Under existing law, licensed master plumbers are permitted, but not required, to give a bond of $2,000 to the state. This bill requires all people who contract to do plumbing work in the state to either (1) provide a bond to the state of $25,000, or (2) provide a bond in an amount specified by local ordinance, as long as the ordinance requires at least a $25,000 bond. The bonds are used to cover the costs of completing unfinished work by the plumber or of fixing work that does not comply with the Plumbing Code. The bill also requires a study of certain issues related to plumbing licensure and inspections.

**Section**

1. **Bond; insurance.** Amends § 326.40, subd. 2. Makes three changes for bonds to be provided by plumbers:
   - makes it mandatory, rather than optional, for plumbers to provide bonds;
   - expands the bond requirements from licensed master plumbers only to all people who contract to do plumbing work in the state; and
   - raises the amount of the bond to be provided for all work entered into in the state, from $2,000 to $25,000.

2. **Alternative compliance.** Amends § 326.40, subd. 4. Allows people performing plumbing work to comply with the bond requirements in the location in which the work is performed rather than filing a bond with the state, but only if the bond required in that location is at least $25,000.

3. **Fee.** Amends § 326.40, subd. 5. Allows the commissioner of health to charge all people providing plumbing bonds to the state an annual filing fee.

4. **Study regarding the expansion of plumber licensure and plumbing inspection requirements.** Requires the commissioner of health, in consultation with the plumbing industry, to study and make recommendations to the legislature on licensure and education requirements for plumbers and the commissioner's inspection authority.
Effective date. Makes sections 1 to 3 effective January 1, 2000.