

SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION

S.F. No. 1371

(SENATE AUTHORS: SPARKS)

DATE	D-PG	OFFICIAL STATUS
03/05/2015	562	Introduction and first reading Referred to Jobs, Agriculture and Rural Development

A bill for an act

1.1 relating to labor and industry; making housekeeping changes to the Construction
1.2 Codes and Licensing Division; removing obsolete, redundant, and unnecessary
1.3 laws and rules; making conforming changes; authorizing rulemaking; amending
1.4 Minnesota Statutes 2014, sections 326B.092, subdivisions 3, 7; 326B.094,
1.5 subdivisions 2, 3; 326B.098, by adding a subdivision; 326B.106, subdivisions
1.6 4, 7; 326B.109, subdivision 2; 326B.135, subdivision 4; 326B.139; 326B.164,
1.7 subdivision 8; 326B.184, subdivision 2; 326B.194; 326B.33, subdivisions 6, 15;
1.8 326B.37, subdivision 11; 326B.46, subdivisions 1b, 2; 326B.49, subdivision
1.9 3; 326B.56, subdivision 1; 326B.701, subdivision 3; 326B.811, subdivision
1.10 1; 326B.84; 326B.86, subdivision 1; 326B.921, subdivision 5; 326B.978, by
1.11 adding a subdivision; 326B.99, subdivision 2; proposing coding for new law in
1.12 Minnesota Statutes, chapter 326B; repealing Minnesota Statutes 2014, sections
1.13 16C.0745; 326B.091, subdivision 6; 326B.106, subdivision 10; 326B.169;
1.14 326B.181; 471.465; 471.466; 471.467; 471.468.
1.15

1.16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1

CONSTRUCTION CODES AND LICENSING

1.17
1.18
1.19 Section 1. **[326B.0921] BOND REQUIREMENTS.**

1.20 (a) All bonds that are required by this chapter must be in the form of a corporate
1.21 surety bond conditioned upon the faithful and lawful performance of all work contracted
1.22 for or performed in the state of Minnesota. The bond must be for the benefit of any person
1.23 injured or suffering financial loss by reason of the licensee's failure to comply with the
1.24 requirements of this chapter, the State Building Code, and all contracts entered into.

1.25 (b) The licensee must file the bond with the commissioner on the bond form
1.26 provided by the commissioner. The bond must be in lieu of all other license bonds to any
1.27 other political subdivision. The bond must be written by a corporate surety licensed
1.28 to do business in the state of Minnesota.

2.1 (c) The penal sum of the bond is cumulative and must be aggregated every two years
2.2 that the bond is in force. The aggregate liability shall be limited to the bond penalty shown
2.3 on the bond form for each two-year period that the bond remains in effect for any losses
2.4 that occur during each two-year period. The bond shall be effective continuously from
2.5 the date of issue but may be canceled as to future liability by the surety upon 30 days'
2.6 written notice mailed to the commissioner by certified mail. In the event the surety pays a
2.7 claim that reduces the penal sum of the bond, the surety must notify the commissioner
2.8 in writing of the payment of the claim and the reduced penal sum of the bond within 15
2.9 days of the payment of the claim.

2.10 (d) A licensee that is required to maintain a bond as a condition of licensure must
2.11 ensure that it has a valid bond filed with the commissioner at all times that its license is
2.12 active and that the required penal sum of the bond is maintained at all times.

2.13 Sec. 2. Minnesota Statutes 2014, section 326B.094, subdivision 2, is amended to read:

2.14 Subd. 2. **Availability of renewal.** A licensee may apply to renew a license no later
2.15 than two years after the expiration of the license. If the department receives a complete
2.16 renewal application no later than two years after the expiration of the license, then the
2.17 department must approve or deny the renewal application within 60 days of receiving the
2.18 complete renewal application. If the department receives a renewal application more than
2.19 two years after the expiration of the license, the department must return the renewal license
2.20 fee to the applicant without approving or denying the application. If the licensee wishes
2.21 to obtain a valid license more than two years after expiration of the license, the licensee
2.22 must apply for a new license. This section does not apply to a holder of a certificate of
2.23 exemption issued under section 326B.805, subdivision 6, unlicensed individuals who
2.24 register with the department under section 326B.33, subdivision 12, or 326B.47, or a
2.25 mechanical contractor that files a bond with the department under section 326B.197.

2.26 Sec. 3. Minnesota Statutes 2014, section 326B.098, is amended by adding a
2.27 subdivision to read:

2.28 Subd. 4. **Courses submitted by the state.** State agencies submitting courses for
2.29 review that are intended for licensees regulated by the department are not required to
2.30 pay the course approval fee. Courses must still be reviewed for appropriate credit in the
2.31 designated license discipline. The department will act as sponsor for courses submitted by
2.32 state agencies that are approved for continuing education.

2.33 Sec. 4. Minnesota Statutes 2014, section 326B.164, subdivision 8, is amended to read:

3.1 Subd. 8. **Bond required.** As a condition of licensing, each contractor shall give and
3.2 maintain bond to the state in the penal sum of \$25,000, ~~conditioned upon the faithful and~~
3.3 ~~lawful performance of all work contracted for or performed by the contractor within the~~
3.4 ~~state of Minnesota, and such bond shall be for the benefit of persons injured or suffering~~
3.5 ~~financial loss by reason of failure of such performance. The bond shall be filed with~~
3.6 ~~the commissioner and shall be in lieu of all other license bonds to any other political~~
3.7 ~~subdivision. The bond shall be written by a corporate surety licensed to do business in the~~
3.8 ~~state of Minnesota.~~ The bond must comply with section 326B.0921.

3.9 Sec. 5. Minnesota Statutes 2014, section 326B.184, subdivision 2, is amended to read:

3.10 Subd. 2. **Operating permits and fees; periodic inspections.** (a) No person may
3.11 operate an elevator without first obtaining an annual operating permit from the department
3.12 or a municipality authorized by subdivision 4 to issue annual operating permits. A \$100
3.13 annual operating permit fee must be paid to the department for each annual operating
3.14 permit issued by the department, except that the original annual operating permit must
3.15 be included in the permit fee for the initial installation of the elevator. Annual operating
3.16 permits must be issued at 12-month intervals from the date of the initial annual operating
3.17 permit. For each subsequent year, an owner must be granted an annual operating permit
3.18 for the elevator upon the owner's or owner's agent's submission of a form prescribed by
3.19 the commissioner and payment of the \$100 fee. Each form must include the location of
3.20 the elevator, the results of any periodic test required by the code, and any other criteria
3.21 established by rule. An annual operating permit may be revoked by the commissioner
3.22 upon an audit of the periodic testing results submitted with the application or a failure to
3.23 comply with elevator code requirements, inspections, or any other law related to elevators.
3.24 Except for an initial operating permit fee, elevators in residential dwellings, hand-powered
3.25 manlifts and electric endless belt manlifts, and vertical reciprocating conveyors are not
3.26 subject to a subsequent operating permit fee.

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

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

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

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

4.2 Sec. 6. Minnesota Statutes 2014, section 326B.33, subdivision 6, is amended to read:

4.3 Subd. 6. **Bond.** Every Class A and Class B installer, as a condition of licensure,
4.4 shall give bond to the state in the penal sum of \$1,000 ~~conditioned upon the faithful and~~
4.5 ~~lawful performance of all work contracted for or entered upon by the installer within the~~
4.6 ~~state of Minnesota, and such bond shall be for the benefit of persons injured or suffering~~
4.7 ~~financial loss by reason of failure of such performance. Such bond shall be in lieu of all~~
4.8 ~~other license bonds to any political subdivision of the state. Such bond shall be written~~
4.9 ~~by a corporate surety licensed to do business in the state of Minnesota. The bond must~~
4.10 ~~comply with section 326B.0921.~~

4.11 Sec. 7. Minnesota Statutes 2014, section 326B.33, subdivision 15, is amended to read:

4.12 Subd. 15. **Bond required.** As a condition of licensing, each contractor shall
4.13 give and maintain bond to the state in the penal sum of \$25,000 ~~conditioned upon the~~
4.14 ~~faithful and lawful performance of all work contracted for or performed by the contractor~~
4.15 ~~within the state of Minnesota and such bond shall be for the benefit of persons injured or~~
4.16 ~~suffering financial loss by reason of failure of such performance. The bond shall be filed~~
4.17 ~~with the commissioner and shall be in lieu of all other license bonds to any other political~~
4.18 ~~subdivision. Such bond shall be written by a corporate surety licensed to do business in~~
4.19 ~~the state of Minnesota. The bond must comply with section 326B.0921.~~

4.20 Sec. 8. Minnesota Statutes 2014, section 326B.37, subdivision 11, is amended to read:

4.21 Subd. 11. **Inspection of transitory project.** (a) For inspection of transitory projects
4.22 including, but not limited to, festivals, fairs, carnivals, circuses, shows, production sites,
4.23 and portable road construction plants, the inspection procedures and fees are as specified
4.24 in paragraphs (b) to (i).

