapter are not state bonds or contracts.

6 Commissioner not subject to subpoena. The commissioner and staff may not be subpoenaed to provide expert testimony about an inspection except in an enforcement proceeding.

7 Appointment and first meeting. The governor must make appointments to the Board of Electricity, the Plumbing Board, and the Board of High Pressure Piping Systems by July 1, 2007. The commissioner must convene the first meeting of each board by September 1, 2007.

Article 3: Enforcement

1 Definitions. Provides definitions for purposes of consolidated code enforcement section.

2 Enforcement.

Subd. 1. Commissioner authorized to enforce laws in new consolidated code chapter and laws pertaining to manufactured home sales and manufactured home building code using any enforcement provision in this section, including monetary penalties, in addition to any other means of enforcement provided by law.

Subd. 2. Provides discovery and subpoena powers to the commissioner. Provides for issuance of administrative inspection orders by district courts upon refusal to permit entry for inspection of property.

Subd. 3. Service of documents to be by mail, personal service or consent to service.

Subd. 4. Requests for hearings or reconsideration submitted by fax may not be longer than 15 pages. Faxes must be received by 4:30 PM central time on the due date.

Subd. 5. Method provided for computation of prescribed or allowed time periods.

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Subd. 6. Establishes procedures for issuance and required content of a notice of violation. Also provides procedures and required content of a request for reconsideration. Request for reconsideration must be made within 10 days of notice of violation and response to request for reconsideration is required within 15 days of the request. If a request for reconsideration is not timely served or faxed, the notice of violation becomes a final order.

Subd. 7. Allows commissioner to issue administrative orders for violations of applicable law and to assess penalties of up to \$10,000 per violation. Penalties may be abated if the violation is corrected within 31 days of the order.

Subd. 8. Provides timeline for request and scheduling of expedited hearing on administrative orders.

Subd. 9. Commissioner may bring actions for injunctive relief without a showing of irreparable harm.

Subd. 10. Provides process for issuing stop orders, required contents of such orders, and process and timeline for appeal of such orders.

Subd. 11. Establishes grounds upon which the commissioner may deny, suspend, limit, place conditions on or revoke permits, licenses, and the like. Provides that no new application for a permit, license, or the like may be made within two years of revocation.

Subd. 12. Provides timeline for request and scheduling of hearing on licensing order.

Subd. 13. Allows summary suspension of licenses before period for requesting a hearing has run, and requires summary suspension in specified situations relating to safety and fraud.

Subd. 14. The commissioner may prepare a plan for assessing penalties for administrative orders, stop orders and licensing orders and must provide a 30-day period for public comment on such plan.

Subd. 15. Nothing in this section limits the application of other state or federal laws.

Subd. 16. Violations of applicable law are misdemeanors.

Subd. 17. Failure to pay a penalty is grounds for denial or revocation of all licenses, permits and the like issued by the department.

3 Penalties and contents of orders

Subd. 1. Requires the commissioner to consider the six factors currently applicable to all agencies assessing penalties. These include willfulness of violation, gravity of violation, history of violations, number of violations, economic benefit gained by the violation and other factors that justice may require.

Subd. 2. Required and permitted contents of licensing and administrative orders.

Subd. 3. Provides due dates for penalties in various circumstances.

4 False information. Prohibits making of false statements or omission of material information under applicable law.**5 Litigation cost recovery.** Permits award of all or part of state's litigation expenses in actions to enforce orders, for injunctive relief and to compel performance.

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- 6 **Revisor's instruction.** Renumbers statute authorizing adoption of fire code to locate it with Department of Labor and Industry statutes.

