

145.9

ARTICLE 8

145.10

LABOR AND INDUSTRY POLICY

145.11 Section 1. Minnesota Statutes 2018, section 15.72, subdivision 2, is amended to read:

145.12 Subd. 2. **Retainage.** (a) A public contracting agency may reserve as retainage from any
145.13 progress payment on a public contract for a public improvement an amount not to exceed
145.14 five percent of the payment. ~~A~~ The public contracting agency may reduce the amount of
145.15 the retainage and may eliminate retainage on any monthly contract payment if, in the agency's
145.16 opinion, the work is progressing satisfactorily.

145.17 (b) For all construction contracts greater than \$5,000,000, the public contracting agency
145.18 must reduce retainage to no more than 2.5 percent if the public contracting agency determines
145.19 the work is 75 percent or more complete, that work is progressing satisfactorily, and all
145.20 contract requirements are being met.

145.21 (c) The public contracting agency must release any remaining retainage no later than 60
145.22 days after substantial completion.

145.23 (d) A contractor on a public contract for a public improvement must pay out any
145.24 remaining retainage to its subcontractors no later than ten days after receiving payment of
145.25 retainage from the public contracting agency, unless there is a dispute about the work under
145.26 a subcontract. If there is a dispute about the work under a subcontract, the contractor must
145.27 pay out retainage to any subcontractor whose work is not involved in the dispute, and must
145.28 provide a written statement detailing the amount and reason for the withholding to the
145.29 affected subcontractor and the public agency.

145.30 (e) A contractor may not reserve as retainage from a subcontractor an amount that exceeds
145.31 the amount reserved by the public contracting agency under this subdivision. Upon written
145.32 request of a subcontractor who has not been paid for work in accordance with section
145.33 16A.1245 or 471.425, subdivision 4a, the public contracting agency shall notify the
146.1 subcontractor of a progress payment, retainage payment, or final payment made to the
146.2 contractor. A contractor must include in any contract with a subcontractor the name, address,
146.3 and telephone number of a responsible official at the public contracting agency that may
146.4 be contacted for purposes of making a request under this paragraph.

146.5 (f) After substantial completion, a public contracting agency may withhold no more
146.6 than:

44.22

ARTICLE 3

44.23

LABOR AND INDUSTRY POLICY

44.24 Section 1. Minnesota Statutes 2018, section 15.72, subdivision 2, is amended to read:

44.25 Subd. 2. **Retainage.** (a) A public contracting agency may reserve as retainage from any
44.26 progress payment on a public contract for a public improvement an amount not to exceed
44.27 five percent of the payment. A public contracting agency may reduce the amount of the
44.28 retainage and may eliminate retainage on any monthly contract payment if, in the agency's
44.29 opinion, the work is progressing satisfactorily.

44.30 (b) The public contracting agency must release all retainage no later than 60 days after
44.31 substantial completion, subject to the terms of this subdivision.

45.1 (c) A contractor on a public contract for a public improvement must pay out any
45.2 remaining retainage to its subcontractors no later than ten days after receiving payment of
45.3 retainage from the public contracting agency, unless there is a dispute about the work under
45.4 a subcontract. If there is a dispute about the work under a subcontract, the contractor must
45.5 pay out retainage to any subcontractor whose work is not involved in the dispute, and must
45.6 provide a written statement detailing the amount and reason for the withholding to the
45.7 affected subcontractor.

45.8 (d) Upon written request of a subcontractor who has not been paid for work in accordance
45.9 with this section, section 16A.1245, or section 471.425, subdivision 4a, the public contracting
45.10 agency shall notify the subcontractor of a progress payment, retainage payment, or final
45.11 payment made to the contractor.

45.12 (e) After substantial completion, a public contracting agency may withhold no more
45.13 than:

146.7 (1) 250 percent of the value of incomplete or defective work; and

146.8 (2) one percent of the value of the contract or \$500, whichever is greater, pending
146.9 completion and submission of all final paperwork by the contractor, provided that an amount
146.10 withheld under this clause may not exceed \$10,000.

146.11 If the public contracting agency withholds payment under this paragraph, the public
146.12 contracting agency must promptly provide a written statement detailing the amount and
146.13 basis of withholding to the contractor. The public contracting agency must provide a copy
146.14 of this statement to any subcontractor that requests it. Any amounts withheld for incomplete
146.15 or defective work shall be paid within 45 days after the completion of the work. Any amounts
146.16 withheld under clause (1) must be paid within 45 days after completion of the work. Any
146.17 amounts withheld under clause (2) must be paid within 45 days after submission of all final
146.18 paperwork.

146.19 (g) As used in this subdivision, "substantial completion" shall be determined as provided
146.20 in section 541.051, subdivision 1, paragraph (a). For construction, reconstruction, or
146.21 improvement of streets and highways, including bridges, substantial completion means the
146.22 date when construction-related traffic devices and ongoing inspections are no longer required.

146.23 (h) The maximum retainage percentage allowed for a building and construction contract
146.24 is the retainage percentage withheld by the public contracting agency from the contractor.

146.25 (i) Withholding retainage for warranties or warranty work is prohibited.

146.26 **EFFECTIVE DATE.** This section applies to agreements entered into on or after August
146.27 1, 2019.

146.28 Sec. 2. Minnesota Statutes 2018, section 175.46, subdivision 3, is amended to read:

146.29 Subd. 3. **Duties.** (a) The commissioner shall:

146.30 (1) approve youth skills training programs that train student learners for careers in
146.31 high-growth, high-demand occupations that provide:

147.1 (i) that the work of the student learner in the occupations declared particularly hazardous
147.2 shall be incidental to the training;

147.3 (ii) that the work shall be intermittent and for short periods of time, and under the direct
147.4 and close supervision of a qualified and experienced person;

147.5 (iii) that safety instruction shall be provided to the student learner and may be given by
147.6 the school and correlated by the employer with on-the-job training;

45.14 (1) 250 percent of the value of incomplete or defective work known at the time of
45.15 substantial completion; and

45.16 (2) one percent of the value of the contract or \$500, whichever is greater, pending
45.17 completion and submission of all final paperwork by the contractor or subcontractor. For
45.18 purposes of this subdivision, "final paperwork" means documents required to fulfill
45.19 contractual obligations, including, but not limited to, as-built plans, operation manuals,
45.20 payroll documents for projects subject to prevailing wage requirements, and the withholding
45.21 exemption certificate required by section 270C.66.

45.22 If the public contracting agency withholds payment under this paragraph, the public
45.23 contracting agency must promptly provide a written statement detailing the amount and
45.24 basis of withholding to the contractor. The public contracting agency and contractor must
45.25 provide a copy of this statement to any subcontractor that requests it. Any amounts withheld
45.26 under clause (1) must be paid within 60 days after completion of the work. Any amounts
45.27 withheld under clause (2) must be paid within 60 days after submission of all final paperwork.

45.28 (f) As used in this subdivision, "substantial completion" shall be determined as provided
45.29 in section 541.051, subdivision 1, paragraph (a). For construction, reconstruction, or
45.30 improvement of streets and highways, including bridges, substantial completion means the
45.31 date when construction-related traffic devices and ongoing inspections are no longer required.

45.32 (g) Withholding retainage for warranty work not known at substantial completion is
45.33 prohibited.

46.1 **EFFECTIVE DATE.** This section applies to agreements entered into on or after August
46.2 1, 2019.