4.25 (b) The fee for inspection of each generator or other source of supply is that specified
4.26 in subdivision 3. A like fee is required at each engagement or setup.

4.27 (c) In addition to the fee for generators or other sources of supply, there must be an
4.28 inspection of all installed feeders, circuits, and equipment at each engagement or setup at
4.29 the hourly rate specified in subdivision 10, with a one-hour minimum.

4.30 (d) An owner, operator, or appointed representative of a transitory enterprise
4.31 including, but not limited to, festivals, fairs, carnivals, circuses, production companies,
4.32 shows, portable road construction plants, and similar enterprises shall notify the
4.33 commissioner of its itinerary or schedule and make application for initial inspection

5.1 a minimum of 14 days before its first engagement or setup. An owner, operator, or
5.2 appointed representative of a transitory enterprise who fails to notify the commissioner 14
5.3 days before its first engagement or setup may be subject to the investigation fees specified
5.4 in subdivision 7. The owner, operator, or appointed representative shall request inspection
5.5 and pay the inspection fee for each subsequent engagement or setup at the time of the
5.6 initial inspection. For subsequent engagements or setups not listed on the itinerary or
5.7 schedule submitted to the commissioner and where the commissioner is not notified at
5.8 least 48 hours in advance, a charge of \$100 may be made in addition to all required fees.

5.9 (e) Amusement rides, devices, concessions, attractions, or other units must be
5.10 inspected at their first appearance of the year. The inspection fee is \$35 per unit with a
5.11 supply of up to 60 amperes and \$40 per unit with a supply above 60 amperes.

5.12 (f) An additional fee at the hourly rate specified in subdivision 10 must be charged
5.13 for additional time spent by each inspector if equipment is not ready or available for
5.14 inspection at the time and date specified on the application for initial inspection or the
5.15 request for electrical inspection form.

5.16 (g) In addition to the fees specified in paragraphs ~~(a)~~ and ~~(b)~~ and ~~(c)~~, a fee of one
5.17 hour at the hourly rate specified in subdivision 10 must be charged for inspections required
5.18 to be performed on Saturdays, Sundays, holidays, or after regular business hours.

5.19 (h) The fee for reinspection of corrections or supplemental inspections where an
5.20 additional trip is necessary may be assessed as specified in subdivision 8.

5.21 (i) The commissioner shall retain the inspection fee when an owner, operator, or
5.22 appointed representative of a transitory enterprise fails to notify the commissioner at least
5.23 48 hours in advance of a scheduled inspection that is canceled.

5.24 Sec. 9. Minnesota Statutes 2014, section 326B.46, subdivision 1b, is amended to read:

5.25 Subd. 1b. **Employment of master plumber or restricted master plumber.** (a)
5.26 Each contractor must designate a responsible licensed plumber, who shall be responsible
5.27 for the performance of all plumbing work in accordance with sections 326B.41 to 326B.49,
5.28 all rules adopted under these sections and sections 326B.50 to 326B.59, and all orders
5.29 issued under section 326B.082. A plumbing contractor's responsible individual must be
5.30 a master plumber. A restricted plumbing contractor's responsible individual must be a
5.31 master plumber or a restricted master plumber. A plumbing contractor license authorizes
5.32 the contractor to offer to perform and, through licensed and registered individuals,
5.33 to perform plumbing work in all areas of the state. A restricted plumbing contractor
5.34 license authorizes the contractor to offer to perform and, through licensed and registered

6.1 individuals, to perform plumbing work in all areas of the state except in cities and towns
6.2 with a population of more than 5,000 according to the last federal census.

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

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

6.15 (d) Upon the departure or disqualification of a licensee's responsible licensed
6.16 individual because of death, disability, retirement, position change, or other reason, the
6.17 licensee must notify the commissioner within 15 business days. The licensee shall have 60
6.18 days from the departure of the responsible licensed individual to obtain a new responsible
6.19 licensed individual. Failure to secure a new responsible licensed individual within 60 days
6.20 will, with or without notice, result in the voluntary termination of the license.

6.21 Sec. 10. Minnesota Statutes 2014, section 326B.46, subdivision 2, is amended to read:

6.22 Subd. 2. **Bond; insurance.** (a) The bond and insurance requirements of paragraphs
6.23 (b) and (c) apply to each person who performs or offers to perform plumbing work within
6.24 the state, including any person who offers to perform or performs sewer or water service
6.25 installation without a contractor's license. If the person performs or offers to perform any
6.26 plumbing work other than sewer or water service installation, then the person must meet
6.27 the requirements of paragraphs (b) and (c) as a condition of holding a contractor's license.

6.28 (b) Each person who performs or offers to perform plumbing work within the state
6.29 shall give and maintain bond to the state in the ~~amount~~ penal sum of at least \$25,000
6.30 for (1) all plumbing work entered into within the state or (2) all plumbing work and
6.31 subsurface sewage treatment work entered into within the state. If the bond is for both
6.32 plumbing work and subsurface sewage treatment work, the bond must comply with the
6.33 requirements of this section and section 115.56, subdivision 2, paragraph (e). ~~The bond~~
6.34 ~~shall be for the benefit of persons injured or suffering financial loss by reason of failure~~
6.35 ~~to comply with the requirements of the State Plumbing Code and, if the bond is for both~~

7.1 ~~plumbing work and subsurface sewage treatment work, financial loss by reason of failure~~
7.2 ~~to comply with the requirements of sections 115.55 and 115.56. The bond shall be filed~~
7.3 ~~with the commissioner and shall be written by a corporate surety licensed to do business~~
7.4 ~~in the state. The bond must comply with section 326B.0921.~~

7.5 (c) Each person who performs or offers to perform plumbing work within the
7.6 state shall have and maintain in effect public liability insurance, including products
7.7 liability insurance with limits of at least \$50,000 per person and \$100,000 per occurrence
7.8 and property damage insurance with limits of at least \$10,000. The insurance shall be
7.9 written by an insurer licensed to do business in the state of Minnesota. Each person who
7.10 performs or offers to perform plumbing work within the state shall maintain on file
7.11 with the commissioner a certificate evidencing the insurance. In the event of a policy
7.12 cancellation, the insurer shall send written notice to the commissioner at the same time
7.13 that a cancellation request is received from or a notice is sent to the insured.

7.14 Sec. 11. Minnesota Statutes 2014, section 326B.49, subdivision 3, is amended to read:

7.15 Subd. 3. **Permits; fees.** (a) Before commencement of a plumbing installation to be
7.16 inspected by the commissioner, the plumbing contractor or registered plumbing employer
7.17 performing the plumbing work must submit to the commissioner an application for a
7.18 permit and the permit and inspection fees in paragraphs (b) to (f).

7.19 (b) The permit fee is \$100.

7.20 (c) The residential inspection fee is \$50 for each inspection trip.

7.21 (d) The public, commercial, and industrial inspection fees are as follows:

7.22 (1) for systems with water distribution, drain, waste, and vent system connection:

7.23 (i) \$25 for each fixture, permanently connected appliance, floor drain, or other
7.24 appurtenance;

7.25 (ii) \$25 for each water conditioning, water treatment, or water filtration system; and

7.26 (iii) \$25 for each interceptor, separator, catch basin, or manhole;

7.27 (2) roof drains, \$25 for each drain;

7.28 (3) building sewer service only, \$100;

7.29 (4) building water service only, \$100;

7.30 (5) building water distribution system only, no drainage system, \$5 for each fixture
7.31 supplied;

7.32 (6) storm drainage system, a minimum fee of \$25 for each drain opening, interceptor,
7.33 separator, or catch basin;

7.34 (7) manufactured home park or campground, \$25 for each site;

8.1 (8) reinspection fee to verify corrections, regardless of the total fee submitted, \$100
8.2 for each reinspection; and

8.3 (9) each \$100 in fees paid covers one inspection trip.

8.4 (e) In addition to the fees in paragraph (e) ~~(e)~~ (d), the fee submitter must pay an hourly
8.5 rate of \$80 during regular business hours, or \$120 when inspections are requested to be
8.6 performed outside of normal work hours or on weekends and holidays, with a two-hour
8.7 minimum where the fee submitter requests inspections of installations as systems are
8.8 being installed.