Article 4: Building Codes

- 1 **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry.
- 2 **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry. Adds requirement that the Building Code be adopted in consultation with each industry board and the Construction Codes Advisory Council.
- 3 **Updates language.**
- 4 **Updates language.**
- 5 **Updates language.** Adds boarding care homes and residential hospices to list of state licensed facilities.
- 6 **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry. Also updates language and strikes provisions now found in elevator code. Requires Building Code to be adopted in consultation with the Construction Codes Advisory Council.
- 7 **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry.
- 8 **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry. Also removes reference to requirement of report in 2001.
- 9 **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry.
- 10 **Electronic version of building code; interpretative authority.** Permits the state building official to provide either electronic or print versions of the building code to each municipality within the state. Provides that the commissioner shall have final interpretive authority with respect to all codes adopted as part of the state building code except the plumbing code, the electrical code, and the high pressure piping code. Final interpretive authority for those codes is vested in the respective boards. Also technical changes.
- 11 **Effective date of rules.** Provides that a rule to adopt or amend a building code is effective 180 days after it is filed with the secretary of state.
- 12 **Building officials.** Permits commissioner to establish building official certification criteria by rule. Clarifies composition and terms of members of the Code Administration Oversight Committee. Establishes standards for renewal of building official certification.
- 13 **Surcharge.** Eliminates requirement that all building permit surcharges be deposited in the state special revenue fund for purposes of enforcing the state building code.
- 14 - 17 **Updates language.**
- 18 **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry.
- 19 **Elevator inspection.** Defines "elevator inspection."
- 20 **Elevator inspector.** Defines "elevator inspector."
- 21 **Reports required.** Mandates reports to the commissioner by persons who serviced, altered, repaired or maintained any elevator from August 1, 2005, to July 31, 2007, and from any owner of an elevator that has not been serviced during that time. Prescribes contents of required reports.

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- 22** **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry.
- 23** **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry.
- 24** **Technical changes and penalty increase.** Required in connection with transfer from Department of Administration to Department of Labor and Industry. Also increases the maximum penalty that the commissioner may impose for violations of the elevator code from \$1,000 to \$10,000.
- 25** **Technical changes.** Requires an annual operating permit for elevator operators.
- 26** **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry. Allows commissioner to adopt rules establishing minimum qualifications for elevator inspectors.
- 27** **Membership and duties of Construction Codes Advisory Council.** Changes the required membership on the Construction Codes Advisory Council to eliminate representatives of the Health and Commerce Departments. Adds as required members persons engaged in the the boiler industry, the manufactured housing industry, public utilities suppliers, the Minnesota Building and Construction Trades Council, members of the Plumbing, Electrical, and High Pressure Piping Systems Boards, and a representative of local units of government. Eliminates the sunset on the Council. Requires the Council to meet four times a year and makes technical conforming changes.
- 28** **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry. Also strikes the statutory appropriation of fees for bonds required by HVAC contractors to the commissioner.
- 29** **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry.
- 30** **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry.
- 31** **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry.
- 32** **Definition.** Adds definition of "individual" as a human being for purposes of the manufactured home building code.
- 33** **Definition.** Broadens definition of "person" for purposes of the manufactured home building code.
- 34** **Definition.** Defines "purchaser" as an individual for purposes of the manufactured home building code.
- 35** **Updates reference.** Updates reference to federal law.
- 36** **Amends fee deposit provisions.**
- 37** **Amends fee deposit provisions.**
- 38** **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry.
- 39** **Technical changes.** Required in connection with transfer from Department of Administration to Department of Labor and Industry.
- 40** **Updates language.**
- 41** **Violations.** Provides that willful violators of the manufactured home building code are guilty of gross misdemeanors. Current law provides fines of up to \$3,000 or imprisonment up to one year.
- 42** **Technical changes.** Required in connection with transfer from Department of

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- Administration to Department of Labor and Industry.
- 43 Clarifying language.**
- 44 Clarifying language.**
- 45 Definition.** Adds definition of "individual" as a human being for purposes of chapter 327B, relating to manufactured home sales.
- 46 Definition.** Adds definition of "licensee" for purposes of chapter 327B, relating to manufactured home sales.
- 47 Definition.** Adds definition of "limited dealer" or "limited retailer" for purposes of chapter 327B, relating to manufactured home sales.
- 48 Definition.** Adds definition of "manufacturing facility" for purposes of chapter 327B, relating to manufactured home sales.
- 49 Definition.** Adds definition of "owner" in the context of manufactured housing.
- 50 Definition.** Broadens definition of "person" for purposes of chapter 327B, relating to manufactured home sales.
- 51 License required.** Extends licensing requirement to every facility manufacturing manufactured homes in Minnesota or for shipment into Minnesota. Adds requirement that dealers in manufactured homes carry liability insurance.
- 52 Surety bond requirements for licensure.** Clarifies that an applicant for a license to manufacture or sell manufactured homes must secure a surety bond in the applicant's name and the name under which he will be licensed and do business. Requires applicant to obtain a certificate of liability insurance in the amount of \$1 million.
- 53 Liability insurance.** Requires manufactured home license to name the liability insurance underwriter and contain the policy number.
- 54 Amends fee deposit provisions.**
- 55 Background information.** Requires background information with an application for a limited dealer's license to be issued to an owner of a manufactured home park.
- 56 Service on limited dealer.** Prescribes method for serving a document on a limited dealer.
- 57 Dealer's obligations.** Requires licensed dealer, limited dealer or manufacturer to notify the commissioner of the occurrence of specified events.
- 58 Language updated.**
- 59 Manufactured home installers.** Requires the commissioner to promulgate rules regarding education programs to be required for manufactured home installers.
- 60 Incorporating adaptability design elements.** Directs the commissioner of DOLI to explore the possibility of incorporating adaptability design elements into the State Building Code for several specified international residential and building codes. Requires a report to the legislature by January 15, 2008.
- 61 Revisor's instruction.** Renumbers statute to reflect transfer of state building code enforcement from the Department of Administration to the Department of Labor and Industry.

