

1.1

ARTICLE ...

1.2

LABOR AND INDUSTRY

1.3 Section 1. Minnesota Statutes 2017 Supplement, section 175.46, subdivision 13, is amended
1.4 to read:

1.5 Subd. 13. **Grant awards.** (a) The commissioner shall award grants to local partnerships
1.6 located throughout the state, not to exceed \$100,000 per local partnership grant. The
1.7 commissioner may use up to five percent of this amount for administration of the grant
1.8 program.

1.9 (b) A local partnership awarded a grant under this section must use the grant award for
1.10 any of the following implementation and coordination activities:

1.11 (1) recruiting additional employers to provide on-the-job training and supervision for
1.12 student learners and providing technical assistance to those employers;

1.13 (2) recruiting students to participate in the local youth skills training program, monitoring
1.14 the progress of student learners participating in the program, and monitoring program
1.15 outcomes;

1.16 (3) coordinating youth skills training activities within participating school districts and
1.17 among participating school districts, postsecondary institutions, and employers;

1.18 (4) coordinating academic, vocational and occupational learning, school-based and
1.19 work-based learning, and secondary and postsecondary education for participants in the
1.20 local youth skills training program;

1.21 (5) coordinating transportation for student learners participating in the local youth skills
1.22 training program; and

1.23 (6) any other implementation or coordination activity that the commissioner may direct
1.24 or permit the local partnership to perform.

1.25 ~~(b)~~ (c) Grant awards may not be used to directly or indirectly pay the wages of a student
1.26 learner.

1.27 Sec. 2. Minnesota Statutes 2016, section 177.24, subdivision 1, is amended to read:

1.28 Subdivision 1. **Amount.** (a) For purposes of this subdivision, the terms defined in this
1.29 paragraph have the meanings given them.

1.30 (1) "Large employer" means an enterprise whose annual gross volume of sales made or
1.31 business done is not less than \$500,000 (exclusive of excise taxes at the retail level that are

2.1 separately stated) and covered by the Minnesota Fair Labor Standards Act, sections 177.21
2.2 to 177.35.

2.3 (2) "Small employer" means an enterprise whose annual gross volume of sales made or
2.4 business done is less than \$500,000 (exclusive of excise taxes at the retail level that are
2.5 separately stated) and covered by the Minnesota Fair Labor Standards Act, sections 177.21
2.6 to 177.35.

2.7 (3) "Employee receiving gratuities" means an employee who customarily and regularly
2.8 receives more than \$30 per month in gratuities.

2.9 (b) Except as otherwise provided in sections 177.21 to 177.35:

2.10 (1) every large employer must pay each employee wages at a rate of at least:

2.11 (i) \$8.00 per hour beginning August 1, 2014;

2.12 (ii) \$9.00 per hour beginning August 1, 2015;

2.13 (iii) \$9.50 per hour beginning August 1, 2016; and

2.14 (iv) the rate established under paragraph (f) beginning January 1, 2018; and

2.15 (2) every small employer must pay each employee at a rate of at least:

2.16 (i) \$6.50 per hour beginning August 1, 2014;

2.17 (ii) \$7.25 per hour beginning August 1, 2015;

2.18 (iii) \$7.75 per hour beginning August 1, 2016; and

2.19 (iv) the rate established under paragraph (f) beginning January 1, 2018.

2.20 (c) Notwithstanding paragraph (b), during the first 90 consecutive days of employment,
2.21 an employer may pay an employee under the age of 20 years a wage of at least:

2.22 (1) \$6.50 per hour beginning August 1, 2014;

2.23 (2) \$7.25 per hour beginning August 1, 2015;

2.24 (3) \$7.75 per hour beginning August 1, 2016; and

2.25 (4) the rate established under paragraph (f) beginning January 1, 2018.

2.26 No employer may take any action to displace an employee, including a partial displacement
2.27 through a reduction in hours, wages, or employment benefits, in order to hire an employee
2.28 at the wage authorized in this paragraph.