8.9 (f) The fee submitter must pay a fee equal to two hours at the hourly rate of \$80
8.10 when inspections scheduled by the submitter are not able to be completed because the
8.11 work is not complete.

8.12 Sec. 12. Minnesota Statutes 2014, section 326B.56, subdivision 1, is amended to read:

8.13 Subdivision 1. **Bonds.** (a) As a condition of licensing, each water conditioning
8.14 contractor shall give and maintain a bond to the state as described in paragraph (b). No
8.15 applicant for a water conditioning contractor license who maintains the bond under
8.16 paragraph (b) shall be otherwise required to meet the bond requirements of any political
8.17 subdivision.

8.18 (b) Each bond given to the state under this subdivision shall be in the ~~total~~ penal sum
8.19 of \$3,000 ~~conditioned upon the faithful and lawful performance of all water conditioning~~
8.20 ~~installation or servicing done within the state. The bond shall be for the benefit of~~
8.21 ~~persons suffering injuries or damages due to the work. The bond shall be filed with the~~
8.22 ~~commissioner and shall be written by a corporate surety licensed to do business in this~~
8.23 ~~state. The bond must remain in effect at all times while the application is pending and~~
8.24 ~~while the license is in effect~~ and must comply with section 326B.0921.

8.25 Sec. 13. Minnesota Statutes 2014, section 326B.701, subdivision 3, is amended to read:

8.26 Subd. 3. **Registration application.** (a) Persons required to register under this
8.27 section must submit electronically, in the manner prescribed by the commissioner, a
8.28 complete application according to paragraphs (b) to (d).

8.29 (b) A complete application must include all of the following information about any
8.30 individual who is registering as an individual or a sole proprietor, or who owns 25 percent
8.31 or more of a business entity being registered:

8.32 (1) the individual's full legal name and title at the applicant's business;

8.33 (2) the individual's business address and telephone number;

8.34 (3) the percentage of the applicant's business owned by the individual; and

9.1 (4) the individual's Social Security number.

9.2 (c) A complete application must also include the following information:

9.3 (1) the applicant's legal name; assumed name filed with the secretary of state, if any;
9.4 designated business address; physical address; telephone number; and e-mail address;

9.5 (2) the applicant's Minnesota tax identification number, if one is required or has
9.6 been issued;

9.7 (3) the applicant's federal employer identification number, if one is required or
9.8 has been issued;

9.9 (4) evidence of the active status of the applicant's business filings with the secretary
9.10 of state, if one is required or has been issued;

9.11 (5) whether the applicant has any employees at the time the application is filed;

9.12 (6) the names of all other persons with an ownership interest in the business entity
9.13 who are not identified in paragraph (b), and the percentage of the interest owned by each
9.14 person, except that the names of shareholders with less than ten percent ownership in a
9.15 publicly traded corporation need not be provided;

9.16 (7) information documenting compliance with workers' compensation and
9.17 unemployment insurance laws;

9.18 (8) a certification that the person signing the application has: reviewed it; determined
9.19 that the information provided is true and accurate; and determined that the person signing
9.20 is authorized to sign and file the application as an agent of the applicant. The name of the
9.21 person signing, entered on an electronic application, shall constitute a valid signature of
9.22 the agent on behalf of the applicant; and

9.23 (9) a signed authorization for the Department of Labor and Industry to verify the
9.24 information provided on or with the application.

9.25 (d) A registered person must notify the commissioner within 15 days after there is a
9.26 change in any of the information on the application as approved. This notification must be
9.27 provided electronically in the manner prescribed by the commissioner. However, if the
9.28 business entity structure, or legal form of the business entity, ~~or business ownership~~ has
9.29 changed, the person must submit a new registration application and registration fee, if
9.30 any, for the new business entity.

9.31 (e) The registered person must remain registered while providing construction
9.32 services for another person. The provisions of sections 326B.091, 326B.094, 326B.095,
9.33 and 326B.097 apply to this section. A person with an expired registration shall not provide
9.34 construction services for another person if registration is required under this section.

9.35 Registration application and expiration time frames are as follows:

10.1 (1) all registrations issued on or before ~~June 30~~ December 31, 2015, expire on ~~June~~
 10.2 ~~30~~ December 31, 2015;

10.3 (2) all registrations issued after ~~June 30~~ December 31, 2015, expire on the following
 10.4 ~~June 30~~ December 31 of each odd-numbered year; and

10.5 (3) a person may submit a registration or renewal application starting ~~April~~ October
 10.6 1 of the year the registration expires. If a renewal application is submitted later than ~~May~~
 10.7 December 1 of the expiration year, registration may expire before the department has
 10.8 issued or denied the registration.

10.9 Sec. 14. Minnesota Statutes 2014, section 326B.811, subdivision 1, is amended to read:

10.10 Subdivision 1. **Required.** A person who has entered into a written contract with
 10.11 a residential building contractor, residential remodeler, or residential roofer ~~or a siding~~
 10.12 ~~contractor registered under section 326B.802, subdivision 15,~~ to provide goods and
 10.13 services to be paid by the insured from the proceeds of a property or casualty insurance
 10.14 policy has the right to cancel the contract within 72 hours after the insured has been
 10.15 notified by the insurer that the claim has been denied. Cancellation is evidenced by the
 10.16 insured giving written notice of cancellation to the contractor at the address stated in the
 10.17 contract. Notice of cancellation, if given by mail, is effective upon deposit in a mailbox,
 10.18 properly addressed to the contractor and postage prepaid. Notice of cancellation need not
 10.19 take a particular form and is sufficient if it indicates, by any form of written expression,
 10.20 the intention of the insured not to be bound by the contract.

10.21 Sec. 15. Minnesota Statutes 2014, section 326B.84, is amended to read:

10.22 **326B.84 GROUNDS FOR SANCTIONS.**

10.23 The commissioner may use any enforcement provision in section 326B.082 against
 10.24 an applicant for, qualifying person of, or holder of a license or certificate of exemption,
 10.25 if the applicant, licensee, certificate of exemption holder, qualifying person, or owner,
 10.26 officer, member, managing employee, or affiliate of the applicant, licensee, or certificate
 10.27 of exemption holder:

10.28 (1) has filed an application for licensure or a certificate of exemption which is
 10.29 incomplete in any material respect or contains any statement which, in light of the
 10.30 circumstances under which it is made, is false or misleading with respect to any material
 10.31 fact;

10.32 (2) has engaged in a fraudulent, deceptive, or dishonest practice;

10.33 (3) is permanently or temporarily enjoined by any court of competent jurisdiction
 10.34 from engaging in or continuing any conduct or practice involving any aspect of the business;

11.1 (4) has failed to reasonably supervise employees, agents, subcontractors, or
11.2 salespersons, or has performed negligently or in breach of contract, so as to cause injury
11.3 or harm to the public;

11.4 (5) has violated or failed to comply with any provision of sections 326B.802 to
11.5 326B.885, any rule or order under sections 326B.802 to 326B.885, or any other law, rule,
11.6 or order related to the duties and responsibilities entrusted to the commissioner;

11.7 (6) has been convicted of a violation of the State Building Code or has refused to
11.8 comply with a ~~notice of violation or stop~~ correction order issued by a certified building
11.9 official, or in local jurisdictions that have not adopted the State Building Code has refused
11.10 to correct a violation of the State Building Code when the violation has been documented ~~or~~
11.11 ~~a notice of violation or stop order~~ issued by a certified building official ~~has been received~~;

11.12 (7) has failed to use the proceeds of any payment made to the licensee for the
11.13 construction of, or any improvement to, residential real estate, as defined in section
11.14 326B.802, subdivision 13, for the payment of labor, skill, material, and machinery
11.15 contributed to the construction or improvement, knowing that the cost of any labor
11.16 performed, or skill, material, or machinery furnished for the improvement remains unpaid;

11.17 (8) has not furnished to the person making payment either a valid lien waiver as to
11.18 any unpaid labor performed, or skill, material, or machinery furnished for an improvement,
11.19 or a payment bond in the basic amount of the contract price for the improvement
11.20 conditioned for the prompt payment to any person or persons entitled to payment;

11.21 (9) has engaged in an act or practice that results in compensation to an aggrieved
11.22 owner or lessee from the contractor recovery fund pursuant to section 326B.89, unless:

11.23 (i) the applicant or licensee has repaid the fund twice the amount paid from the fund,
11.24 plus interest at the rate of 12 percent per year; and

11.25 (ii) the applicant or licensee has obtained a surety bond in the amount of at least
11.26 \$40,000, issued by an insurer authorized to transact business in this state;

11.27 (10) has engaged in bad faith, unreasonable delays, or frivolous claims in defense
11.28 of a civil lawsuit or arbitration arising out of their activities as a licensee or certificate
11.29 of exemption holder under this chapter;

11.30 (11) has had a judgment entered against them for failure to make payments to
11.31 employees, subcontractors, or suppliers, that the licensee has failed to satisfy and all
11.32 appeals of the judgment have been exhausted or the period for appeal has expired;

11.33 (12) if unlicensed, has obtained a building permit by the fraudulent use of a fictitious
11.34 license number or the license number of another, or, if licensed, has knowingly allowed
11.35 an unlicensed person to use the licensee's license number for the purpose of fraudulently

12.1 obtaining a building permit; or has applied for or obtained a building permit for an
 12.2 unlicensed person;

12.3 (13) has made use of a forged mechanic's lien waiver under chapter 514;

12.4 (14) has provided false, misleading, or incomplete information to the commissioner
 12.5 or has refused to allow a reasonable inspection of records or premises;

12.6 (15) has engaged in an act or practice whether or not the act or practice directly
 12.7 involves the business for which the person is licensed, that demonstrates that the applicant
 12.8 or licensee is untrustworthy, financially irresponsible, or otherwise incompetent or
 12.9 unqualified to act under the license granted by the commissioner; or

12.10 (16) has failed to comply with requests for information, documents, or other requests
 12.11 from the department within the time specified in the request or, if no time is specified,
 12.12 within 30 days of the mailing of the request by the department.

12.13 Sec. 16. Minnesota Statutes 2014, section 326B.86, subdivision 1, is amended to read:

12.14 Subdivision 1. **Bond.** (a) Licensed manufactured home installers and licensed
 12.15 residential roofers must ~~post~~ give and maintain a ~~biennial surety bond in the name of the~~
 12.16 ~~licensee with the commissioner, conditioned that the applicant shall faithfully perform the~~
 12.17 ~~duties and in all things comply with all laws, ordinances, and rules pertaining to the license~~
 12.18 ~~or permit applied for and all contracts entered into. The biennial bond must be continuous~~
 12.19 ~~and maintained for so long as the licensee remains licensed. The aggregate liability of the~~
 12.20 ~~surety on the bond to any and all persons, regardless of the number of claims made against~~
 12.21 ~~the bond, may not exceed the amount of the bond. The bond may be canceled as to future~~
 12.22 ~~liability by the surety upon 30 days' written notice mailed to the commissioner by regular~~
 12.23 ~~mail.~~ to the state. The bond must comply with section 326B.0921.

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

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

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

12.29 Sec. 17. Minnesota Statutes 2014, section 326B.921, subdivision 5, is amended to read:

12.30 Subd. 5. **Bond.** As a condition of licensing, each applicant for a high pressure piping
 12.31 business license ~~or renewal~~ shall give and maintain a bond to the state in the total sum
 12.32 of \$15,000 conditioned upon the faithful and lawful performance of all work contracted
 12.33 for or performed within the state. The bond shall run to and be for the benefit of persons

13.1 injured or suffering financial loss by reason of failure of payment or performance. Claims
13.2 and actions on the bond may be brought according to sections 574.26 to 574.38.

13.3 The term of the bond must be concurrent with the term of the high pressure
13.4 pipefitting business license and run without interruption from the date of the issuance of
13.5 the license to the end of the calendar year. All high pressure pipefitting business licenses
13.6 must be annually renewed on a calendar year basis.

13.7 The bond must be filed with the department and shall be in lieu of any other business
13.8 license bonds required by any political subdivision for high pressure pipefitting. The bond
13.9 must be written by a corporate surety licensed to do business in the state.

13.10 Sec. 18. Minnesota Statutes 2014, section 326B.978, is amended by adding a
13.11 subdivision to read:

13.12 Subd. 4a. **Continuing education.** The commissioner may require continuing
13.13 education prior to the renewal of any license. Before requiring continuing education, the
13.14 commissioner shall adopt rules that specify the continuing education requirements.

13.15 Sec. 19. Minnesota Statutes 2014, section 326B.99, subdivision 2, is amended to read:

13.16 Subd. 2. **Exemption.** Every boiler or pressure vessel as to which any insurance
13.17 company authorized to do business in this state has issued a policy of insurance, after the
13.18 inspection thereof, is exempt from inspection by the department made under sections
13.19 326B.93 to 326B.998, except the initial inspection by the department under section
13.20 ~~326B.96~~ 326B.958, subdivision 1, paragraph (b), as long as:

13.21 (1) the boiler or pressure vessel continues to be insured;

13.22 (2) the boiler or pressure vessel continues to be inspected in accordance with the
13.23 inspection schedule in sections 326B.958 and 326B.96; and

13.24 (3) the person owning or operating the boiler or pressure vessel has an unexpired
13.25 certificate of registration.

13.26 ARTICLE 2

13.27 OBSOLETE AND REDUNDANT STATUTES

13.28 Section 1. Minnesota Statutes 2014, section 326B.092, subdivision 3, is amended to
13.29 read:

13.30 Subd. 3. **Late fee.** The department must receive a complete application for license
13.31 renewal ~~by the renewal deadline but not more than 90 days before the renewal deadline~~
13.32 prior to the license expiration date. If the department receives a renewal application after
13.33 the expiration of the license, then the renewal application must be accompanied by a late

14.1 fee equal to one-half of the license renewal fee; except that, for the purpose of calculating
 14.2 the late fee only, the license renewal fee shall not include any contractor recovery fund fee
 14.3 required by section 326B.89, subdivision 3.

14.4 Sec. 2. Minnesota Statutes 2014, section 326B.092, subdivision 7, is amended to read:

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

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

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

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

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

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

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

14.30 (e) If the license is issued under sections 326B.31 to 326B.59 or 326B.90 to
 14.31 326B.93, then a board fee must be included in the license fee and the renewal license fee.
 14.32 The board fee for all license classifications shall be: \$4 if the license duration is one year;
 14.33 \$8 if the license duration is two years; and \$12 if the license duration is three years.

14.34 (f) If the application is for the renewal of a license issued under sections 326B.802
 14.35 to 326B.885, then the contractor recovery fund fee required under section 326B.89,

15.1 subdivision 3, and any additional assessment required under section 326B.89, subdivision
15.2 16, must be included in the license renewal fee.

15.3 Sec. 3. Minnesota Statutes 2014, section 326B.094, subdivision 3, is amended to read:

15.4 Subd. 3. **Deadline for avoiding license expiration.** The department must receive
15.5 a complete application to renew a license no later than the ~~renewal deadline~~ license
15.6 expiration date. If the department does not receive a complete application by the ~~renewal~~
15.7 ~~deadline~~ license expiration date, the license may expire before the department has either
15.8 approved or denied the renewal application.

15.9 Sec. 4. Minnesota Statutes 2014, section 326B.106, subdivision 4, is amended to read:

15.10 Subd. 4. **Special requirements.** (a) **Space for commuter vans.** The code must
15.11 require that any parking ramp or other parking facility constructed in accordance with the
15.12 code include an appropriate number of spaces suitable for the parking of motor vehicles
15.13 having a capacity of seven to 16 persons and which are principally used to provide
15.14 prearranged commuter transportation of employees to or from their place of employment
15.15 or to or from a transit stop authorized by a local transit authority.

15.16 (b) **Smoke detection devices.** The code must require that all dwellings, lodging
15.17 houses, apartment houses, and hotels as defined in section 299F.362 comply with the
15.18 provisions of section 299F.362.

15.19 (c) **Doors in nursing homes and hospitals.** The State Building Code may not
15.20 require that each door entering a sleeping or patient's room from a corridor in a nursing
15.21 home or hospital with an approved complete standard automatic fire extinguishing system
15.22 be constructed or maintained as self-closing or automatically closing.

15.23 (d) **Child care facilities in churches; ground level exit.** A licensed day care center
15.24 serving fewer than 30 preschool age persons and which is located in a belowground space
15.25 in a church building is exempt from the State Building Code requirement for a ground
15.26 level exit when the center has more than two stairways to the ground level and its exit.