Article 5: Electrical

- 1 - 2 Clarifying language and technical changes.**
- 3 Definition.** Defines "elevator constructor."
- 4 Definition.** Defines "elevator contractor."
- 5 Definition.** Defines "lineman."
- 6 Definition.** Defines "maintenance electrician."
- 7 Definition.** Defines "master elevator constructor."

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- 8 Clarifying language.** Updates and clarifies the definition of "contractor."
9 Updates language.
10 - 13 Clarifying language and technical changes.
14 Electrical work defined. Adds work for technology circuits or systems to the definition of electrical work.
15 Supervision requirements clarified. Provides greater specificity concerning requirements for supervision of an unlicensed individual doing electrical work. Substitutes "individual" for "person."
16 Clarifying language. Clarifies the definition of "residential dwelling."
17 Clarifying language and technical changes.
18 Updated reference. Updates reference to the National Electrical Code.
19 Board of Electricity.

Subd. 1. Composition. Changes the composition of the Board of Electricity to be 12 members, 11 of whom will be appointed by the governor and confirmed by the senate. The board is to be comprised of one electrical inspector, two representatives of electrical suppliers in rural areas, two master electricians who are contractors, two journeyman electricians, one registered consulting electrical engineer; two power limited technicians, and one public member. The 12th member is the commissioner of labor and industry or a designee who shall be a voting member of the board. Provides for staggered terms for initial appointees and three-year terms for subsequent appointees. Limits members to three consecutive terms. Requires members to be residents of Minnesota and to possess a current license for the occupation they represent if it is an occupation licensed by the state.

Subd. 2. Powers. Grants the Board of Electricity the power to elect its officers, adopt bylaws, issue final interpretations, adopt rules regulating licensure and registration of persons who perform electrical work, adopt rules regulating continuing education for persons who perform electrical work, advise the commissioner on educational requirements for electrical inspectors, refer complaints to the commissioner, approve expenses for members, approve reciprocity agreements, select members to serve on other state advisory councils and recommend fees for licenses and certifications. The board is required to adopt the most current edition of the National Electrical Code as the Minnesota Electrical Code. All powers for administration and enforcement of the Minnesota Electrical Act not granted to the board remain with the commissioner of labor and industry.

Subd. 3. Compensation. Board members receive \$55 per diem and may be reimbursed for necessary childcare expenses. State or local government employees may not receive per diem or childcare reimbursement for board activities during hours for which they are compensated by a state or local government.

Subd. 4. Removal; vacancies. Provides for removal of members for cause or for missing three consecutive meetings. Provides for filling of vacancies.

Subd. 5. Vacancies. Vacancies occurring within three months of appointment may be filled without repeating the appointment process.

Subd. 6. Officers; voting. Provides for the election of board officers and number of votes needed for specified board actions.

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Subd. 7. Board meetings. Provides the manner in which board meetings may be held. Provides for meetings by telephone under certain circumstances.

Subd. 8. Complaints. Provides for transmission of complaints received by the board to the commissioner. Provides timeline for commissioner to act on complaints.

Subd. 9. Data practices. Provides that the board is subject to the Data Practices Act.

Subd. 10. Records. Requires the board to maintain records of its official activities.

20 Electrician licenses.

Subd. 1. Clarifying language and technical changes.

Subd. 2. Clarifying language and technical changes.

Subd. 3. Provides that no new Class A installer licenses will be issued after December 1, 2007.

Subd. 3a. Clarifying language and technical changes.