46.3 Sec. 2. Minnesota Statutes 2018, section 175.46, subdivision 3, is amended to read:

46.4 Subd. 3. **Duties.** (a) The commissioner shall:

46.5 (1) approve youth skills training programs that train student learners for careers in
46.6 high-growth, high-demand occupations that provide:

46.7 (i) that the work of the student learner in the occupations declared particularly hazardous
46.8 shall be incidental to the training;

46.9 (ii) that the work shall be intermittent and for short periods of time, and under the direct
46.10 and close supervision of a qualified and experienced person;

46.11 (iii) that safety instruction shall be provided to the student learner and may be given by
46.12 the school and correlated by the employer with on-the-job training;

147.7 (iv) a schedule of organized and progressive work processes to be performed on the job;
147.8 (v) a schedule of wage rates in compliance with section 177.24; and
147.9 (vi) whether the student learner will obtain secondary school academic credit,
147.10 postsecondary credit, or both, for the training program;
147.11 (2) approve occupations and maintain a list of approved occupations for programs under
147.12 this section;
147.13 (3) issue requests for proposals for grants;
147.14 (4) work with individuals representing industry and labor to develop new youth skills
147.15 training programs;
147.16 (5) develop model program guides;
147.17 (6) monitor youth skills training programs;
147.18 (7) provide technical assistance to local partnership grantees;
147.19 (8) work with providers to identify paths for receiving postsecondary credit for
147.20 participation in the youth skills training program; and
147.21 (9) approve other activities as necessary to implement the program.
147.22 (b) The commissioner shall collaborate with stakeholders, including, but not limited to,
147.23 representatives of secondary school institutions, career and technical education instructors,
147.24 postsecondary institutions, businesses, and labor, in developing youth skills training
147.25 programs, and identifying and approving occupations and competencies for youth skills
147.26 training programs.
147.27 Sec. 3. Minnesota Statutes 2018, section 175.46, subdivision 13, is amended to read:
147.28 Subd. 13. **Grant awards.** (a) The commissioner shall award grants to local partnerships
147.29 for youth skills training programs that train student learners for careers in high-growth,
148.1 high-demand occupations. Grant awards may not exceed \$100,000 per local partnership
148.2 grant.
148.3 (b) A local partnership awarded a grant under this section must use the grant award for
148.4 any of the following implementation and coordination activities:
148.5 (1) recruiting additional employers to provide on-the-job training and supervision for
148.6 student learners and providing technical assistance to those employers;
148.7 (2) recruiting students to participate in the local youth skills training program, monitoring
148.8 the progress of student learners participating in the program, and monitoring program
148.9 outcomes;
148.10 (3) coordinating youth skills training activities within participating school districts and
148.11 among participating school districts, postsecondary institutions, and employers;

46.13 (iv) a schedule of organized and progressive work processes to be performed on the job;
46.14 (v) a schedule of wage rates in compliance with section 177.24; and
46.15 (vi) whether the student learner will obtain secondary school academic credit,
46.16 postsecondary credit, or both, for the training program;
46.17 (2) approve occupations and maintain a list of approved occupations for programs under
46.18 this section;
46.19 (3) issue requests for proposals for grants;
46.20 (4) work with individuals representing industry and labor to develop new youth skills
46.21 training programs;
46.22 (5) develop model program guides;
46.23 (6) monitor youth skills training programs;
46.24 (7) provide technical assistance to local partnership grantees;
46.25 (8) work with providers to identify paths for receiving postsecondary credit for
46.26 participation in the youth skills training program; and
46.27 (9) approve other activities as necessary to implement the program.
46.28 (b) The commissioner shall collaborate with stakeholders, including, but not limited to,
46.29 representatives of secondary school institutions, career and technical education instructors,
46.30 postsecondary institutions, businesses, and labor, in developing youth skills training
47.1 programs, and identifying and approving occupations and competencies for youth skills
47.2 training programs.
47.3 Sec. 3. Minnesota Statutes 2018, section 175.46, subdivision 13, is amended to read:
47.4 Subd. 13. **Grant awards.** (a) The commissioner shall award grants to local partnerships
47.5 for youth skills training programs that train student learners for careers in high-growth,
47.6 high-demand occupations. Grant awards may not exceed \$100,000 per local partnership
47.7 grant.
47.8 (b) A local partnership awarded a grant under this section must use the grant award for
47.9 any of the following implementation and coordination activities:
47.10 (1) recruiting additional employers to provide on-the-job training and supervision for
47.11 student learners and providing technical assistance to those employers;
47.12 (2) recruiting students to participate in the local youth skills training program, monitoring
47.13 the progress of student learners participating in the program, and monitoring program
47.14 outcomes;
47.15 (3) coordinating youth skills training activities within participating school districts and
47.16 among participating school districts, postsecondary institutions, and employers;

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

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

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

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

148.21 Sec. 4. Minnesota Statutes 2018, section 176.1812, subdivision 2, is amended to read:

148.22 Subd. 2. **Filing and review.** (a) A copy of the agreement and the approximate number
148.23 of employees who will be covered under it must be filed with the commissioner. Within 21
148.24 days of receipt of an agreement, the commissioner shall review the agreement for compliance
148.25 with this section and the benefit provisions of this chapter and notify the parties of any
148.26 additional information required or any recommended modification that would bring the
148.27 agreement into compliance. Upon receipt of any requested information or modification, the
148.28 commissioner must notify the parties within 21 days whether the agreement is in compliance
148.29 with this section and the benefit provisions of this chapter.

148.30 (b) After an agreement is approved by the commissioner under paragraph (a), a qualified
148.31 employer may join or withdraw from a qualified group of employers without commissioner
149.1 review or approval. The commissioner must be notified within 30 days when a qualified
149.2 employer joins or withdraws from a qualified group of employers.

149.3 (c) In order for any agreement to remain in effect, it must provide for a timely and
149.4 accurate method of reporting to the commissioner ~~necessary information regarding service~~
149.5 ~~cost and utilization~~ the individual claims covered by the agreement and claim-specific
149.6 dispute resolution data, in the form and manner prescribed by the commissioner. Dispute
149.7 resolution data includes information about facilitation, mediation, and arbitration and shall
149.8 be provided annually to the commissioner to enable the commissioner to annually report
149.9 aggregate dispute data to the legislature. ~~The information provided to the commissioner~~
149.10 ~~must include aggregate data on the:~~

149.11 ~~(i) person hours and payroll covered by agreements filed;~~

149.12 ~~(ii) number of claims filed;~~

149.13 ~~(iii) average cost per claim;~~

149.14 ~~(iv) number of litigated claims, including the number of claims submitted to arbitration,~~
149.15 ~~the Workers' Compensation Court of Appeals, the Office of Administrative Hearings, the~~
149.16 ~~district court, the Minnesota Court of Appeals or the supreme court;~~

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

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

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

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

57.27 Section 1. Minnesota Statutes 2018, section 176.1812, subdivision 2, is amended to read:

57.28 Subd. 2. **Filing and review.** (a) A copy of the agreement and the approximate number
57.29 of employees who will be covered under it must be filed with the commissioner. Within 21
57.30 days of receipt of an agreement, the commissioner shall review the agreement for compliance
57.31 with this section and the benefit provisions of this chapter and notify the parties of any
57.32 additional information required or any recommended modification that would bring the
58.1 agreement into compliance. Upon receipt of any requested information or modification, the
58.2 commissioner must notify the parties within 21 days whether the agreement is in compliance
58.3 with this section and the benefit provisions of this chapter.

58.4 (b) After an agreement is approved by the commissioner under paragraph (a), a qualified
58.5 employer may join or withdraw from a qualified group of employers without commissioner
58.6 review or approval. The commissioner must be notified within 30 days when a qualified
58.7 employer joins or withdraws from a qualified group of employers.