15.27 (e) **Family and group family day care.** Until the legislature enacts legislation
15.28 specifying appropriate standards, the definition of dwellings constructed in accordance
15.29 with the International Residential Code as adopted as part of the State Building Code
15.30 applies to family and group family day care homes licensed by the Department of Human
15.31 Services under Minnesota Rules, chapter 9502.

15.32 (f) **Enclosed stairways.** No provision of the code or any appendix chapter of the
15.33 code may require stairways of existing multiple dwelling buildings of two stories or
15.34 less to be enclosed.

16.1 (g) **Double cylinder dead bolt locks.** No provision of the code or appendix chapter
16.2 of the code may prohibit double cylinder dead bolt locks in existing single-family homes,
16.3 townhouses, and first floor duplexes used exclusively as a residential dwelling. Any
16.4 recommendation or promotion of double cylinder dead bolt locks must include a warning
16.5 about their potential fire danger and procedures to minimize the danger.

16.6 (h) **Relocated residential buildings.** A residential building relocated within or
16.7 into a political subdivision of the state need not comply with the State Energy Code or
16.8 section 326B.439 provided that, where available, an energy audit is conducted on the
16.9 relocated building.

16.10 (i) **Automatic garage door opening systems.** The code must require all residential
16.11 buildings as defined in section 325F.82 to comply with the provisions of sections 325F.82
16.12 and 325F.83.

16.13 ~~(j) **Exit sign illumination.** For a new building on which construction is begun~~
16.14 ~~on or after October 1, 1993, or an existing building on which remodeling affecting 50~~
16.15 ~~percent or more of the enclosed space is begun on or after October 1, 1993, the code must~~
16.16 ~~prohibit the use of internally illuminated exit signs whose electrical consumption during~~
16.17 ~~nonemergency operation exceeds 20 watts of resistive power. All other requirements in~~
16.18 ~~the code for exit signs must be complied with.~~

16.19 ~~(k)~~ (j) **Exterior wood decks, patios, and balconies.** The code must permit the
16.20 decking surface and upper portions of exterior wood decks, patios, and balconies to be
16.21 constructed of (1) heartwood from species of wood having natural resistance to decay or
16.22 termites, including redwood and cedars, (2) grades of lumber which contain sapwood from
16.23 species of wood having natural resistance to decay or termites, including redwood and
16.24 cedars, or (3) treated wood. The species and grades of wood products used to construct the
16.25 decking surface and upper portions of exterior decks, patios, and balconies must be made
16.26 available to the building official on request before final construction approval.

16.27 ~~(l)~~ (k) **Bioprocess piping and equipment.** No permit fee for bioprocess piping may
16.28 be imposed by municipalities under the State Building Code, except as required under
16.29 section 326B.92 subdivision 1. Permits for bioprocess piping shall be according to section
16.30 326B.92 administered by the Department of Labor and Industry. All data regarding the
16.31 material production processes, including the bioprocess system's structural design and
16.32 layout, are nonpublic data as provided by section 13.7911.

16.33 ~~(m)~~ (l) **Use of ungraded lumber.** The code must allow the use of ungraded lumber
16.34 in geographic areas of the state where the code did not generally apply as of April 1, 2008,
16.35 to the same extent that ungraded lumber could be used in that area before April 1, 2008.

17.1 ~~(n)~~ (m) **Window cleaning safety.** The code must require the installation of dedicated
17.2 anchorages for the purpose of suspended window cleaning on (1) new buildings four
17.3 stories or greater; and (2) buildings four stories or greater, only on those areas undergoing
17.4 reconstruction, alteration, or repair that includes the exposure of primary structural
17.5 components of the roof.

17.6 The commissioner may waive all or a portion of the requirements of this paragraph
17.7 related to reconstruction, alteration, or repair, if the installation of dedicated anchorages
17.8 would not result in significant safety improvements due to limits on the size of the project,
17.9 or other factors as determined by the commissioner.

17.10 Sec. 5. Minnesota Statutes 2014, section 326B.106, subdivision 7, is amended to read:

17.11 Subd. 7. **Window fall prevention device code.** The commissioner of labor and
17.12 industry shall adopt rules for window fall prevention devices as part of the State Building
17.13 Code. Window fall prevention devices include, but are not limited to, safety screens,
17.14 hardware, guards, and other devices that comply with the standards established by the
17.15 commissioner of labor and industry. The rules shall require compliance with standards
17.16 for window fall prevention devices developed by ASTM International, contained in the
17.17 International Building Code as the model language with amendments deemed necessary to
17.18 coordinate with the other adopted building codes in Minnesota. The rules shall establish a
17.19 scope that includes the applicable building occupancies, and the types, locations, and sizes
17.20 of windows that will require the installation of fall devices. ~~The rules will be effective July~~
17.21 ~~1, 2009. The commissioner shall report to the legislature on the status of the rulemaking~~
17.22 ~~on or before February 15, 2008.~~

17.23 Sec. 6. Minnesota Statutes 2014, section 326B.109, subdivision 2, is amended to read:

17.24 Subd. 2. **Application.** This section applies only to a place of public accommodation
17.25 for which construction, or alterations exceeding 50 percent of the estimated replacement
17.26 value of the existing facility, ~~begins after July 1, 1995~~ occurs.

17.27 Sec. 7. Minnesota Statutes 2014, section 326B.135, subdivision 4, is amended to read:

17.28 Subd. 4. **Effective date.** ~~Effective January 1, 2008,~~ All construction inspectors
17.29 ~~hired on or after January 1, 2008,~~ shall, within one year of hire, be in compliance with the
17.30 competency criteria established according to subdivision 1.

17.31 Sec. 8. Minnesota Statutes 2014, section 326B.139, is amended to read:

17.32 **326B.139 APPEALS.**

18.1 A person aggrieved by the final decision of any local or state level board of appeals as
 18.2 to the application of the code, including any rules adopted under ~~sections 471.465 to section~~
 18.3 471.469, may, within 180 days of the decision, appeal to the commissioner. Appellant
 18.4 shall submit a nonrefundable fee of \$70, payable to the commissioner, with the request for
 18.5 appeal. An appeal must be heard as a contested case under chapter 14. The commissioner
 18.6 shall submit written findings to the parties. The party not prevailing shall pay the costs of
 18.7 the contested case hearing, including fees charged by the Office of Administrative Hearings
 18.8 and the expense of transcript preparation. Costs under this section do not include attorney
 18.9 fees. Any person aggrieved by a ruling of the commissioner may appeal in accordance with
 18.10 chapter 14. For the purpose of this section "any person aggrieved" includes the Council on
 18.11 Disability. No fee or costs shall be required when the council on disability is the appellant.

18.12 Sec. 9. Minnesota Statutes 2014, section 326B.194, is amended to read:

18.13 **326B.194 INTERSTATE COMPACT ON INDUSTRIALIZED/MODULAR**
 18.14 **BUILDINGS.**

18.15 The state of Minnesota ratifies and approves the ~~following compact:~~ Interstate
 18.16 Industrialized Buildings Commission's Interstate Compact as amended by Laws 1990,
 18.17 chapter 458, section 2; Laws 1995, chapter 254, article 4, section 1; and Laws 2007,
 18.18 chapter 140, article 4, section 61, and article 13, section 4, on industrialized/modular
 18.19 buildings and incorporates the compact by reference. The commissioner must make a
 18.20 copy of the compact available to the public.

18.21 ~~INTERSTATE COMPACT ON INDUSTRIALIZED/MODULAR BUILDINGS~~
 18.22 ~~ARTICLE I~~
 18.23 ~~FINDINGS AND DECLARATIONS OF POLICY~~

18.24 ~~(1) The compacting states find that:~~

18.25 ~~(a) Industrialized/modular buildings are constructed in factories in the various states~~
 18.26 ~~and are a growing segment of the nation's affordable housing and commercial building~~
 18.27 ~~stock.~~

18.28 ~~(b) The regulation of industrialized/modular buildings varies from state to state and~~
 18.29 ~~locality to locality, which creates confusion and burdens state and local building officials~~
 18.30 ~~and the industrialized/modular building industry.~~

18.31 ~~(c) Regulation by multiple jurisdictions imposes additional costs, which are~~
 18.32 ~~ultimately borne by the owners and users of industrialized/modular buildings, restricts~~
 18.33 ~~market access and discourages the development and incorporation of new technologies.~~

18.34 ~~(2) It is the policy of each of the compacting states to:~~

18.35 ~~(a) Provide the states which regulate the design and construction of~~
 18.36 ~~industrialized/modular buildings with a program to coordinate and uniformly adopt and~~