Subd. 3b. Clarifying language and technical changes.

Subd. 3c. Clarifying language and technical changes.

Subd. 3d. Clarifying language and technical changes and licensing provisions removed. Increases continuing education requirement for power limited technicians from eight to 16 hours per renewal period. Extends the deadline for a person who has submitted an application from September 30, 2005, to December 31, 2007, to take the power limited technician exam without having to meet the education or experience requirements in section 326.242.

Subd. 4. Eliminates special electrician licenses.

Subd. 5. Specifies that an unlicensed individual means an individual who has not been licensed by the board to perform specific electrical work. An unlicensed individual cannot perform electrical work that is required to be performed by a licensed individual unless the individual has registered with the board as an unlicensed individual and subsequently works under the direct supervision of a licensed electrician.

Subd. 5a. Requires unlicensed individuals performing electrical work to register with the department of labor and industry.

Subd. 6. Clarifying language.

Subd. 6a. Increases the amount of the electrical contractor bond from \$5,000 to \$25,000. Technical changes.

Subd. 6b. Increases the property damage insurance limits required to be maintained by electrical contractors from \$25,000 to \$50,000.

Subd. 6c. Clarifies requirements for responsible licensed individual.

Subd. 7. Clarifying language and technical changes. Provides that a licensee need not retake an exam if a revoked or suspended license is to be reinstated within two years.

Subd. 8. Moves license fees from rule to statute. Adds \$15 fee for registration of unlicensed individuals. Changes fee for duplicate license from \$3 to \$15.

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Subds. 9 and 10. References to license enforcement by board deleted.

Subd. 11. Amends the reciprocity law by providing that the commissioner may enter reciprocity agreements for personal licenses with another state if approved by the board. Once approved by the board, the commissioner may issue a personal license without requiring that the applicant pass an examination as long as the applicant:

- ▶ submits an application;
- ▶ pays a fee
- ▶ holds a valid comparable license in the state participating in the agreement.

The applicant must have acquired the license in a qualifying state through an examination deemed equivalent to those required in this state.

Subd. 12. Clarifies supervision requirements for unlicensed maintenance electricians. Updates cross-references.

21 **Technical changes.**

22 **Technical changes and updated references.**

23 **Bond added.** Adds a requirement that inspectors must hold licenses as master or journeyman electricians and must post \$1,000 bond.

24 - 27 **Technical changes.**

28 **Inspection fees.** Increases minimum fee for each separate inspection from \$20 to \$35. Increases fees for specified inspections and investigations. Makes technical changes.

29 - 30 **Updates cross references.**

31 **Definitions.** Clarifies the definition of "responsible licensed individual."

32 **Revisor instruction.**

33 **Repealer.** Repeals definition of "special electrician," the statute establishing the current Board of Electricity, and requirement that board members remain in office until the expiration of their terms.

Article 6: Plumbing

1 **Termination of sales representatives.** Specifies that a provision in a contract between a plumbing equipment sales representative and a principal purporting to waive any provision of the Termination of Sales Representative Act shall be void.

2 **Clarifying language.**

3 **Clarifying language.**

4 **Plumbing plan review agreements.** Establishes standards for agreements between the commissioner and municipalities for municipal inspections and plan reviews required by the plumbing code. Exempts existing agreements with municipalities from the new standards. Also technical changes. Prohibits mechanical devices and/or fittings with internal moving parts from being installed in plumbing venting systems and requires that all urinals covered under the jurisdiction of the plumbing code must have a water flush device with a volume of not more than one gallon per use.

5 **Plumbing Board.**

Subd. 1. Provides that the Plumbing Board shall be composed of 13 members, including eleven appointed by the governor with the advice and consent of the senate; the commissioner of labor and industry or the designee; and the commissioner of

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health or the designee. The eleven appointed members must be two municipal plumbing inspectors, one licensed professional engineer, two commercial/industrial plumbing contractors, one residential plumbing contractor, two commercial/industrial journeymen, one residential plumbing journeyman, one water conditioning contractor and one municipal water system supply operator. Provides for staggered terms for initial appointees and three year terms for subsequent appointees. Limits members to three consecutive terms. Requires members to be residents of Minnesota and to possess a current license for the occupations they represent if it is an occupation licensed by the state.

