

HOUSE RESEARCH

Bill Summary

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Article 1

Appropriations

Summary of Appropriations.

2 Jobs and Economic Development. Defines fiscal years and biennium.

3 Department of Employment and Economic Development Appropriations.

Provides funding for:

- contaminated site cleanup;
- Minnesota Trade Office;
- Women Venture;
- the Metropolitan Economic Development Association;
- Bio Business Alliance of Minnesota;
- Minnesota Inventors Congress;
- the Rural Policy and Development Center;
- small business and entrepreneur development;
- Minnesota Investment Fund;
- redevelopment account;
- Minnesota Jobs Skills Partnership;

- vocational rehabilitation programs;
- state services for the blind programs;
- centers for independent living;
- Twin Cities RISE!;
- Northern Connections;
- extended employment services for persons with severe disabilities;
- employment support for persons with mental illness;
- Rise, Inc.;
- Lifetrack Resources;
- opportunities industrialization center programs;
- Minnesota youth programs;
- Minneapolis summer youth employment programs;
- Learn to earn;
- Minnesota Alliance of Boys and Girls Clubs;
- St. Paul summer youth employment;
- Youthbuild;
- interpreters for regional transition programs for deaf, hard of hearing and deaf-blind students; and
- competitive grants for a youth workforce development pilot program.

4 Housing Finance Agency. Appropriates funds for the following:

- challenge program
- housing trust fund
- rental assistance for the mentally ill
- family homeless prevention
- home ownership assistance fund
- affordable rental investment fund
- housing rehabilitation
- homeownership education, counseling, and training
- capacity building grants

- 5 **Department of Labor and Industry.** Appropriates funds for the following items:
- workers compensation
 - Vinland Center
 - labor standards/apprenticeship programs
- 6 **Bureau of Mediation Services.**
- 7 **Workers' Compensation Court of Appeals.**
- 8 **Board of Accountancy.**
- 9 **Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design.**
- 10 **Board of Cosmetologist Examiners.**
- 11 **Board of Barber Examiners.**
- 12 **Minnesota Science and Technology Authority.**
- 13 **Transfers from the Douglas J. Johnson Fund and UI state administration funds to the general fund.**

Article 2

Economic Development and Miscellaneous Provisions

- 1 **Monitoring pass-through grants.** Directs the commissioner of DEED to monitor the outcomes and activities of programs and services funded by pass-through grants. Authorizes the commissioner to retain up to 5 percent of the amount appropriated for the grants for administering and monitoring.
- 2 **Definitions.** Provides a definition of "intern" for the angel investment tax credit program to mean a student or recent graduate (within six months) of an accredited higher education institution employed on a temporary basis (less than nine months duration). Effective retroactive to January 1, 2011.
- 3 **Certification of qualified small business.** Provides for a reduced minimum wage required to be paid to interns. Noninterns must be paid at least 175 percent of the federal poverty guidelines for a family of four. Interns may be paid at least 175 percent of the federal minimum wage used for federally covered employers. Raises the limit from \$2 million to \$4 million for the amount of previously received private equity investment that a business may have received and still be certified as a qualifying small business. Effective retroactive to January 1, 2011.
- 4 **Certification of qualified funds.** Provides that a fund seeking certification must have at least three separate investors of whom at least three whose investment is made in the certified business and who seek a tax credit allocation, qualify as qualified investors who are natural persons and certify that they will invest in a transaction that is exempt under regulated securities requirements, or in a security registered under the small corporate offerings registration. Effective retroactive to January 1, 2011.
- 5 **Administrative costs.** Strikes reference to general fund for purposes of Youthbuild appropriation and limit on use for administrative expenses.
- 6 **Distribution and use of state money.** Provides that the commissioner may use up to 5 percent of the

appropriation for the OICs to pay the cost incurred by the department in administering the program.