19.1 ~~administer the states' rules and regulations for such buildings, all in a manner to assure~~
 19.2 ~~interstate reciprocity.~~

19.3 ~~(b) Provide to the United States Congress assurances that would preclude the need~~
 19.4 ~~for a voluntary preemptive federal regulatory system for modular housing, as outlined~~
 19.5 ~~in Section 572 of the Housing and Community Development Act of 1987, including~~
 19.6 ~~development of model standards for modular housing construction, such that design and~~
 19.7 ~~performance will insure quality, durability and safety; will be in accordance with life-cycle~~
 19.8 ~~cost-effective energy conservation standards; all to promote the lowest total construction~~
 19.9 ~~and operating costs over the life of such housing.~~

19.10 ~~ARTICLE II~~
 19.11 ~~DEFINITIONS~~

19.12 ~~As used in this compact, unless the context clearly requires otherwise:~~

19.13 ~~(1) "Commission" means the Interstate Industrialized/Modular Buildings~~
 19.14 ~~Commission.~~

19.15 ~~(2) "Industrialized/modular building" means any building which is of closed~~
 19.16 ~~construction, i.e. constructed in such a manner that concealed parts or processes of~~
 19.17 ~~manufacture cannot be inspected at the site, without disassembly, damage or destruction,~~
 19.18 ~~and which is made or assembled in manufacturing facilities, off the building site, for~~
 19.19 ~~installation, or assembly and installation, on the building site. "Industrialized/modular~~
 19.20 ~~building" includes, but is not limited to, modular housing which is factory-built~~
 19.21 ~~single-family and multifamily housing (including closed wall panelized housing) and~~
 19.22 ~~other modular, nonresidential buildings. "Industrialized/modular building" does not~~
 19.23 ~~include any structure subject to the requirements of the National Manufactured Home~~
 19.24 ~~Construction and Safety Standards Act of 1974.~~

19.25 ~~(3) "Interim reciprocal agreement" means a formal reciprocity agreement~~
 19.26 ~~between a nonecompacting state wherein the nonecompacting state agrees that labels~~
 19.27 ~~indicating compliance with the model rules and regulations for industrialized/modular~~
 19.28 ~~buildings, as authorized in Article VIII, section (9), shall be accepted by the state and~~
 19.29 ~~its subdivisions to permit installation and use of industrialized/modular buildings.~~
 19.30 ~~Further, the nonecompacting state agrees that by legislation or regulation, and appropriate~~
 19.31 ~~enforcement by uniform administrative procedures, the nonecompacting state requires all~~
 19.32 ~~industrialized/modular building manufacturers within that state to comply with the model~~
 19.33 ~~rules and regulations for industrialized/modular buildings.~~

19.34 ~~(4) "State" means a state of the United States, territory or possession of the United~~
 19.35 ~~States, the District of Columbia, or the Commonwealth of Puerto Rico.~~

19.36 ~~(5) "Uniform administrative procedures" means the procedures adopted by the~~
 19.37 ~~commission (after consideration of any recommendations from the rules development~~

20.1 ~~committee) which state and local officials, and other parties, in one state, will utilize~~
20.2 ~~to assure state and local officials, and other parties, in other states, of the substantial~~
20.3 ~~compliance of industrialized/modular building construction with the construction standard~~
20.4 ~~of requirements of such other states; to assess the adequacy of building systems; and to~~
20.5 ~~verify and assure the competency and performance of evaluation and inspection agencies.~~

20.6 ~~(6) "Model rules and regulations for industrialized/modular buildings" means~~
20.7 ~~the construction standards adopted by the commission (after consideration of any~~
20.8 ~~recommendations from the rules development committee) which govern the design,~~
20.9 ~~manufacture, handling, storage, delivery and installation of industrialized/modular~~
20.10 ~~buildings and building components. The construction standards and any amendments~~
20.11 ~~thereof shall conform insofar as practicable to model building codes and referenced~~
20.12 ~~standards generally accepted and in use throughout the United States.~~

20.13 ~~ARTICLE III~~

20.14 ~~CREATION OF COMMISSION~~

20.15 ~~The compacting states hereby create the Interstate Industrialized/Modular Buildings~~
20.16 ~~Commission, hereinafter called commission. Said commission shall be a body corporate~~
20.17 ~~of each compacting state and an agency thereof. The commission shall have all the powers~~
20.18 ~~and duties set forth herein and such additional powers as may be conferred upon it by~~
20.19 ~~subsequent action of the respective legislatures of the compacting states.~~

20.20 ~~ARTICLE IV~~

20.21 ~~SELECTION OF COMMISSIONERS~~

20.22 ~~The commission shall be selected as follows. As each state becomes a compacting~~
20.23 ~~state, one resident shall be appointed as commissioner. The commissioner shall be~~
20.24 ~~selected by the governor of the compacting state, being designated from the state agency~~
20.25 ~~charged with regulating industrialized/modular buildings or, if such state agency does not~~
20.26 ~~exist, being designated from among those building officials with the most appropriate~~
20.27 ~~responsibilities in the state. The commissioner may designate another official as an~~
20.28 ~~alternate to act on behalf of the commissioner at commission meetings which the~~
20.29 ~~commissioner is unable to attend.~~

20.30 ~~Each state commissioner shall be appointed, suspended, or removed and shall~~
20.31 ~~serve subject to and in accordance with the laws of the state which said commissioner~~
20.32 ~~represents; and each vacancy occurring shall be filled in accordance with the laws of the~~
20.33 ~~state wherein the vacancy exists.~~

20.34 ~~For every three state commissioners that have been appointed in the manner~~
20.35 ~~described, those state commissioners shall select one additional commissioner who shall be~~
20.36 ~~a representative of manufacturers of residential- or commercial-use industrialized/modular~~
20.37 ~~buildings. For every six state commissioners that have been appointed in the manner~~

21.1 ~~described, the state commissioners shall select one additional commissioner who shall~~
 21.2 ~~be a representative of consumers of industrialized/modular buildings. In the event states~~
 21.3 ~~withdraw from the compact or, for any other reason, the number of state commissioners is~~
 21.4 ~~reduced, the state commissioners shall remove the last added representative commissioner~~
 21.5 ~~as necessary to maintain the ratio of state commissioners to representative commissioners~~
 21.6 ~~described herein.~~

21.7 ~~Upon a majority vote of the state commissioners, the state commissioners may~~
 21.8 ~~remove, fill a vacancy created by, or replace any representative commissioner, provided~~
 21.9 ~~that any replacement is made from the same representative group and the ratio described~~
 21.10 ~~herein is maintained. Unless provided otherwise, the representative commissioners have~~
 21.11 ~~the same authority and responsibility as the state commissioners.~~

21.12 ~~In addition, the commission may have as a member one commissioner representing~~
 21.13 ~~the United States government if federal law authorizes such representation. Such~~
 21.14 ~~commissioner shall not vote on matters before the commission. Such commissioner shall~~
 21.15 ~~be appointed by the President of the United States, or in such other manner as may be~~
 21.16 ~~provided by Congress.~~

21.17 ~~ARTICLE V~~ 21.18 ~~VOTING~~

21.19 ~~Each commissioner (except the commissioner representing the United States~~
 21.20 ~~government) shall be entitled to one vote on the commission. A majority of the~~
 21.21 ~~commissioners shall constitute a quorum for the transaction of business. Any business~~
 21.22 ~~transacted at any meeting of the commission must be by affirmative vote of a majority of~~
 21.23 ~~the quorum present and voting.~~

21.24 ~~ARTICLE VI~~ 21.25 ~~ORGANIZATION AND MANAGEMENT~~

21.26 ~~The commission shall elect annually, from among its members, a chairman, a vice~~
 21.27 ~~chairman and a treasurer. The commission shall also select a secretariat, which shall~~
 21.28 ~~provide an individual who shall serve as secretary of the commission. The commission~~
 21.29 ~~shall fix and determine the duties and compensation of the secretariat. The commissioners~~
 21.30 ~~shall serve without compensation, but shall be reimbursed for their actual and necessary~~
 21.31 ~~expenses from the funds of the commission.~~

21.32 ~~The commission shall adopt a seal.~~

21.33 ~~The commission shall adopt bylaws, rules, and regulations for the conduct of~~
 21.34 ~~its business, and shall have the power to amend and rescind these bylaws, rules, and~~
 21.35 ~~regulations.~~

21.36 ~~The commission shall establish and maintain an office at the same location as the~~
 21.37 ~~office maintained by the secretariat for the transaction of its business and may meet at any~~