Subd. 2. Grants the Plumbing Board the power to elect its officers, adopt bylaws, adopt the Plumbing Code for the state, issue final interpretations, adopt rules regulating licensure and registration of persons who perform plumbing work, adopt rules regulating continuing education for persons who perform plumbing work, advise the commissioner on educational requirements for plumbing inspectors, refer complaints to the commissioner, approve expenses for members, approve reciprocity agreements, select members to serve on other state advisory councils and recommend fees for licenses and certifications. All powers for administration and enforcement of laws relating to plumbing not granted to the board remain with the commissioner of labor and industry.

Subd. 3. Board members receive \$55 per diem and may be reimbursed for necessary childcare expenses. State or local government employees may not receive per diem or childcare reimbursement for board activities during hours for which they are compensated by a state or local government.

Subd. 4. Provides for removal of members for cause or for missing three consecutive meetings. Provides for filling of vacancies.

Subd. 5. Vacancies occurring within three months of appointment may be filled without repeating the appointment process.

Subd. 6. Provides for the election of board officers and number of votes needed for specified board actions.

Subd. 6a. Provides the manner in which board meetings may be held. Provides for meetings by telephone under certain circumstances.

Subd. 7. Provides for transmission of complaints received by the board to the commissioner. Provides timeline for commissioner to act on complaints.

Subd. 8. Provides that the board is subject to the Data Practices Act.

Subd. 9. Requires the board to maintain records of its official activities.

6 **Technical changes.** Also provides that local regulation may not include the requirement of an additional bond or additional liability insurance.

7 **Technical change.**

8 **Local regulations.** Changes references from the commissioner of health to the commissioner of labor and industry and provides that no city or town may require a license for persons performing building sewer or water service installation who have completed pipe laying training as prescribed the commissioner of labor and industry.

9 **Apprentices.** Requires that plumber's apprentices be supervised by a master or journeyman plumber. Other clarifying language. Establishes application procedures and fee for

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registration as plumber's apprentice.

- 10 Restricted plumber license.** Establishes criteria for a journeyman license for use in cities under 5,000 population. Establishes a restricted journeyman plumber license for any person who applies to the commissioner of Labor and Industry and provides evidence of having at least two years of practical plumbing experience in the plumbing trade prior to applying for a license. A restricted master plumbing license shall be granted to any person who applies to the commissioner and provides evidence of having at least four years of practical plumbing experience in the plumbing trade prior to application. Applications for the licenses must be submitted prior to January 1, 2008, and may be renewed annually for as long as the licensee engages in the plumbing trade. Failure to renew a license within 12 months of its expiration will result in permanent forfeiture of the restricted licenses. The licenses cannot be sold or transferred. Cities and towns are authorized to require a license for persons performing building sewer or water service installation who have completed pipe laying training as set forth by the commissioner. Restricted master plumbers and restricted journeyman plumbers may engage in the plumbing trade only in cities and towns with a population of 5,000 or fewer based on the federal census.
- 11 Reciprocity with other states.** Provides for reciprocal temporary licenses valid for five years.
- 12 Application.** Conforming changes and transfer of fees from rule to statute.
- 13 Purpose.** States purpose of state regulation of plumbing.
- 14 Definitions.** Provides definitions of "direct supervision," "municipality" and "plumbing code."
- 15 Revisor instruction.** Renumbers statutes to reflect transfer of plumbing code enforcement and licensing from the Department of Health to the Department of Labor and Industry.
- 16 Repealer.** Repeals definition of "plumber apprentice."

Article 7: Water Conditioning Contractors and Installers

- 1 - 4 Technical and clarifying language.**
- 5 Technical and clarifying language.** Clarifies that the bond and insurance requirements in statute are deemed to meet the bond and insurance requirements of a municipality.
- 6 - 9 Corrects cross-references**
- 10 Moves fees from rule to statute.**
- 11 Updates language.**
- 12 Clarifies purpose of definitions.**
- 13 Revisor instruction.** Renumbers statutes to reflect transfer of water conditioner contractor licensing from the Department of Health to the Department of Labor and Industry.

Article 8: Residential Building Contractors and Remodelers

- 1 - 3 Clarifying language.**
- 4 Definition.** The definition of "owner," for purposes of law relating to residential contractors and remodelers, is changed to mean a person who has any legal or equitable interest in real property.
- 5 Definition.** The definition of "roofer," for purposes of law relating to residential contractors and remodelers, is limited to "residential roofer."
- 6 Specialty contractors.** Exterior plaster and stucco is removed from the list of general installation specialties.