- 7 Registration/registered apprentices.** Specifies that for the purposes of a registered barber apprentice, the expiration of a certificate issued to a person while incarcerated is extended once so that the expiration date occurs four years from the date of release from prison.
- 8 Qualifications.** Modifies the qualification to receive a certificate of registration as an barber instructor to requires a person to have successfully completed training from a board-approved program of at least 40 clock hours, or completed a college or university program resulting in a technical or vocational education certificate or its equivalent that is issued by an accredited school and which is approved by the board.
- 9 Application; fee.** Requires exam applicants to prove their identity by presenting a government issued picture ID.
- 10 Examination of nonresidents.** Removes provision requiring reciprocal treatment of nonresidents regarding examination.
- 11 Examination of nonresident apprentices.** Removes provision requiring reciprocal treatment of nonresidents regarding examination.
- 12 Overpayment because of fraud.** Specifies that payments made toward UI penalties are credited to the contingent account.
- 13 Interest.** Directs that interest payments related to UI fraud penalties are deposited in the contingent account.
- 14 Contingent account.** Statutorily reallocates funds in the UI contingent account to the general fund beginning in fiscal year 2012.
- 15 Occupation taxes apportioned.** Removes the allocation of occupation taxes for region three.
- 16 Combative sports commission fees.** Provides for fee changes to make the commission supported by fee revenue.
- 17 Combative sports commission.** Strikes 2009 session law language that eliminated the combative sports commission on July 1, 2011, if it was found to be not self-supporting.

Article 3

Labor and Industry

- 1 Application.** Strikes language relating to independent contractor exemption certificate registration that specifies that when a person submits a simultaneous application for a residential contractor or remodeler license and an independent contractor exemption certificate, the fee is \$150. Also adds language that gives the commissioner the authority to file and enforce unpaid penalties as a judgment in district court without additional notice or proceedings.
- 2 Enforcement.** Corrects a statutory reference regarding enforcement.
- 3 Deposits.** Clarifies DOLI fees that are deposited in the construction code fund.
- 4 Definitions.** Provides new definition of qualifying individual as person responsible for obtaining continuing education on behalf of contractors, remodelers or roofers.

- 5 **Continuing education.** Clarifies continuing education requirements applicable to seminars offered by the department; adds refund requirement for cancelled seminars.
- 6 **Continuing education; nondepartment seminars.** Creates a new section applicable to seminars offered by an entity other than the department.
- 7 **Effective date of rules.** Changes the effective date of state building code rules from 180 days after the rule is filed with the secretary of state, to 180 days after the publication of the rule's notice of adoption in the state register.
- 8 **Computation.** Extends the \$5 permit surcharge through June 30, 2013.
- 9 **Backflow prevention rebuilder.** Provides definition of backflow prevention rebuilder.
- 10 **Backflow prevention tester.** Provides definition of a backflow prevention tester.
- 11 **Plumbing contractor.** Changes term responsible "licensed plumber" to responsible "individual."
- 12 **Responsible individual.** Changes term responsible "licensed plumber" to responsible "individual."
- 13 **Restricted plumbing contractor.** Changes term responsible "licensed plumber" to responsible "individual."
- 14 **Powers; duties; administrative support.** Modifies powers and duties of the plumbing board to include: the authority to adopt rules regarding licensure of restricted plumbing contractors; certification of and continuing education for persons engaged in medical gas system installation, maintenance or repair; and certification of and continuing education for backflow prevention rebuilders and testers. Authorizes the board to recommend registration fees.
- 15 **Reduced pressure backflow prevention rebuilders and testers.** Requires backflow prevention rebuilder and backflow prevention tester certificates for testing, maintenance, repair, or rebuilding of reduced pressure zone backflow prevention assemblies. Prohibits anyone from performing or offering to perform this work unless they have a plumbing contractor license. Provides that certificates are good for two years and requires the board to adopt expedited rulemaking that expires December 31, 2014. Existing certificate programs that require at least 16 contact hours and include passage of an exam are allowed until the board adopts rules.
- 16 **Medical gas systems.** Aligns medical gas certification with the fee schedule enacted in 2010 and the two-year licensing cycle. Clarifies that persons who work with medical gas systems must hold a plumbing contractor license. Changes the term "person" to individual."
- 17 **Exemptions from licensing.** Changes term "responsible person" to "responsible individual" and clarifies that those who do pipe laying do not need a plumbing contractor license if they have posted a bond and maintain the required liability insurance.
- 18 **Employment of master plumber or restricted master plumber.** Changes term "responsible person" to "responsible individual."
- 19 **Bond; insurance.** Clarifies that persons that perform sewer or water service installation do not need a contractors license; they must meet the same bond and liability insurance requirements as a plumbing contractor.
- 20 **Bond insurance exemption.** Provides that an individual-who is either a licensed plumber or who has completed approved pipe laying training-employed by a person in compliance with bond and insurance requirements, does not personally need to meet those requirements.