3.1 (d) Notwithstanding paragraph (b), an employer that is a "hotel or motel," "lodging
3.2 establishment," or "resort" as defined in Minnesota Statutes 2012, section 157.15,
3.3 subdivisions 7, 8, and 11, must pay an employee working under a contract with the employer
3.4 that includes the provision by the employer of a food or lodging benefit, if the employee is
3.5 working under authority of a summer work travel exchange visitor program (J) nonimmigrant
3.6 visa, a wage of at least:

3.7 (1) \$7.25 per hour beginning August 1, 2014;

3.8 (2) \$7.50 per hour beginning August 1, 2015;

3.9 (3) \$7.75 per hour beginning August 1, 2016; and

3.10 (4) the rate established under paragraph (f) beginning January 1, 2018.

3.11 No employer may take any action to displace an employee, including a partial displacement
3.12 through a reduction in hours, wages, or employment benefits, in order to hire an employee
3.13 at the wage authorized in this paragraph.

3.14 (e) Notwithstanding paragraph (b), a large employer must pay an employee under the
3.15 age of 18 at a rate of at least:

3.16 (1) \$6.50 per hour beginning August 1, 2014;

3.17 (2) \$7.25 per hour beginning August 1, 2015;

3.18 (3) \$7.75 per hour beginning August 1, 2016; and

3.19 (4) the rate established under paragraph (f) beginning January 1, 2018.

3.20 No employer may take any action to displace an employee, including a partial displacement
3.21 through a reduction in hours, wages, or employment benefits, in order to hire an employee
3.22 at the wage authorized in this paragraph.

3.23 (f) No later than August 31 of each year, beginning in 2017, the commissioner shall
3.24 determine the percentage increase in the rate of inflation, as measured by the implicit price
3.25 deflator, national data for personal consumption expenditures as determined by the United
3.26 States Department of Commerce, Bureau of Economic Analysis during the 12-month period
3.27 immediately preceding that August or, if that data is unavailable, during the most recent
3.28 12-month period for which data is available. The minimum wage rates in paragraphs (b),
3.29 (c), (d), and (e) are increased by the lesser of: (1) 2.5 percent, rounded to the nearest cent;
3.30 or (2) the percentage calculated by the commissioner, rounded to the nearest cent. A minimum
3.31 wage rate shall not be reduced under this paragraph. The new minimum wage rates
3.32 determined under this paragraph take effect on the next January 1.

4.1 (g)(1) No later than September 30 of each year, beginning in 2017, the commissioner
4.2 may issue an order that an increase calculated under paragraph (f) not take effect. The
4.3 commissioner may issue the order only if the commissioner, after consultation with the
4.4 commissioner of management and budget, finds that leading economic indicators, including
4.5 but not limited to projections of gross domestic product calculated by the United States
4.6 Department of Commerce, Bureau of Economic Analysis; the Consumer Confidence Index
4.7 issued by the Conference Board; and seasonally adjusted Minnesota unemployment rates,
4.8 indicate the potential for a substantial downturn in the state's economy. Prior to issuing an
4.9 order, the commissioner shall also calculate and consider the ratio of the rate of the calculated
4.10 change in the minimum wage rate to the rate of change in state median income over the
4.11 same time period used to calculate the change in wage rate. Prior to issuing the order, the
4.12 commissioner shall hold a public hearing, notice of which must be published in the State
4.13 Register, on the department's Web site, in newspapers of general circulation, and by other
4.14 means likely to inform interested persons of the hearing, at least ten days prior to the hearing.
4.15 The commissioner must allow interested persons to submit written comments to the
4.16 commissioner before the public hearing and for 20 days after the public hearing.