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- 7 **Clarifying language.**
- 8 **Information required.** Lists information that must be provided to the commissioner by licensees or applicants for licenses as residential building contractors, remodelers, or roofers, including current address, change in ownership or control of business, and information relating to solvency and criminal convictions. Definition of "owner" for work done by owners is clarified.
- 9 **Manufactured home installers.** Exclusions from regulation eliminated; however, provides that the commissioner may waive licensure requirements for manufactured home installers who hold unexpired certificates from other states or U.S. jurisdictions.
- 10 **Deletes obsolete reference.**
- 11 **Amends reference.** Permits verification of license by electronic communication.
- 12 **Continuing education.** Requirements moved from rules to statute.
- 13 **Clarification.** Clarifies that there is no notice required to terminate the license of a licensee who fails to replace a "qualifying person" within 120 days.
- 14 **Application and examination.** Language clarified and updated.
- 15 **Updates statutory reference.**
- 16 **Update.** Updates statute to reflect amended enforcement provisions.
- 17 **Update.** Updates statute to reflect amended enforcement provisions.
- 18 **Updates statutory reference.** Also requires a political subdivision to notify the department when an application for a building permit for construction of new residential real estate is received from an unlicensed person.
- 19 **Clarifies method for service of process.**
- 20 **Bonds and insurance.** Increases bond required for residential roofers from \$5,000 to \$15,000. Requires manufactured home installers to post a bond of at least \$2,500. Increases required liability insurance from \$100,000 to \$300,000 for residential contractors and remodelers, residential roofers, and manufactured home installers.
- 21 **Advertising.** Requires licensees to include license numbers on Web site and Internet ads.
- 22 **Language clarification.** Requires commissioner to provide public education materials in other languages.
- 23 **Language clarification.**
- 24 **Scope.** New sections 326B.801 to 326B.825 apply to residential contractors, residential remodelers, residential roofers, and manufactured home installers.
- 25 **Written contract.** Requires a written contract covering performance of services by a licensee and provides items required to be covered in the contract.
- 26 **Denial of license.** Provides that chapter 364 (which requires that persons not be disqualified from obtaining occupational licenses by reason of prior criminal convictions) does not apply to an applicant for a license when the prior criminal act would be grounds for denial of the license.
- 27 **Continuing education.** Defines terms for purposes of continuing education provisions.
- 28 **Contractor recovery fund.** Recodifies and clarifies contractor recovery fund procedures. Increases the accelerated claim limit from \$15,000 to \$50,000. Increases contractor recovery fund fees. Raises limits on payments from the fund.
- 29 **Revisor instruction.** Renumbers statutes to reflect transfer of residential contractors and remodelers enforcement and licensing from the Department of Commerce to the Department of Labor and Industry.

Section**Article 9: Boilers Pressure Vessels and Boats**

- 1 - 11 Updated and clarifying language.**
- 12 Electronic format.** Provides that applications for licenses may be made available in electronic format. Updates language.
- 13 Notice to owner.** Requires immediate notification to owner if deficiencies are found on inspection of boilers or pressure vessels.
- 14 Updated and clarifying language.**
- 15 Late fee.** Provides for a late fee of up to \$100 for inspection fees not paid on time.
- 16 - 24 Updated and clarifying language.**
- 25 Inspection personnel.** Provides for employment of inspection personnel and appointment of a chief boiler inspector. Establishes qualifications for chief boiler inspector.
- 26 Boats.** Provides for permitting and licensing of boats and boat masters.
- 27 Revisor instruction.** Renumbers statutes to reflect transfer of boiler, pressure vessel and boat inspection and licensing to the construction code and licensing division of the Department of Labor and Industry.

Article 10: High Pressure Piping

- 1 Technical changes.** Also strikes department's authority to prescribe minimum standards for high pressure piping.
- 2 Definition.** Defines "board" as the Board of High Pressure Piping Systems.
- 3 Definition.** Adds a definition of "contracting high pressure pipefitter" for purposes of laws relating to pipefitting.
- 4 Definition.** Adds a definition of "high pressure steam" for purposes of laws relating to pipefitting.
- 5 Definition.** Adds a definition of "journeyman high pressure pipefitter" for purposes of laws relating to pipefitting.
- 6 Definition.** Adds a definition of "pipefitter apprentice" for purposes of laws relating to pipefitting.
- 7 Agreement with municipality.** Provides that the commissioner may enter into an agreement with a municipality to perform inspections and issue permits relating to high pressure piping systems under specified conditions. Sets the filing fee for permits at \$100 and establishes method for calculation of inspection fees.
- 8 Updated and clarifying language.** Requires registration of unlicensed individuals other than pipefitter apprentices. Prescribes the registration process for unlicensed individuals. Provides a schedule of license fees for pipefitters.
- 9 Renewal applications.** Requires annual renewals of high pressure pipefitters competency licenses.
- 10 Board of High Pressure Piping Systems.**