58.8 (c) In order for any agreement to remain in effect, it must provide for a timely and
58.9 accurate method of reporting to the commissioner ~~necessary information regarding service~~
58.10 ~~cost and utilization~~ the individual claims covered by the agreement and claim-specific
58.11 dispute resolution data, in the form and manner prescribed by the commissioner. Dispute
58.12 resolution data includes information about facilitation, mediation, and arbitration and shall
58.13 be provided annually to the commissioner to enable the commissioner to annually report
58.14 aggregate dispute data to the legislature. ~~The information provided to the commissioner~~
58.15 ~~must include aggregate data on the:~~

58.16 ~~(i) person hours and payroll covered by agreements filed;~~

58.17 ~~(ii) number of claims filed;~~

58.18 ~~(iii) average cost per claim;~~

58.19 ~~(iv) number of litigated claims, including the number of claims submitted to arbitration,~~
58.20 ~~the Workers' Compensation Court of Appeals, the Office of Administrative Hearings, the~~
58.21 ~~district court, the Minnesota Court of Appeals or the supreme court;~~

149.17 ~~(v) number of contested claims resolved prior to arbitration;~~
149.18 ~~(vi) projected incurred costs and actual costs of claims;~~
149.19 ~~(vii) employer's safety history;~~
149.20 ~~(viii) number of workers participating in vocational rehabilitation; and~~
149.21 ~~(ix) number of workers participating in light-duty programs.~~
149.22 EFFECTIVE DATE. Paragraphs (a) and (b) are effective June 1, 2019. Paragraph (c)
149.23 is effective August 1, 2020.
149.24 Sec. 5. Minnesota Statutes 2018, section 176.231, subdivision 1, is amended to read:
149.25 Subdivision 1. **Time limitation.** (a) Where death or serious injury occurs to an employee
149.26 during the course of employment, the employer shall report the injury or death to the
149.27 commissioner and insurer within 48 hours after its occurrence. Where any other injury
149.28 occurs which wholly or partly incapacitates the employee from performing labor or service
149.29 for more than three calendar days, the employer shall report the injury to the insurer on a
149.30 form prescribed by the commissioner within ten days from its occurrence. An insurer and
149.31 self-insured employer shall report the injury to the commissioner no later than 14 days from
150.1 its occurrence. Where an injury has once been reported but subsequently death ensues, the
150.2 employer shall report the death to the commissioner and insurer within 48 hours after the
150.3 employer receives notice of this fact. An employer who provides notice to the Occupational
150.4 Safety and Health Division of the Department of Labor and Industry of a fatality within the
150.5 eight-hour time frame required by law, or of an inpatient hospitalization within the 24-hour
150.6 time frame required by law, has satisfied the employer's obligation under this section.
150.7 (b) At the time an injury is required to be reported to the commissioner, the insurer or
150.8 self-insured employer must also specify whether the injury is covered by a collective
150.9 bargaining agreement approved by the commissioner under section 176.1812. Notice must
150.10 be provided in the format and manner prescribed by the commissioner.
150.11 EFFECTIVE DATE. This section is effective August 1, 2020.

58.22 ~~(v) number of contested claims resolved prior to arbitration;~~
58.23 ~~(vi) projected incurred costs and actual costs of claims;~~
58.24 ~~(vii) employer's safety history;~~
58.25 ~~(viii) number of workers participating in vocational rehabilitation; and~~
58.26 ~~(ix) number of workers participating in light-duty programs.~~
58.27 EFFECTIVE DATE. Paragraphs (a) and (b) are effective June 1, 2019. Paragraph (c)
58.28 is effective August 1, 2020.
58.29 Sec. 2. Minnesota Statutes 2018, section 176.231, subdivision 1, is amended to read:
58.30 Subdivision 1. **Time limitation.** (a) Where death or serious injury occurs to an employee
58.31 during the course of employment, the employer shall report the injury or death to the
59.1 commissioner and insurer within 48 hours after its occurrence. Where any other injury
59.2 occurs which wholly or partly incapacitates the employee from performing labor or service
59.3 for more than three calendar days, the employer shall report the injury to the insurer on a
59.4 form prescribed by the commissioner within ten days from its occurrence. An insurer and
59.5 self-insured employer shall report the injury to the commissioner no later than 14 days from
59.6 its occurrence. Where an injury has once been reported but subsequently death ensues, the
59.7 employer shall report the death to the commissioner and insurer within 48 hours after the
59.8 employer receives notice of this fact. An employer who provides notice to the Occupational
59.9 Safety and Health Division of the Department of Labor and Industry of a fatality within the
59.10 eight-hour time frame required by law, or of an inpatient hospitalization within the 24-hour
59.11 time frame required by law, has satisfied the employer's obligation under this section.
59.12 (b) At the time an injury is required to be reported to the commissioner, the insurer or
59.13 self-insured employer must also specify whether the injury is covered by a collective
59.14 bargaining agreement approved by the commissioner under section 176.1812. Notice must
59.15 be provided in the format and manner prescribed by the commissioner.
59.16 EFFECTIVE DATE. This section is effective August 1, 2020.
59.17 Section 1. Minnesota Statutes 2018, section 177.23, subdivision 7, is amended to read:
59.18 Subd. 7. **Employee.** "Employee" means any individual employed by an employer but
59.19 does not include:
59.20 (1) two or fewer specified individuals employed at any given time in agriculture on a
59.21 farming unit or operation who are paid a salary;
59.22 (2) any individual employed in agriculture on a farming unit or operation who is paid a
59.23 salary greater than the individual would be paid if the individual worked 48 hours at the
59.24 state minimum wage plus 17 hours at 1-1/2 times the state minimum wage per week;

- 51.17 (3) an individual under 18 who is employed in agriculture on a farm to perform services
51.18 other than corn detasseling or hand field work when one or both of that minor hand field
51.19 worker's parents or physical custodians are also hand field workers;
- 51.20 (4) for purposes of section 177.24, an individual under 18 who is employed as a corn
51.21 detasseler;
- 51.22 (5) any staff member employed on a seasonal basis by an organization for work in an
51.23 organized resident or day camp operating under a permit issued under section 144.72;
- 51.24 (6) any individual employed in a bona fide executive, administrative, or professional
51.25 capacity, or a salesperson who conducts no more than 20 percent of sales on the premises
51.26 of the employer;
- 51.27 (7) any individual who renders service gratuitously for a nonprofit organization;
- 51.28 (8) any individual who serves as an elected official for a political subdivision or who
51.29 serves on any governmental board, commission, committee or other similar body, or who
51.30 renders service gratuitously for a political subdivision;
- 52.1 (9) any individual employed by a political subdivision to provide police or fire protection
52.2 services or employed by an entity whose principal purpose is to provide police or fire
52.3 protection services to a political subdivision;
- 52.4 (10) any individual employed by a political subdivision who is ineligible for membership
52.5 in the Public Employees Retirement Association under section 353.01, subdivision 2b,
52.6 clause (1), (2), (4), or (9), item (i);
- 52.7 (11) any driver employed by an employer engaged in the business of operating taxicabs;
- 52.8 (12) any individual engaged in babysitting as a sole practitioner;
- 52.9 (13) for the purpose of section 177.25, any individual employed on a seasonal basis in
52.10 a carnival, circus, fair, or ski facility;
- 52.11 (14) any individual under 18 working less than 20 hours per workweek for a municipality
52.12 as part of a recreational program;
- 52.13 (15) any individual employed by the state as a natural resource manager 1, 2, or 3
52.14 (conservation officer);
- 52.15 (16) any individual in a position for which the United States Department of Transportation
52.16 has power to establish qualifications and maximum hours of service under United States
52.17 Code, title 49, section 31502;
- 52.18 (17) any individual employed as a seafarer. The term "seafarer" means a master of a
52.19 vessel or any person subject to the authority, direction, and control of the master who is
52.20 exempt from federal overtime standards under United States Code, title 29, section 213(b)(6),

150.12 Sec. 6. Minnesota Statutes 2018, section 179.86, subdivision 1, is amended to read:

150.13 Subdivision 1. **Definition.** For the purpose of this section, "employer" means:

150.14 ~~(1) an employer in the meatpacking industry, whose employees routinely pack, can, or~~
150.15 ~~otherwise process poultry or meat for human consumption; or~~

150.16 (2) an employer whose employees routinely clean or sterilize meat processing or poultry
150.17 processing equipment used by an employer as defined in clause (1).