22.1 ~~time, but in any event must meet at least once a year. The chairman may call additional~~
22.2 ~~meetings and upon the request of a majority of the commissioners of three or more of the~~
22.3 ~~compacting states shall call an additional meeting.~~

22.4 ~~The commission annually shall make the governor and legislature of each~~
22.5 ~~compacting state a report covering its activities for the preceding year. Any donation or~~
22.6 ~~grant accepted by the commission or services borrowed shall be reported in the annual~~
22.7 ~~report of the commission and shall include the nature, amount and conditions, if any, of~~
22.8 ~~the donation, gift, grant or services borrowed and the identity of the donor or lender. The~~
22.9 ~~commission may make additional reports as it may deem desirable.~~

22.10 ~~ARTICLE VII~~
22.11 ~~COMMITTEES~~

22.12 ~~The commission will establish such committees as it deems necessary, including,~~
22.13 ~~but not limited to, the following:~~

22.14 ~~(1) An executive committee which functions when the full commission is not~~
22.15 ~~meeting, as provided in the bylaws of the commission. The executive committee will~~
22.16 ~~ensure that proper procedures are followed in implementing the commission's programs~~
22.17 ~~and in carrying out the activities of the compact. The executive committee shall be elected~~
22.18 ~~by vote of the commission. It shall be comprised of at least three and no more than nine~~
22.19 ~~commissioners, selected from the state commissioners and one member of the industry~~
22.20 ~~commissioners and one member of the consumer commissioners.~~

22.21 ~~(2) A rules development committee appointed by the commission. The committee~~
22.22 ~~shall be consensus-based and consist of not less than seven nor more than 21 members.~~
22.23 ~~Committee members will include state building regulatory officials; manufacturers of~~
22.24 ~~industrialized/modular buildings; private, third-party inspection agencies; and consumers.~~
22.25 ~~This committee may recommend procedures which state and local officials, and other~~
22.26 ~~parties, in one state, may utilize to assure state and local officials, and other parties, in~~
22.27 ~~other states, of the substantial compliance of industrialized/modular building construction~~
22.28 ~~with the construction standard requirements of such other states; to assess the adequacy~~
22.29 ~~of building systems; and to verify and assure the competency and performance of~~
22.30 ~~evaluation and inspection agencies. This committee may also recommend construction~~
22.31 ~~standards for the design, manufacture, handling, storage, delivery and installation of~~
22.32 ~~industrialized/modular buildings and building components. The committee will submit~~
22.33 ~~its recommendations to the commission, for the commission's consideration in adopting~~
22.34 ~~and amending the uniform administrative procedures and the model rules and regulations~~
22.35 ~~for industrialized/modular buildings. The committee may also review the regulatory~~
22.36 ~~programs of the compacting states to determine whether those programs are consistent~~
22.37 ~~with the uniform administrative procedures or the model rules and regulations for~~

23.1 industrialized/modular buildings and may make recommendations concerning the states'
 23.2 programs to the commission. In carrying out its functions, the rules committee may
 23.3 conduct public hearings and otherwise solicit public input and comment.

23.4 (3) Any other advisory, coordinating or technical committees, membership on
 23.5 which may include private persons, public officials, associations or organizations. Such
 23.6 committees may consider any matter of concern to the commission.

23.7 (4) Such additional committees as the commission's bylaws may provide.

23.8 **ARTICLE VIII**
 23.9 **POWER AND AUTHORITY**

23.10 In addition to the powers conferred elsewhere in this compact, the commission
 23.11 shall have power to:

23.12 (1) Collect, analyze and disseminate information relating to industrialized/modular
 23.13 buildings.

23.14 (2) Undertake studies of existing laws, codes, rules and regulations, and
 23.15 administrative practices of the states relating to industrialized/modular buildings.

23.16 (3) Assist and support committees and organizations which promulgate, maintain
 23.17 and update model codes or recommendations for uniform administrative procedures or
 23.18 model rules and regulations for industrialized/modular buildings.

23.19 (4) Adopt and amend uniform administrative procedures and model rules and
 23.20 regulations for industrialized/modular buildings.

23.21 (5) Make recommendations to compacting states for the purpose of bringing such
 23.22 states' laws, codes, rules and regulations and administrative practices into conformance
 23.23 with the uniform administrative procedures or the model rules and regulations for
 23.24 industrialized/modular buildings, provided that such recommendations shall be made to
 23.25 the appropriate state agency with due consideration for the desirability of uniformity
 23.26 while also giving appropriate consideration to special circumstances which may justify
 23.27 variations necessary to meet unique local conditions.

23.28 (6) Assist and support the compacting states with monitoring of plan review
 23.29 programs and inspection programs, which will assure that the compacting states have the
 23.30 benefit of uniform industrialized/modular building plan review and inspection programs.

23.31 (7) Assist and support organizations which train state and local government and
 23.32 other program personnel in the use of uniform industrialized/modular building plan
 23.33 review and inspection programs.

23.34 (8) Encourage and promote coordination of state regulatory action relating to
 23.35 manufacturers, public or private inspection programs.

23.36 (9) Create and sell labels to be affixed to industrialized/modular building units,
 23.37 constructed in or regulated by compacting states, where such labels will evidence

24.1 ~~compliance with the model rules and regulations for industrialized/modular buildings,~~
 24.2 ~~enforced in accordance with the uniform administrative procedures. The commission may~~
 24.3 ~~use receipts from the sale of labels to help defray the operating expenses of the commission.~~

24.4 ~~(10) Assist and support compacting states' investigations into and resolutions of~~
 24.5 ~~consumer complaints which relate to industrialized/modular buildings constructed in one~~
 24.6 ~~compacting state and sited in another compacting state.~~

24.7 ~~(11) Borrow, accept or contract for the services of personnel from any state or the~~
 24.8 ~~United States or any subdivision or agency thereof, from any interstate agency, or from~~
 24.9 ~~any institution, association, person, firm or corporation.~~

24.10 ~~(12) Accept for any of its purposes and functions under this compact any and all~~
 24.11 ~~donations, and grants of money, equipment, supplies, materials and services (conditional~~
 24.12 ~~or otherwise) from any state or the United States or any subdivision or agency thereof,~~
 24.13 ~~from any interstate agency, or from any institution, person, firm or corporation, and may~~
 24.14 ~~receive, utilize and dispose of the same.~~

24.15 ~~(13) Establish and maintain such facilities as may be necessary for the transacting of~~
 24.16 ~~its business. The commission may acquire, hold, and convey real and personal property~~
 24.17 ~~and any interest therein.~~

24.18 ~~(14) Enter into contracts and agreements, including but not limited to, interim~~
 24.19 ~~reciprocal agreements with noncompacting states.~~

24.20 ~~ARTICLE IX~~
 24.21 ~~FINANCE~~

24.22 ~~The commission shall submit to the governor or designated officer or officers of each~~
 24.23 ~~compacting state a budget of its estimated expenditures for such period as may be required~~
 24.24 ~~by the laws of that state for presentation to the legislature thereof.~~

24.25 ~~Each of the commission's budgets of estimated expenditures shall contain specific~~
 24.26 ~~recommendations of the amounts to be appropriated by each of the compacting states.~~
 24.27 ~~The total amount of appropriations requested under any such budget shall be apportioned~~
 24.28 ~~among the compacting states as follows: one-half in equal shares; one-fourth among the~~
 24.29 ~~compacting states in accordance with the ratio of their populations to the total population~~
 24.30 ~~of the compacting states, based on the last decennial federal census; and one-fourth among~~
 24.31 ~~the compacting states in accordance with the ratio of industrialized/modular building units~~
 24.32 ~~manufactured in each state to the total of all units manufactured in all of the compacting~~
 24.33 ~~states.~~

24.34 ~~The commission shall not pledge the credit of any compacting state. The commission~~
 24.35 ~~may meet any of its obligations in whole or in part with funds available to it by donations,~~
 24.36 ~~grants, or sale of labels: provided that the commission takes specific action setting aside~~
 24.37 ~~such funds prior to incurring any obligation to be met in whole or in part in such manner.~~

25.1 ~~Except where the commission makes use of funds available to it by donations, grants or~~
 25.2 ~~sale of labels, the commission shall not incur any obligation prior to the allotment of funds~~
 25.3 ~~by the compacting states adequate to meet the same.~~

25.4 ~~The commission shall keep accurate accounts of all receipts and disbursements.~~
 25.5 ~~The receipts and disbursements of the commission shall be subject to the audit and~~
 25.6 ~~accounting procedures established under its bylaws. All receipts and disbursements of~~
 25.7 ~~funds handled by the commission shall be audited yearly by a certified or licensed public~~
 25.8 ~~accountant and the report of the audit shall be included in and become part of the annual~~
 25.9 ~~report of the commission.~~