Subd. 1. Provides that the Board of High Pressure Piping Systems shall be composed of 13 members, including twelve appointed by the governor with the advice and consent of the senate and the commissioner of labor and industry or the designee. The twelve appointed members must be one high pressure piping inspector, one licensed professional mechanical engineer, one representative of the high pressure piping industry, four high pressure piping contractors (two each from the metro area and

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greater Minnesota), two high pressure piping journeymen (one each from the metro area and greater Minnesota), one representative of industrial companies that use high pressure piping systems, one representative of utility companies, and one public member. Provides for staggered terms for initial appointees and three-year terms for subsequent appointees. Limits members to three consecutive terms. Requires members to be residents of Minnesota and to possess a current license for the occupations they represent if it is an occupation licensed by the state.

Subd. 2. Grants the Board of High Pressure Piping Systems the power to elect its officers, adopt bylaws, adopt the High Pressure Piping Code for the state, issue final interpretations, adopt rules regulating licensure and registration of persons who perform high pressure piping work, adopt rules regulating continuing education for persons who perform high pressure piping systems work, advise the commissioner on educational requirements for high pressure piping inspectors, refer complaints to the commissioner, approve expenses for members, approve reciprocity agreements, select members to serve on other state advisory councils and recommend fees for licenses and certifications. All powers for administration and enforcement of laws relating to high pressure pipefitting not granted to the board remain with the commissioner of labor and industry.

Subd. 3. Board members receive \$55 per diem and may be reimbursed for necessary childcare expenses. State or local government employees may not receive per diem or childcare reimbursement for board activities during hours for which they are compensated by a state or local government.

Subd. 4. Provides for removal of members for cause or for missing three consecutive meetings. Provides for filling of vacancies.

Subd. 5. Vacancies occurring within three months of appointment may be filled without repeating the appointment process.

Subd. 6. Provides for the election of board officers and number of votes needed for specified board actions.

Subd. 7. Provides the manner in which board meetings may be held. Provides for meetings by telephone under certain circumstances.

Subd. 8. Provides for transmission of complaints received by the board to the commissioner. Provides timeline for commissioner to act on complaints.

Subd. 9. Provides that the board is subject to the Data Practices Act.

Subd. 10. Requires the board to maintain records of its official activities.

- 11** **Revisor's instruction.** Renumbers statutes to reflect transfer of high pressure piping regulation and licensing to the construction code and licensing division of the Department of Labor and Industry.

Article 11: Apprenticeship Board

- 1** **Purpose.** Changes references to the Apprenticeship Advisory Council to the Apprenticeship Board.
- 2** **Council to Board.** Changes references to the Apprenticeship Advisory Council to the Apprenticeship Board.

Section

- 3** **Duties and Functions.** Changes references to the Apprenticeship Advisory Council to the Apprenticeship Board.
- 4** **Rules.** Provides that if the commissioner of labor and industry refuses to accept, adopt and issue by rule or other appropriate action a board proposal, the commissioner must provide a written explanation of the reason for refusal. The explanation must be sent to the board within 30 days after the board submits the proposal to the commissioner.

Article 12: Conforming Changes

- 1 - 18** **Miscellaneous.** Various conforming changes, language updates and clarifications.
- 19** **Access Review Board.** Adds a representative of the elevator safety section to the membership of the Access Review Board and eliminates the commissioner of labor and industry from the Board.

Article 13: Transfer; Appropriation Reduction; Repealer; Effective Date

- 1** **Fund transfer.** Requires fund transfers from the construction code fund to the general fund.
- 2** **Appropriation reductions.** Requires annual reductions of general fund and state government special revenue fund appropriations to the Commissioner of Labor and Industry.
- 3** **Repealer.**
- 4** **Effective date.** Effective December 1, 2007, except where otherwise specified.