4.17 (2) The commissioner may in a year subsequent to issuing an order under clause (1),
4.18 make a supplemental increase in the minimum wage rate in addition to the increase for a
4.19 year calculated under paragraph (f). The supplemental increase may be in an amount up to
4.20 the full amount of the increase not put into effect because of the order. If the supplemental
4.21 increase is not the full amount, the commissioner may make a supplemental increase of the
4.22 difference, or any part of a difference, in a subsequent year until the full amount of the
4.23 increase ordered not to take effect has been included in a supplemental increase. In making
4.24 a determination to award a supplemental increase under this clause, the commissioner shall
4.25 use the same considerations and use the same process as for an order under clause (1). A
4.26 supplemental wage increase is not subject to and shall not be considered in determining
4.27 whether a wage rate increase exceeds the limits for annual wage rate increases allowed
4.28 under paragraph (f).

4.29 (h) Notwithstanding paragraph (b), every large employer must pay an employee receiving
4.30 gratuities a wage of at least:

4.31 (1) \$9.65 per hour if the employee earns sufficient gratuities during the workweek so
4.32 that the sum of \$9.65 per hour and gratuities received averages at least the amount established
4.33 for large employers under paragraph (j); or

4.34 (2) the greater of the wage rate under this section or United States Code, title 29, section
4.35 206(a)(1), if the employee does not earn sufficient gratuities during the workweek so that

5.1 the sum of \$9.65 per hour and gratuities received averages at least the amount established
 5.2 for large employers under paragraph (j).

5.3 (i) Notwithstanding paragraph (b), every small employer must pay an employee receiving
 5.4 gratuities a wage of at least:

5.5 (1) \$7.87 per hour if the employee earns sufficient gratuities during the workweek so
 5.6 that the sum of \$7.87 per hour and gratuities received averages at least the amount established
 5.7 for small employers under paragraph (j); or

5.8 (2) the greater of the wage rate under this section or United States Code, title 29, section
 5.9 206(a)(1), if the employee does not earn sufficient gratuities during the workweek so that
 5.10 the sum of \$7.87 per hour and gratuities received averages at least the amount established
 5.11 for small employers under paragraph (j).

5.12 (j)(1) For large employers, the average hourly wage and gratuity amount begins at \$14
 5.13 and increases annually by the lesser of:

5.14 (i) two percent, rounded to the nearest cent; or

5.15 (ii) the percentage calculated by the commissioner under paragraph (f), rounded to the
 5.16 nearest cent.

5.17 (2) For small employers, the average hourly wage and gratuity amount begins at \$12
 5.18 and increases annually by the lesser of:

5.19 (i) two percent, rounded to the nearest cent; or

5.20 (ii) the percentage calculated by the commissioner under paragraph (f), rounded to the
 5.21 nearest cent.

5.22 An average hourly wage and gratuity amount shall not be reduced under this paragraph.

5.23 The adjusted average hourly wage and salary amounts determined under this paragraph take
 5.24 effect on the next January 1.

5.25 Sec. 3. Minnesota Statutes 2016, section 326B.106, subdivision 9, is amended to read:

5.26 Subd. 9. **Accessibility. (a) Public buildings.** The code must ~~provide for making~~ require
 5.27 new public buildings constructed or remodeled after July 1, 1963, and existing public
 5.28 buildings when remodeled, to be accessible to and usable by persons with disabilities;
 5.29 although this does not require the remodeling of public buildings solely to provide
 5.30 accessibility and usability to persons with disabilities when remodeling would not otherwise
 5.31 be undertaken.

6.1 (b) **Leased space.** No agency of the state may lease space for agency operations in a
6.2 non-state-owned building unless the building satisfies the requirements of the State Building
6.3 Code for accessibility by persons with disabilities, or is eligible to display the state symbol
6.4 of accessibility. This limitation applies to leases of 30 days or more for space of at least
6.5 1,000 square feet.