150.18 Sec. 7. Minnesota Statutes 2018, section 179.86, subdivision 3, is amended to read:

150.19 Subd. 3. **Information provided to employee by employer.** (a) An employer must
150.20 provide an explanation ~~in an employee's native language~~ of the employee's rights and duties
150.21 as an employee either person to person or through written materials that, at a minimum,
150.22 include:

150.23 (1) a complete description of the salary and benefits plans as they relate to the employee;

150.24 (2) a job description for the employee's position;

150.25 (3) a description of leave policies;

150.26 (4) a description of the work hours and work hours policy; and

150.27 (5) a description of the occupational hazards known to exist for the position.

150.28 (b) The explanation must also include information on the following employee rights as
150.29 protected by state or federal law and a description of where additional information about
150.30 those rights may be obtained:

151.1 (1) the right to organize and bargain collectively and refrain from organizing and
151.2 bargaining collectively;

52.21 including but not limited to pilots, sailors, engineers, radio operators, firefighters, security
52.22 guards, pursers, surgeons, cooks, and stewards;

52.23 (18) any individual employed by a county in a single-family residence owned by a county
52.24 home school as authorized under section 260B.060 if the residence is an extension facility
52.25 of that county home school, and if the individual as part of the employment duties resides
52.26 at the residence for the purpose of supervising children as defined by section 260C.007,
52.27 subdivision 4; ~~or~~

52.28 (19) nuns, monks, priests, lay brothers, lay sisters, ministers, deacons, and other members
52.29 of religious orders who serve pursuant to their religious obligations in schools, hospitals,
52.30 and other nonprofit institutions operated by the church or religious order; or

52.31 (20) any individual employed on a seasonal basis who has entered into a contract to play
52.32 baseball at the minor league level.

53.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

54.9 Sec. 4. Minnesota Statutes 2018, section 179.86, subdivision 3, is amended to read:

54.10 Subd. 3. **Information provided to employee by employer.** (a) An employer must
54.11 provide an explanation ~~in an employee's native language~~ of the employee's rights and duties
54.12 as an employee either person to person or through written materials that, at a minimum,
54.13 include:

54.14 (1) a complete description of the salary and benefits plans as they relate to the employee;

54.15 (2) a job description for the employee's position;

54.16 (3) a description of leave policies;

54.17 (4) a description of the work hours and work hours policy; and

54.18 (5) a description of the occupational hazards known to exist for the position.

54.19 (b) The explanation must also include information on the following employee rights as
54.20 protected by state or federal law and a description of where additional information about
54.21 those rights may be obtained:

54.22 (1) the right to organize and bargain collectively and refrain from organizing and
54.23 bargaining collectively;

- 151.3 (2) the right to a safe workplace; and
151.4 (3) the right to be free from discrimination.
151.5 (c) The explanation must be provided in a language the employee speaks fluently.

151.6 Sec. 8. Minnesota Statutes 2018, section 181.635, subdivision 2, is amended to read:

151.7 Subd. 2. **Recruiting; required disclosure.** An employer shall provide written disclosure
151.8 of the terms and conditions of employment to a person at the time it recruits the person to
151.9 relocate to work in the food processing industry. The disclosure requirement does not apply
151.10 to an exempt employee as defined in United States Code, title 29, section 213(a)(1). The
151.11 disclosure must be written in English and Spanish, a language the employee speaks fluently
151.12 in addition to any other languages preferred by the employer. The disclosure must be dated
151.13 and signed by the employer and the person recruited, and maintained by the employer for
151.14 two years. If the employer has any reason to doubt the employee's ability to read, the
151.15 employer must read the disclosure out loud to the employee in a language the employee
151.16 speaks fluently before the disclosure is signed. A copy of the signed and completed disclosure
151.17 must be delivered immediately to the recruited person. The disclosure may not be construed
151.18 as an employment contract.

- 54.24 (2) the right to a safe workplace; and
54.25 (3) the right to be free from discrimination.
54.26 (c) The explanation must be provided in a language the employee speaks fluently, if
54.27 requested by the employee.
54.28 (d) Translation or interpretation of the information required by this subdivision may be
54.29 provided through telephone or Internet services.
55.1 (e) An employer may require an employee to disclose the languages the employee speaks,
55.2 understands, and reads fluently. If an employer requires such disclosure, and an employee
55.3 has not provided it, an employer is not required to provide the information required under
55.4 this section in a language other than English to the employee.
56.5 Sec. 8. Minnesota Statutes 2018, section 181.635, subdivision 2, is amended to read:
56.6 Subd. 2. **Recruiting; required disclosure.** (a) An employer shall provide written
56.7 disclosure of the terms and conditions of employment to a person at the time it recruits the
56.8 person to relocate to work in the food processing industry. The disclosure requirement does
56.9 not apply to an exempt employee as defined in United States Code, title 29, section 213(a)(1).
56.10 The disclosure must be written in English and Spanish, dated, and signed by the employer
56.11 and the person recruited, and maintained by the employer for two years. If the employer
56.12 has any reason to doubt the employee's ability to read, the employer must read the disclosure
56.13 out loud to the employee upon request by the employee in a language the employee speaks
56.14 fluently before the disclosure is signed. A copy of the signed and completed disclosure must
56.15 be delivered immediately to the recruited person. The disclosure may not be construed as
56.16 an employment contract.
56.17 (b) An employer may require an employee to disclose the languages the employee speaks,
56.18 understands, and reads fluently. If an employer requires such disclosure, and an employee
56.19 has not provided it, an employer is not required to make the disclosure in the form required
56.20 under paragraph (a) with respect to the employee.
56.21 (c) Translation or interpretation of the information required by this subdivision may be
56.22 provided through telephone or Internet services.
56.23 Sec. 9. [181.741] EXPRESS PREEMPTION; UNIFORMITY OF PRIVATE
56.24 EMPLOYER MANDATES.
56.25 Subdivision 1. Definitions. (a) For the purposes of this section, the terms defined in this
56.26 subdivision have the meanings given them.
56.27 (b) "Employer" means a private person employing one or more employees in the state.

56.28 (c) "Local government" means a home rule charter city, statutory city, town, county, the
56.29 Metropolitan Council, a metropolitan agency as defined in section 473.121, subdivision 5a,
56.30 or a special district.

56.31 Subd. 2. **Express preemption.** (a) A local government must not adopt, enforce, or
56.32 administer an ordinance, local resolution, or local policy requiring an employer to pay an
57.1 employee a wage higher than the applicable state minimum wage rate provided in section
57.2 177.24.

57.3 (b) A local government must not adopt, enforce, or administer an ordinance, local
57.4 resolution, or local policy requiring an employer to provide either paid or unpaid leave time.

57.5 (c) A local government must not adopt, enforce, or administer an ordinance, local
57.6 resolution, or local policy regulating the hours or scheduling of work time that an employer
57.7 provides to an employee. This paragraph does not preempt an ordinance, local resolution,
57.8 or local policy limiting the hours a business may operate.

57.9 (d) A local government must not adopt, enforce, or administer an ordinance, local
57.10 resolution, or local policy requiring an employer to provide an employee a particular benefit
57.11 or terms of employment.

57.12 Subd. 3. **Local governments as employers and contractors.** This section does not
57.13 regulate wages, hours, benefits, paid or unpaid leave, attendance policies, or other terms of
57.14 employment that a local government:

57.15 (1) provides to its own employee;

57.16 (2) requires an employer to provide to its employee to the extent that employer is
57.17 providing goods or services to the local government, and the requirement applies specifically
57.18 to work performed in providing goods or services to the local government; or

57.19 (3) requires an employer to provide to its employee, to the extent that employer is
57.20 receiving funding from the local government or is providing goods or services funded in
57.21 whole or in part by the local government, when the requirement is an express condition of
57.22 the funding.

57.23 **EFFECTIVE DATE.** This section is effective upon final enactment and applies to
57.24 ordinances, local policies, and local resolutions enacted on or after January 1, 2017.