25.10 ~~The accounts of the commission shall be open at any reasonable time for inspection~~
 25.11 ~~by duly constituted officers of the compacting states and any person authorized by the~~
 25.12 ~~commission.~~

25.13 ~~Nothing contained in this article shall be construed to prevent commission~~
 25.14 ~~compliance relating to audit or inspection of accounts by or on behalf of any government~~
 25.15 ~~contributing to the support of the commission.~~

25.16 ~~ARTICLE X~~

25.17 ~~ENTRY INTO FORCE AND WITHDRAWAL~~

25.18 ~~This compact shall enter into force when enacted into law by any three states.~~
 25.19 ~~Thereafter, this compact shall become effective as to any other state upon its enactment~~
 25.20 ~~thereof. The commission shall arrange for notification of all compacting states whenever~~
 25.21 ~~there is a new enactment of the compact.~~

25.22 ~~Any compacting state may withdraw from this compact by enacting a statute~~
 25.23 ~~repealing the same. No withdrawal shall affect any liability already incurred by or~~
 25.24 ~~chargeable to a compacting state prior to the time of such withdrawal.~~

25.25 ~~ARTICLE XI~~

25.26 ~~RECIPROCITY~~

25.27 ~~If the commission determines that the standards for industrialized/modular buildings~~
 25.28 ~~prescribed by statute, rule or regulation of compacting state are at least equal to the~~
 25.29 ~~commission's model rules and regulations for industrialized/modular buildings, and~~
 25.30 ~~that such state standards are enforced by the compacting state in accordance with the~~
 25.31 ~~uniform administrative procedures, industrialized/modular buildings approved by such a~~
 25.32 ~~compacting state shall be deemed to have been approved by all the compacting states for~~
 25.33 ~~placement in those states in accordance with procedures prescribed by the commission.~~

25.34 ~~ARTICLE XII~~

25.35 ~~EFFECT ON OTHER LAWS AND JURISDICTION~~

25.36 ~~Nothing in this compact shall be construed to:~~

26.1 ~~(1) Withdraw or limit the jurisdiction of any state or local court or administrative~~
26.2 ~~officer or body with respect to any person, corporation or other entity or subject matter,~~
26.3 ~~except to the extent that such jurisdiction pursuant to this compact, is expressly conferred~~
26.4 ~~upon another agency or body.~~

26.5 ~~(2) Supersede or limit the jurisdiction of any court of the United States.~~

26.6 ~~ARTICLE XIII~~

26.7 ~~CONSTRUCTION AND SEVERABILITY~~

26.8 ~~This compact shall be liberally construed so as to effectuate the purposes thereof.~~
26.9 ~~The provisions of this compact shall be severable and if any phrase, clause, sentence~~
26.10 ~~or provision of this compact is declared to be contrary to the constitution of any state~~
26.11 ~~or of the United States or the applicability thereof to any government, agency, person~~
26.12 ~~or circumstances is held invalid, the validity of the remainder of this compact and the~~
26.13 ~~applicability thereof to any government, agency, person or circumstance shall not be~~
26.14 ~~affected thereby. If this compact shall be held contrary to the constitution of any state~~
26.15 ~~participating therein, the compact shall remain in full force and effect as to the remaining~~
26.16 ~~party states and in full force and effect as to the state affected as to all severable matters.~~

26.17 ~~Sec. 10. **REPEALER.**~~

26.18 ~~Subdivision 1. **Construction codes and licensing.** Minnesota Statutes 2014,~~
26.19 ~~sections 326B.091, subdivision 6; 326B.106, subdivision 10; 326B.169; and 326B.181,~~
26.20 ~~are repealed.~~

26.21 ~~Subd. 2. **Municipal rights, powers, duties.** Minnesota Statutes 2014, sections~~
26.22 ~~471.465; 471.466; 471.467; and 471.468, are repealed.~~

26.23 ~~Subd. 3. **State procurement.** Minnesota Statutes 2014, section 16C.0745, is~~
26.24 ~~repealed.~~

APPENDIX
Article locations in 15-0103

ARTICLE 1	CONSTRUCTION CODES AND LICENSING	Page.Ln 1.17
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16C.0745 FUNDS FOR ENERGY EFFICIENT BULBS.

State agencies in the executive, legislative, and judicial branches that purchase replacement bulbs in accordance with section 326B.106, subdivision 4, paragraph (j), must use money allocated for utility expenditures for the purchase.

326B.091 DEFINITIONS.

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

326B.106 GENERAL POWERS OF COMMISSIONER OF LABOR AND INDUSTRY.

Subd. 10. **Energy efficiency.** The code must provide for building new low-income housing in accordance with energy efficiency standards adopted under subdivision 1. For purposes of this subdivision, low-income housing means residential housing built for low-income persons and families under a program of a housing and redevelopment authority, the Minnesota Housing Finance Agency, or another entity receiving money from the state to construct such housing.

326B.169 ELEVATOR OPERATORS.

The owner, manager, or lessee of any building in which there is installed a passenger or freight elevator, as hereinafter defined, shall designate a competent person or competent persons regularly to operate such elevator; provided, however, that any such owner, manager or lessee may arrange with one or more tenants of such building to designate one or more of their employees regularly to operate such elevator. No person not so designated shall operate any such elevator and no person shall employ or permit a person not so designated to operate any such elevator. The foregoing prohibitions shall not apply during any period of time when any such elevator is being constructed, installed, inspected, repaired or maintained.

326B.181 LICENSES FOR OPERATORS.

In the event an operator is employed to operate an automatic elevator or continuous pressure elevator as provided in sections 326B.163 to 326B.178, such operator shall be duly licensed as provided in sections 326B.163 to 326B.178.

471.465 PERSONS WITH DISABILITIES; BUILDING REGULATIONS.

Subdivision 1. **Scope.** For the purposes of sections 471.465 to 471.469, the terms defined in this section have the meanings given them.

Subd. 2. **Buildings and facilities.** "Buildings and facilities" means any and all buildings and facilities and the grounds appurtenant thereto within any city, township or other governmental subdivision of the state other than all farm dwellings and buildings and single and two family dwellings. However, on the date on which rules promulgated by the commissioner of labor and industry regarding building requirements for persons with disabilities shall become effective, "buildings and facilities" shall mean only those structures which must provide facilities for persons with disabilities pursuant to said rules.

Subd. 3. **Persons with disabilities.** "Persons with disabilities" means and includes people having sight disabilities, hearing disabilities, disabilities of incoordination, disabilities of aging, and any other disability that significantly reduces mobility, flexibility, coordination, or perceptiveness.

Subd. 4. **Remodeling.** "Remodeling" means deliberate reconstruction of an existing building or facility in whole or in part in order to bring it up to date to conform with present uses of the structure and to conform with rules and regulations on the upgrading of health and safety aspects of structures.

Subd. 5. **Local authority.** "Local authority" means the local authority having jurisdiction over local building construction.

471.466 ADMINISTRATION AND ENFORCEMENT.

APPENDIX

Repealed Minnesota Statutes: 15-0103

The duty and power to administer and enforce sections 471.465 to 471.469 is conferred upon and vested in the commissioner of labor and industry and the local authority.

471.467 BUILDING REQUIREMENTS; CONFORMITY.

Subdivision 1. **Date applicable.** On the date on which rules promulgated by the commissioner of labor and industry regarding building requirements for persons with disabilities shall become effective, said rules shall exclusively govern the provision of facilities.

Subd. 2. **No remodeling if solely for persons with disabilities.** Nothing in sections 471.465 to 471.469 shall be construed to require the remodeling of buildings solely to provide accessibility and usability to persons with disabilities when remodeling would not otherwise be undertaken.

Subd. 3. **Applies to remodeled part.** When any building or facility covered by sections 471.465 to 471.469 undergoes remodeling either in whole or in part, that portion of the building or facility remodeled shall conform to the requirements of sections 471.465 to 471.469.

471.468 BUILDING PLANS; APPROVAL; EXCEPTIONS.

On-site construction or remodeling shall not hereafter be commenced of any building or facility until the plans and specifications of the building or facility have been reviewed and approved by the local authority. The provisions of sections 471.465 to 471.469 are applicable only to contracts awarded subsequent to May 22, 1971. The local authority shall certify in writing that the review and approval under this section have occurred. The certification must be attached to the permit of record.