- 21 Registration; supervision; records.** Clarifies that individuals that have completed pipe laying training do not have to register as unlicensed persons. Provides clarification of registered unlicensed individuals.
- 22 Registration, rules, applications, renewals, and fees.** Clarifies reference to the Plumbing Board.
- 23 Application, examination, and license fees.** Technical coordination with definitions of "person" and "individual." Clarifies that persons that perform sewer or water installation that do not have a contractor's license must pay a bond filing fee consistent with that for filing a mechanical bond.
- 24 Bonds.** Removes obsolete reference to water conditioning installer.
- 25 Fees; renewal.** Removes obsolete reference to water conditioning installer.
- 26 Appropriate and related knowledge.** Clarifies definition for more general application.
- 27 Classroom hour.** Clarifies definition.
- 28 Medical hardship.** Clarifies definition.
- 29 Regulated industry.** Clarifies definition.
- 30 Purpose.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 31 Content.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 32 Internet continuing education.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 33 Course approval.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 34 Courses open to all.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 35 Course sponsor.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 36 Responsibilities.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 37 Instructors.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B. Requires instructors dealing with electricity, plumbing or high pressure piping to comply with rules adopted by the respective boards.
- 38 Prohibited practices for sponsors and instructors.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 39 Course tuition.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 40 Advertising courses.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.

- 41 Notice to students.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 42 Falsification of reports or certificates.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 43 Waivers and extensions.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 44 Reporting requirements.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 45 Continuing education approval.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 46 Continuing education fees.** Technical; provides for consistent continuing education requirements by nondepartmental entities for trades regulated under chapter 326B.
- 47 Sign contractor bond.** Aligns with fee schedule enacted in 2010.
- 48 Verified application.** Relates to applications for payment from the Contractor Recovery Fund by clarifying that payouts do not include any attorney fees or costs that aren't directly related to the value difference between what was contracted for and what was provided.
- 49 Administrative hearing.** Clarifies that the commissioner, owner or lessee may seek judicial review of an administrative law judge's order regarding compensation from the Contractor Recovery Fund under the provisions of chapter 14, the Administrative Procedures Act.
- 50 Requirement; used manufactured homes.** Requires licensed or limited manufactured home retailers to retain at least one copy of compliance forms to meet dealer record requirements.
- 51 Alternative design plan.** Adds local building officials and third-party inspectors to the list of those to whom an alternative frost-free design slab for new or used manufactured homes may be submitted. The compliance standards are amended to be either the federal installation standard in effect at the date of manufacture, the manufacturer's installation manual, or the Minnesota State Building Code. A permit must be issued within ten days of receipt by the department or the approving authority.
- 52 Reinstallation requirements.** Removes the reference to single-section used manufactured homes.
- 53 Notice requirement.** Removes the reference to single-section used manufactured homes.
- 54 Enforcement.** Authorizes municipalities that have adopted the state building code to do manufactured housing installation inspections and review plans in areas that have not adopted the code.
- 55 Fees.** Provides that municipalities that provide inspection services in noncode areas must charge fees equal to those imposed in code areas. Third-party vendors may charge their usual and normal fees.
- 56 Payment to manufactured home trust fund.** Establishes a \$1 million cap on manufactured home park owner payments into the manufactured home relocation trust fund, so that if the balance in the fund is over \$1 million at the end of a fiscal year, park owners do not get assessed for payments for the subsequent fiscal year. The fund is used for compensation to manufactured home owners under certain conditions when a manufactured home park is closed or converted to another use.
- 57 Revisor's instruction.** Provides for renumbering of statutes.

58 **Repealer.** Repeals sections 326B82, subdivisions 4 ("coordinator" replaced with "sponsor" and defined in another section); subdivision 6, obsolete definition of licensee; and section 326B.821, subdivision 3, specific continuing education requirement that is dealt with generically.