151.19 Sec. 9. Minnesota Statutes 2018, section 182.659, subdivision 8, is amended to read:

151.20 Subd. 8. **Protection from subpoena; data.** Neither the commissioner nor any employee
151.21 of the department, ~~including those employees of the Department of Health providing services~~
151.22 ~~to the Department of Labor and Industry, pursuant to section 182.67, subdivision 1,~~ is subject
151.23 to subpoena for purposes of inquiry into any occupational safety and health inspection
151.24 except in enforcement proceedings brought under this chapter. Data that identify individuals
151.25 who provide data to the department as part of an investigation conducted under this chapter
151.26 shall be private.

151.27 Sec. 10. Minnesota Statutes 2018, section 182.666, subdivision 1, is amended to read:

151.28 Subdivision 1. **Willful or repeated violations.** Any employer who willfully or repeatedly
151.29 violates the requirements of section 182.653, or any standard, rule, or order adopted under
151.30 the authority of the commissioner as provided in this chapter, may be assessed a fine not to
151.31 exceed ~~\$70,000~~ \$129,335 for each violation. The minimum fine for a willful violation is
151.32 ~~\$5,000~~ \$9,240.

152.1 **EFFECTIVE DATE.** This section is effective July 1, 2019.

152.2 Sec. 11. Minnesota Statutes 2018, section 182.666, subdivision 2, is amended to read:

152.3 Subd. 2. **Serious violations.** Any employer who has received a citation for a serious
152.4 violation of its duties under section 182.653, or any standard, rule, or order adopted under
152.5 the authority of the commissioner as provided in this chapter, shall be assessed a fine not
152.6 to exceed ~~\$7,000~~ \$12,935 for each violation. If a serious violation under section 182.653,
152.7 subdivision 2, causes or contributes to the death of an employee, the employer shall be
152.8 assessed a fine of up to \$25,000 for each violation.

152.9 **EFFECTIVE DATE.** This section is effective July 1, 2019.

152.10 Sec. 12. Minnesota Statutes 2018, section 182.666, subdivision 3, is amended to read:

152.11 Subd. 3. **Nonserious violations.** Any employer who has received a citation for a violation
152.12 of its duties under section 182.653, subdivisions 2 to 4, where the violation is specifically
152.13 determined not to be of a serious nature as provided in section 182.651, subdivision 12,
152.14 may be assessed a fine of up to ~~\$7,000~~ \$12,935 for each violation.

152.15 **EFFECTIVE DATE.** This section is effective July 1, 2019.

152.16 Sec. 13. Minnesota Statutes 2018, section 182.666, subdivision 4, is amended to read:

152.17 Subd. 4. **Failure to correct a violation.** Any employer who fails to correct a violation
152.18 for which a citation has been issued under section 182.66 within the period permitted for
152.19 its correction, which period shall not begin to run until the date of the final order of the
152.20 commissioner in the case of any review proceedings under this chapter initiated by the
152.21 employer in good faith and not solely for delay or avoidance of penalties, may be assessed
152.22 a fine of not more than ~~\$7,000~~ \$12,935 for each day during which the failure or violation
152.23 continues.

152.24 **EFFECTIVE DATE.** This section is effective July 1, 2019.

152.25 Sec. 14. Minnesota Statutes 2018, section 182.666, subdivision 5, is amended to read:

152.26 Subd. 5. **Posting violations.** Any employer who violates any of the posting requirements,
152.27 as prescribed under this chapter, except those prescribed under section 182.661, subdivision
152.28 3a, shall be assessed a fine of up to ~~\$7,000~~ \$12,935 for each violation.

152.29 **EFFECTIVE DATE.** This section is effective July 1, 2019.

153.1 Sec. 15. Minnesota Statutes 2018, section 182.666, is amended by adding a subdivision
153.2 to read:

153.3 Subd. 6a. **Increases for inflation.** (a) No later than August 31 of each year, beginning
153.4 in 2019, the commissioner shall determine the percentage increase in the rate of inflation,
153.5 as measured by the implicit price deflator, national data for personal consumption
153.6 expenditures as determined by the United States Department of Commerce, Bureau of
153.7 Economic Analysis during the 12-month period immediately preceding that August or, if
153.8 that data is unavailable, during the most recent 12-month period for which data is available.
153.9 The fines in subdivisions 1, 2, 3, 4, and 5, except for the fine for a serious violation under
153.10 section 182.653, subdivision 2, that causes or contributes to the death of an employee, are
153.11 increased by the lesser of (1) 2.5 percent, rounded to the nearest dollar amount evenly
153.12 divisible by ten, or (2) the percentage calculated by the commissioner, rounded to the nearest
153.13 dollar amount evenly divisible by ten.

153.14 (b) The fines increased under paragraph (a) shall not be increased to an amount greater
153.15 than the corresponding federal penalties for the specified violations promulgated in United
153.16 States Code, title 29, section, 666, subsections (a)-(d), (i), as amended through November
153.17 5, 1990, and adjusted according to United States Code, title 28, section 2461, note (Federal
153.18 Civil Penalties Inflation Adjustment), as amended through November 2, 2015.

153.19 (c) A fine must not be reduced under this subdivision. A fine increased under this
153.20 subdivision takes effect on the next January 1.

153.21 **EFFECTIVE DATE.** This section is effective July 1, 2019.

153.22 Sec. 16. Minnesota Statutes 2018, section 326B.082, subdivision 6, is amended to read:

153.23 Subd. 6. **Notices of violation.** (a) The commissioner may issue a notice of violation to
153.24 any person who the commissioner determines has committed a violation of the applicable
153.25 law. The notice of violation must state a summary of the facts that constitute the violation
153.26 and the applicable law violated. The notice of violation may require the person to correct
153.27 the violation. If correction is required, the notice of violation must state the deadline by
153.28 which the violation must be corrected.

153.29 (b) The commissioner shall issue the notice of violation by:

153.30 (1) servicing the notice of violation on the property owner or on the person who committed
153.31 the violation; or

153.32 (2) posting the notice of violation at the location where the violation occurred.

154.1 (c) If the person to whom the commissioner has issued the notice of violation believes
154.2 the notice was issued in error, then the person may request reconsideration of the parts of
154.3 the notice that the person believes are in error. The request for reconsideration must be in
154.4 writing and must be served on ~~or~~ faxed, or e-mailed to the commissioner at the address ~~or~~

154.5 fax number, or e-mail address specified in the notice of violation by the tenth day after the
154.6 commissioner issued the notice of violation. The date on which a request for reconsideration
154.7 is served by mail shall be the postmark date on the envelope in which the request for
154.8 reconsideration is mailed. If the person does not serve ~~or~~ fax, or e-mail a written request
154.9 for reconsideration or if the person's written request for reconsideration is not served on or
154.10 faxed to the commissioner by the tenth day after the commissioner issued the notice of
154.11 violation, the notice of violation shall become a final order of the commissioner and will
154.12 not be subject to review by any court or agency. The request for reconsideration must:

154.13 (1) specify which parts of the notice of violation the person believes are in error;

154.14 (2) explain why the person believes the parts are in error; and

154.15 (3) provide documentation to support the request for reconsideration.

154.16 The commissioner shall respond in writing to requests for reconsideration made under
154.17 this paragraph within 15 days after receiving the request. A request for reconsideration does
154.18 not stay a requirement to correct a violation as set forth in the notice of violation. After
154.19 reviewing the request for reconsideration, the commissioner may affirm, modify, or rescind
154.20 the notice of violation. The commissioner's response to a request for reconsideration is final
154.21 and shall not be reviewed by any court or agency.