6.6 (c) **Meetings or conferences.** Meetings or conferences for the public or for state
6.7 employees which are sponsored in whole or in part by a state agency must be held in
6.8 buildings that meet the State Building Code requirements relating to accessibility for persons
6.9 with disabilities. This subdivision does not apply to any classes, seminars, or training
6.10 programs offered by the Minnesota State Colleges and Universities or the University of
6.11 Minnesota. Meetings or conferences intended for specific individuals none of whom need
6.12 the accessibility features for persons with disabilities specified in the State Building Code
6.13 need not comply with this subdivision unless a person with a disability gives reasonable
6.14 advance notice of an intent to attend the meeting or conference. When sign language
6.15 interpreters will be provided, meetings or conference sites must be chosen which allow
6.16 participants who are deaf or hard-of-hearing to see the sign language interpreters clearly.

6.17 (d) **Exemptions.** The commissioner may grant an exemption from the requirements of
6.18 paragraphs (b) and (c) in advance if an agency has demonstrated that reasonable efforts
6.19 were made to secure facilities which complied with those requirements and if the selected
6.20 facilities are the best available for access for persons with disabilities. Exemptions shall be
6.21 granted using criteria developed by the commissioner in consultation with the Council on
6.22 Disability.

6.23 (e) **Symbol indicating access.** The wheelchair symbol adopted by Rehabilitation
6.24 International's Eleventh World Congress is the state symbol indicating buildings, facilities,
6.25 and grounds which are accessible to and usable by persons with disabilities. In the interests
6.26 of uniformity, this symbol is the sole symbol for display in or on all public or private
6.27 buildings, facilities, and grounds which qualify for its use. The secretary of state shall obtain
6.28 the symbol and keep it on file. No building, facility, or grounds may display the symbol
6.29 unless it is in compliance with the rules adopted by the commissioner under subdivision 1.
6.30 Before any rules are proposed for adoption under this paragraph, the commissioner shall
6.31 consult with the Council on Disability. Rules adopted under this paragraph must be enforced
6.32 in the same way as other accessibility rules of the State Building Code.

7.1 Sec. 4. Minnesota Statutes 2016, section 326B.815, subdivision 1, is amended to read:

7.2 Subdivision 1. **Fees.** (a) For the purposes of calculating fees under section 326B.092,
7.3 an initial or renewed residential contractor, residential remodeler, or residential roofer license
7.4 is a business license. Notwithstanding section 326B.092, the licensing fee for manufactured
7.5 home installers under section 327B.041 is ~~\$300~~ \$180 for a three-year period.

7.6 (b) All initial and renewal licenses, except for manufactured home installer licenses,
7.7 shall be effective for two years and shall expire on March 31 of the year after the year in
7.8 which the application is made.

7.9 (c) The commissioner shall in a manner determined by the commissioner, without the
7.10 need for any rulemaking under chapter 14, phase in the renewal of residential contractor,
7.11 residential remodeler, and residential roofer licenses from one year to two years. By June
7.12 30, 2011, all renewed residential contractor, residential remodeler, and residential roofer
7.13 licenses shall be two-year licenses.

7.14 Sec. 5. Minnesota Statutes 2016, section 327B.041, is amended to read:

7.15 **327B.041 MANUFACTURED HOME INSTALLERS.**

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

7.18 (1) manufactured home installers are not subject to the continuing education requirements
7.19 of sections 326B.0981, 326B.099, and 326B.821, but are subject to the continuing education
7.20 requirements established in rules adopted under section 327B.10;

7.21 (2) the examination requirement of section 326B.83, subdivision 3, for manufactured
7.22 home installers shall be satisfied by successful completion of a written examination
7.23 administered and developed specifically for the examination of manufactured home installers.
7.24 The examination must be administered and developed by the commissioner. The
7.25 commissioner and the state building official shall seek advice on the grading, monitoring,
7.26 and updating of examinations from the Minnesota Manufactured Housing Association;

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

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

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

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

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

8.10 Sec. 6. **REPEALER.**

8.11 Minnesota Statutes 2016, section 177.24, subdivision 2, is repealed.