

HOUSE RESEARCH

Bill Summary

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Overview

This bill implements Executive Order 193 which consolidated various code enforcement and licensing functions in the Department of Labor and Industry. The bill also adopts uniform code and licensing enforcement provisions.

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Article 1: Revisor Instruction

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

Article 2: General

- 1 Fire Code rulemaking.** Transfers the authority to promulgate a Uniform Fire Code from the commissioner of public safety to the commissioner of labor and industry.
- 2 Definitions.** Defines "ASME," "commissioner," "department," "day," "individual" and "person."
- 3 Powers.** Provides that the responsibilities for the following areas are transferred from the named agency to the Department of Labor and Industry:
 - From Department of Administration; state building code, construction of low-cost

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manufactured home park storm shelters, manufactured homes, and statutory warranties in connection with the sale of dwellings and home improvement work.

- From the Department of Health; state plumbing code and licensing and water conditioning contractors and installers.
- From the Department of Commerce; residential contractors, residential remodelers, residential roofers, manufactured home installers and the contractor's recovery fund.
- From the Board of Electricity; state electrical code and licensing.

The state fire marshal is directed to work with the commissioner to improve services. The commissioner is granted rulemaking authority with respect to the responsibilities transferred.

Article 3: Enforcement

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

2 Enforcement.

Subd. 1. Commissioner authorized to enforce laws using any enforcement provision in this section, including penalties, in addition to any other means of enforcement provided by law.

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

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

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

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

Subd. 6. Establishes procedures for issuance and required content of a notice of violation. Also provides procedures and required content of a request for reconsideration. Request for reconsideration must be made within 10 days of notice of violation and response to request for reconsideration is required within 15 days of the request.

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

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

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

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

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and process and timeline for appeal of such orders.

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

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

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

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

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

Subd. 16. Violations of applicable law are misdemeanors.

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

3 Penalties and contents of orders

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

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

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

4 False information. Prohibits making of false statements or omission of material information under applicable law.

5 Litigation cost recovery. Permits award of all or part of state's litigation expenses in actions to enforce orders, for injunctive relief and to compel performance.

Article 4: Building Codes

1 1 Technical changes. Required in connection with transfer from Department of Administration to Department of Labor and Industry.

2 Technical changes. Required in connection with transfer from Department of Administration to Department of Labor and Industry.

3 Technical changes.

4 Technical changes.

5 Updates language. "Civil penalty" changed to "penalty."

6 Language updated.

Article 5: Electrical

1 1 Board of Electricity becomes Electrical Advisory Council. This section changes the Board of Electricity to the Electrical Advisory Council. Appointments to the Council will be by the commissioner rather than the governor. Amends duties of commissioner to

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include duties previously assigned to the Board of Electricity.

2 **Electrician licenses.** Language changed to reflect transfer from Board of Electricity to Commissioner of Labor and Industry.

3 **Technical changes.**

4 **Technical changes.**

Article 6: Plumbing

1 1 **Technical changes.**

Article 7: Water Conditioning Contractors and Installers

1 1 **Technical and clarifying language.**

2 **Update.** Updates statute to reflect amended enforcement provisions.

3 **Technical and clarifying language.**

Article 8: Residential Building Contractors and Remodelers

1 1 **Technical language.**

2 **Clarifies method for service of process.**

Article 9: Boilers Pressure Vessels and Boats

1 1 **Updated language to reflect amendments to enforcement provisions.**

Article 10: Conforming Changes

1-7 **Miscellaneous.** Various conforming changes, language updates and clarifications.

Article 11: Repealer and Effective Date

1 1 **Repealer.**

2 **Effective date.** This act is effective December 1, 2006, except when otherwise specified.