154.22 Sec. 17. Minnesota Statutes 2018, section 326B.082, subdivision 8, is amended to read:

154.23 Subd. 8. **Hearings related to administrative orders.** (a) Within 30 days after the
154.24 commissioner issues an administrative order or within 20 days after the commissioner issues
154.25 the notice under section 326B.083, subdivision 3, paragraph (b), clause (3), the person to
154.26 whom the administrative order or notice is issued may request an expedited hearing to
154.27 review the commissioner's order or notice. The request for hearing must be in writing and
154.28 must be served on ~~or~~ faxed, or e-mailed to the commissioner at the address ~~or~~ fax number,
154.29 or e-mail address specified in the order or notice. If the person does not request a hearing
154.30 or if the person's written request for hearing is not served on ~~or~~ faxed, or e-mailed to the
154.31 commissioner by the 30th day after the commissioner issues the administrative order or the
154.32 20th day after the commissioner issues the notice under section 326B.083, subdivision 3,
154.33 paragraph (b), clause (3), the order will become a final order of the commissioner and will
154.34 not be subject to review by any court or agency. The date on which a request for hearing is
155.1 served by mail shall be the postmark date on the envelope in which the request for hearing
155.2 is mailed. The hearing request must specifically state the reasons for seeking review of the
155.3 order or notice. The person to whom the order or notice is issued and the commissioner are
155.4 the parties to the expedited hearing. The commissioner must notify the person to whom the
155.5 order or notice is issued of the time and place of the hearing at least 15 days before the
155.6 hearing. The expedited hearing must be held within 45 days after a request for hearing has
155.7 been received by the commissioner unless the parties agree to a later date.

155.8 (b) Parties may submit written arguments if permitted by the administrative law judge.

155.9 All written arguments must be submitted within ten days following the completion of the

155.10 hearing or the receipt of any late-filed exhibits that the parties and the administrative law
155.11 judge have agreed should be received into the record, whichever is later. The hearing shall
155.12 be conducted under Minnesota Rules, parts 1400.8510 to 1400.8612, as modified by this
155.13 subdivision. The Office of Administrative Hearings may, in consultation with the agency,
155.14 adopt rules specifically applicable to cases under this section.

155.15 (c) The administrative law judge shall issue a report making findings of fact, conclusions
155.16 of law, and a recommended order to the commissioner within 30 days following the
155.17 completion of the hearing, the receipt of late-filed exhibits, or the submission of written
155.18 arguments, whichever is later.

155.19 (d) If the administrative law judge makes a finding that the hearing was requested solely
155.20 for purposes of delay or that the hearing request was frivolous, the commissioner may add
155.21 to the amount of the penalty the costs charged to the department by the Office of
155.22 Administrative Hearings for the hearing.

155.23 (e) If a hearing has been held, the commissioner shall not issue a final order until at least
155.24 five days after the date of the administrative law judge's report. Any person aggrieved by
155.25 the administrative law judge's report may, within those five days, serve written comments
155.26 to the commissioner on the report and the commissioner shall consider and enter the
155.27 comments in the record. The commissioner's final order shall comply with sections 14.61,
155.28 subdivision 2, and 14.62, subdivisions 1 and 2a, and may be appealed in the manner provided
155.29 in sections 14.63 to 14.69.

155.30 Sec. 18. Minnesota Statutes 2018, section 326B.082, subdivision 12, is amended to read:

155.31 Subd. 12. **Issuance of licensing orders; hearings related to licensing orders.** (a) If
155.32 the commissioner determines that a permit, license, registration, or certificate should be
155.33 conditioned, limited, suspended, revoked, or denied under subdivision 11, or that the permit
155.34 holder, licensee, registrant, or certificate holder should be censured under subdivision 11,
156.1 then the commissioner shall issue to the person an order denying, conditioning, limiting,
156.2 suspending, or revoking the person's permit, license, registration, or certificate, or censuring
156.3 the permit holder, licensee, registrant, or certificate holder.

156.4 (b) Any order issued under paragraph (a) may include an assessment of monetary penalties
156.5 and may require the person to cease and desist from committing the violation or committing
156.6 the act, conduct, or practice set out in subdivision 11, paragraph (b). The monetary penalty
156.7 may be up to \$10,000 for each violation or act, conduct, or practice committed by the person.
156.8 The procedures in section 326B.083 must be followed when issuing orders under paragraph
156.9 (a).

156.10 (c) The permit holder, licensee, registrant, certificate holder, or applicant to whom the
156.11 commissioner issues an order under paragraph (a) shall have 30 days after issuance of the
156.12 order to request a hearing. The request for hearing must be in writing and must be served
156.13 on or faxed, or e-mailed to the commissioner at the address or fax number, or e-mail address
156.14 specified in the order by the 30th day after issuance of the order. If the person does not

156.15 request a hearing or if the person's written request for hearing is not served on ~~or~~ faxed, or
156.16 e-mailed to the commissioner by the 30th day after issuance of the order, the order shall
156.17 become a final order of the commissioner and will not be subject to review by any court or
156.18 agency. The date on which a request for hearing is served by mail shall be the postmark
156.19 date on the envelope in which the request for hearing is mailed. If the person submits to the
156.20 commissioner a timely request for hearing, the order is stayed unless the commissioner
156.21 summarily suspends the license, registration, certificate, or permit under subdivision 13,
156.22 and a contested case hearing shall be held in accordance with chapter 14.

156.23 Sec. 19. Minnesota Statutes 2018, section 326B.103, subdivision 11, is amended to read:

156.24 Subd. 11. **Public building.** "Public building" means a building and its grounds the cost
156.25 of which is paid for by the state or a state agency regardless of its cost, and a ~~school district~~
156.26 building project for a school district or charter school building project the cost of which is
156.27 \$100,000 or more.

156.28 Sec. 20. Minnesota Statutes 2018, section 326B.106, subdivision 9, is amended to read:

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

157.3 (b) **Leased space.** No agency of the state may lease space for agency operations in a
157.4 non-state-owned building unless the building satisfies the requirements of the State Building
157.5 Code for accessibility by persons with disabilities, or is eligible to display the state symbol
157.6 of accessibility. This limitation applies to leases of 30 days or more for space of at least
157.7 1,000 square feet.

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

157.19 (d) **Exemptions.** The commissioner may grant an exemption from the requirements of
157.20 paragraphs (b) and (c) in advance if an agency has demonstrated that reasonable efforts
157.21 were made to secure facilities which complied with those requirements and if the selected

157.22 facilities are the best available for access for persons with disabilities. Exemptions shall be
157.23 granted using criteria developed by the commissioner in consultation with the Council on
157.24 Disability.

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

158.1 Sec. 21. Minnesota Statutes 2018, section 326B.46, is amended by adding a subdivision
158.2 to read:

158.3 Subd. 7. **License number to be displayed.** Any vehicle used by a plumbing contractor
158.4 or restricted plumbing contractor while performing plumbing work for which a contractor's
158.5 license is required shall have the contractor's name and license number as it appears on the
158.6 contractor's license in contrasting color with characters at least three inches high and one-half
158.7 inch in width affixed to each side of the vehicle.

158.8 Sec. 22. Minnesota Statutes 2018, section 326B.475, subdivision 4, is amended to read:

158.9 Subd. 4. **Renewal; use period for license.** ~~(a)~~ A restricted master plumber and restricted
158.10 journeyworker plumber license must be renewed for as long as that licensee engages in the
158.11 plumbing trade. Notwithstanding section 326B.094, failure to renew a restricted master
158.12 plumber and restricted journeyworker plumber license within 12 months after the expiration
158.13 date will result in permanent forfeiture of the restricted master plumber and restricted
158.14 journeyworker plumber license.

158.15 ~~(b) The commissioner shall in a manner determined by the commissioner, without the~~
158.16 ~~need for any rulemaking under chapter 14, phase in the renewal of restricted master plumber~~
158.17 ~~and restricted journeyworker plumber licenses from one year to two years. By June 30,~~
158.18 ~~2011, all restricted master plumber and restricted journeyworker plumber licenses shall be~~
158.19 ~~two-year licenses.~~

158.20 Sec. 23. Minnesota Statutes 2018, section 326B.802, subdivision 15, is amended to read:

158.21 Subd. 15. **Special skill.** "Special skill" means one of the following eight categories:

158.22 (a) **Excavation.** Excavation includes work in any of the following areas:

158.23 (1) excavation;

158.24 (2) trenching;

- 158.25 (3) grading; and
- 158.26 (4) site grading.
- 158.27 (b) **Masonry and concrete.** Masonry and concrete includes work in any of the following
- 158.28 areas:
- 158.29 (1) drain systems;
- 158.30 (2) poured walls;
- 159.1 (3) slabs and poured-in-place footings;
- 159.2 (4) masonry walls;
- 159.3 (5) masonry fireplaces;
- 159.4 (6) masonry veneer; and
- 159.5 (7) water resistance and waterproofing.
- 159.6 (c) **Carpentry.** Carpentry includes work in any of the following areas:
- 159.7 (1) rough framing;
- 159.8 (2) finish carpentry;
- 159.9 (3) doors, windows, and skylights;
- 159.10 (4) porches and decks, excluding footings;
- 159.11 (5) wood foundations; and
- 159.12 (6) drywall installation, excluding taping and finishing.
- 159.13 (d) **Interior finishing.** Interior finishing includes work in any of the following areas:
- 159.14 (1) floor covering;
- 159.15 (2) wood floors;
- 159.16 (3) cabinet and counter top installation;
- 159.17 (4) insulation and vapor barriers;
- 159.18 (5) interior or exterior painting;
- 159.19 (6) ceramic, marble, and quarry tile;
- 159.20 (7) ornamental guardrail and installation of prefabricated stairs; and
- 159.21 (8) wallpapering.
- 159.22 (e) **Exterior finishing.** Exterior finishing includes work in any of the following areas:

- 159.23 (1) siding;
- 159.24 (2) soffit, fascia, and trim;
- 159.25 (3) exterior plaster and stucco;
- 159.26 (4) painting; and
- 159.27 (5) rain carrying systems, including gutters and down spouts.
- 160.1 (f) **Drywall and plaster.** Drywall and plaster includes work in any of the following
- 160.2 areas:
- 160.3 (1) installation;
- 160.4 (2) taping;
- 160.5 (3) finishing;
- 160.6 (4) interior plaster;
- 160.7 (5) painting; and
- 160.8 (6) wallpapering.
- 160.9 (g) **Residential roofing.** Residential roofing includes work in any of the following areas:
- 160.10 (1) roof coverings;
- 160.11 (2) roof sheathing;
- 160.12 (3) roof weatherproofing and insulation; ~~and~~
- 160.13 (4) repair of roof support system, but not construction of new roof support system; and
- 160.14 (5) penetration of roof covering for purposes of attaching a solar photovoltaic system.
- 160.15 (h) **General installation specialties.** Installation includes work in any of the following
- 160.16 areas:
- 160.17 (1) garage doors and openers;
- 160.18 (2) pools, spas, and hot tubs;
- 160.19 (3) fireplaces and wood stoves;
- 160.20 (4) asphalt paving and seal coating; ~~and~~
- 160.21 (5) ornamental guardrail and prefabricated stairs; and
- 160.22 (6) assembly of the support system for a solar photovoltaic system.
- 160.23 Sec. 24. Minnesota Statutes 2018, section 326B.821, subdivision 21, is amended to read:

47.26 Sec. 4. Minnesota Statutes 2018, section 326B.821, subdivision 21, is amended to read:

160.24 Subd. 21. **Residential building contractor, remodeler, and roofer education.** (a) Each
160.25 licensee must, during each continuing education reporting period, complete and report one
160.26 hour of continuing education relating to energy codes or energy conservation measures
160.27 applicable to residential buildings and one hour of business management strategies applicable
160.28 to residential construction businesses.

161.1 (b) Immediately following the adoption date of a new residential code, the commissioner
161.2 may prescribe that up to seven of the required 14 hours of continuing education credit per
161.3 licensure period include education hours specifically designated to instruct licensees on
161.4 new or existing State Building Code provisions.

161.5 Sec. 25. Minnesota Statutes 2018, section 326B.84, is amended to read:
161.6 326B.84 GROUNDS FOR SANCTIONS.

161.7 The commissioner may use any enforcement provision in section 326B.082 against an
161.8 applicant for, qualifying person of, or holder of a license or certificate of exemption, or any
161.9 individual or entity who is required by law to hold a license or certificate of exemption, if
161.10 the individual, entity, applicant, licensee, certificate of exemption holder, qualifying person,
161.11 or owner, officer, member, managing employee, or affiliate of the applicant, licensee, or
161.12 certificate of exemption holder:

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

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

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

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

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

161.25 (6) has been convicted of a violation of the State Building Code or has refused to comply
161.26 with a correction order issued by a certified building official, or in local jurisdictions that
161.27 have not adopted the State Building Code has refused to correct a violation of the State
161.28 Building Code when the violation has been documented by a certified building official;

161.29 (7) has failed to use the proceeds of any payment made to the licensee for the construction
161.30 of, or any improvement to, residential real estate, as defined in section 326B.802, subdivision
161.31 13, for the payment of labor, skill, material, and machinery contributed to the construction
162.1 or improvement, knowing that the cost of any labor performed, or skill, material, or
162.2 machinery furnished for the improvement remains unpaid;

47.27 Subd. 21. **Residential building contractor, remodeler, and roofer education.** (a) Each
47.28 licensee must, during each continuing education reporting period, complete and report one
47.29 hour of continuing education relating to energy codes or energy conservation measures
47.30 applicable to residential buildings and one hour of business management strategies applicable
47.31 to residential construction businesses.

48.1 (b) Immediately following the adoption date of a new residential code, the commissioner
48.2 may prescribe that up to seven of the required 14 hours of continuing education credit per
48.3 licensure period include education hours specifically designated to instruct licensees on
48.4 new or existing State Building Code provisions.

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

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

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

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

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

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

162.19 (12) if unlicensed, has obtained a building permit by the fraudulent use of a fictitious
162.20 license number or the license number of another, or, if licensed, has knowingly allowed an
162.21 unlicensed person to use the licensee's license number for the purpose of fraudulently
162.22 obtaining a building permit; or has applied for or obtained a building permit for an unlicensed
162.23 person;

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

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

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

163.1 (16) has failed to comply with requests for information, documents, or other requests
163.2 from the department within the time specified in the request or, if no time is specified, within
163.3 30 days of the mailing of the request by the department.

163.4 Sec. 26. Minnesota Statutes 2018, section 337.10, subdivision 4, is amended to read:

163.5 Subd. 4. **Progress payments and retainages.** (a) Unless the building and construction
163.6 contract provides otherwise, the owner or other persons making payments under the contract
163.7 must make progress payments monthly as the work progresses. Payments shall be based
163.8 upon estimates of work completed as approved by the owner or the owner's agent. A progress

48.5 Sec. 5. Minnesota Statutes 2018, section 337.10, subdivision 4, is amended to read:

48.6 Subd. 4. **Progress payments and retainages.** (a) Unless the building and construction
48.7 contract provides otherwise, the owner or other persons making payments under the contract
48.8 must make progress payments monthly as the work progresses. Payments shall be based
48.9 upon estimates of work completed as approved by the owner or the owner's agent. A progress

163.9 payment shall not be considered acceptance or approval of any work or waiver of any defects
163.10 therein.

163.11 (b) Retainage on a building and construction contract may not exceed five percent. An
163.12 owner or owner's agent may reduce the amount of retainage and may eliminate retainage
163.13 on any monthly contract payment if, in the owner's opinion, the work is progressing
163.14 satisfactorily. Nothing in this subdivision is intended to require that retainage be withheld
163.15 in any building or construction contract. For all construction contracts greater than
163.16 \$5,000,000, the owner or the owner's agent must reduce retainage to no more than 2.5
163.17 percent if the owner or the owner's agent determines the work is 75 percent or more complete,
163.18 that work is progressing satisfactorily, and all contract requirements are being met.

163.19 (c) The owner or the owner's agent must release any remaining retainage no later than
163.20 60 days after substantial completion. For purposes of this subdivision, "substantial
163.21 completion" shall be determined as provided in section 541.051, subdivision 1, paragraph
163.22 (a).

163.23 (d) Any contractor holding retainage must reduce that retainage at the same rate
163.24 reduced by the owner or the owner's agent. A contractor must pay out any remaining retainage
163.25 no later than ten days after receiving payment of retainage, unless there is a dispute about
163.26 the work under a subcontract, in which case the contractor must pay out retainage to any
163.27 party whose work is not involved in the dispute. Nothing in this subdivision is intended to
163.28 require that retainage be withheld in any building or construction contract.

163.29 (e) After substantial completion, an owner or owner's agent may withhold no more than:

163.30 (1) 250 percent of the value of incomplete or defective work; and

163.31 (2) one percent of the value of the contract or \$500, whichever is greater, pending
163.32 completion and submission of all final paperwork by the contractor, provided that an amount
163.33 withheld under this clause may not exceed \$10,000.

164.1 If the owner or the owner's agent withholds payment under this paragraph, the owner or the
164.2 owner's agent must promptly provide a written statement detailing the amount and basis of
164.3 withholding to the contractor. The owner or the owner's agent and the contractor must
164.4 provide a copy of this statement to any subcontractor that requests it. Any amounts withheld
164.5 for incomplete or defective work shall be paid within 45 days after the completion of the
164.6 work. Any amounts withheld under clause (1) must be paid within 45 days after completion
164.7 of the work. Any amounts withheld under clause (2) must be paid within 45 days after
164.8 submission of all final paperwork.

48.10 payment shall not be considered acceptance or approval of any work or waiver of any defects
48.11 therein.

48.12 (b) Retainage on a building and construction contract may not exceed five percent. An
48.13 owner or owner's agent may reduce the amount of retainage and may eliminate retainage
48.14 on any monthly contract payment if, in the owner's opinion, the work is progressing
48.15 satisfactorily. Nothing in this subdivision is intended to require that retainage be withheld
48.16 in any building or construction contract.

48.17 (c) The owner or the owner's agent must release all retainage no later than 60 days after
48.18 substantial completion subject to the terms of this subdivision. For purposes of this
48.19 subdivision, "substantial completion" shall be determined as provided in section 541.051,
48.20 subdivision 1, paragraph (a).

48.21 (d) A contractor must pay out any remaining retainage no later than ten days after
48.22 receiving payment of retainage, unless there is a dispute about the work under a subcontract,
48.23 in which case the contractor must pay out retainage to any party whose work is not involved
48.24 in the dispute.

48.25 (e) After substantial completion, an owner or owner's agent may withhold no more than:

48.26 (1) 250 percent of the value of incomplete or defective work known at the time of
48.27 substantial completion; and

48.28 (2) one percent of the value of the contract or \$500, whichever is greater, pending
48.29 completion and submission of all final paperwork by the contractor or subcontractor. For
48.30 purposes of this subdivision, "final paperwork" means documents required to fulfill
48.31 contractual obligations, including, but not limited to, as-built plans, operation manuals,
48.32 payroll documents for projects subject to prevailing wage requirements, and the withholding
48.33 exemption certificate required by section 270C.66.

49.1 If the owner or the owner's agent withholds payment under this paragraph, the owner or the
49.2 owner's agent must promptly provide a written statement detailing the amount and basis of
49.3 withholding to the contractor. The owner or the owner's agent and the contractor must
49.4 provide a copy of this statement to any subcontractor that requests it. Any amounts withheld
49.5 under clause (1) must be paid within 60 days after completion of the work. Any amounts
49.6 withheld under clause (2) must be paid within 60 days after submission of all final paperwork.

164.9 (f) The maximum retainage percentage allowed for a building and construction contract
164.10 is the retainage percentage withheld by the owner from the contractor.

164.11 (g) Withholding retainage for warranties or warranty work is prohibited.

164.12 (h) Retainage must not be used as collateral for the owner, owner's agent, or contractor.

164.13 (i) This subdivision does not apply to a public agency as defined in section 15.71,
164.14 subdivision 3.

164.15 (j) This subdivision does not apply to contracts for professional services as defined in
164.16 sections 326.02 to 326.15.

164.17 **EFFECTIVE DATE.** This section applies to agreements entered into on or after August
164.18 1, 2019.

164.19 Sec. 27. Minnesota Statutes 2018, section 341.30, subdivision 1, is amended to read:

164.20 Subdivision 1. **Licensure; individuals.** All referees, judges, promoters, trainers, ~~ring~~
164.21 ~~announcers~~, timekeepers, ringside physicians, combatants, ~~managers~~, and seconds are
164.22 required to be licensed by the commissioner. The commissioner shall not permit any of
164.23 these persons to participate in any matter with any combative sport contest unless the
164.24 commissioner has first issued the person a license.

164.25 Sec. 28. Minnesota Statutes 2018, section 341.32, subdivision 1, is amended to read:

164.26 Subdivision 1. **Annual licensure.** The commissioner may establish and issue annual
164.27 licenses subject to the collection of advance fees by the commissioner for promoters,
164.28 ~~managers~~, judges, referees, ~~ring announcers~~, ringside physicians, timekeepers, combatants,
164.29 trainers, and seconds.

165.1 Sec. 29. Minnesota Statutes 2018, section 341.321, is amended to read:
165.2 341.321 FEE SCHEDULE.

165.3 (a) The fee schedule for professional and amateur licenses issued by the commissioner
165.4 is as follows:

165.5 (1) referees, ~~\$80~~ \$25;

165.6 (2) promoters, \$700;

165.7 (3) judges and knockdown judges, ~~\$80~~ \$25;

165.8 (4) trainers and seconds, \$80;

165.9 ~~(5) ring announcers, \$80;~~

165.10 ~~(6) (5) timekeepers, \$80~~ \$25;

49.7 (f) Withholding retainage for warranty work not known at substantial completion is
49.8 prohibited. This provision does not waive any rights for warranty claims arising after
49.9 substantial completion.

49.10 (g) This subdivision does not apply to a public agency as defined in section 15.71,
49.11 subdivision 3.

49.12 (h) This subdivision does not apply to contracts for professional services as defined in
49.13 sections 326.02 to 326.15.

49.14 **EFFECTIVE DATE.** This section applies to agreements entered into on or after August
49.15 1, 2019.

49.16 Sec. 6. Minnesota Statutes 2018, section 341.30, subdivision 1, is amended to read:

49.17 Subdivision 1. **Licensure; individuals.** All referees, judges, promoters, trainers, ~~ring~~
49.18 ~~announcers~~, timekeepers, ringside physicians, combatants, ~~managers~~, and seconds are
49.19 required to be licensed by the commissioner. The commissioner shall not permit any of
49.20 these persons to participate in any matter with any combative sport contest unless the
49.21 commissioner has first issued the person a license.

49.22 Sec. 7. Minnesota Statutes 2018, section 341.32, subdivision 1, is amended to read:

49.23 Subdivision 1. **Annual licensure.** The commissioner may establish and issue annual
49.24 licenses subject to the collection of advance fees by the commissioner for promoters,
49.25 ~~managers~~, judges, referees, ~~ring announcers~~, ringside physicians, timekeepers, combatants,
49.26 trainers, and seconds.

49.27 Sec. 8. Minnesota Statutes 2018, section 341.321, is amended to read:
49.28 341.321 FEE SCHEDULE.

49.29 (a) The fee schedule for professional and amateur licenses issued by the commissioner
49.30 is as follows:

49.31 (1) referees, ~~\$80~~ \$25;

50.1 (2) promoters, \$700;

50.2 (3) judges and knockdown judges, ~~\$80~~ \$25;

50.3 (4) trainers and seconds, \$80;

50.4 ~~(5) ring announcers, \$80;~~

50.5 ~~(6) (5) timekeepers, \$80~~ \$25;

165.11 ~~(7)~~ (6) professional combatants, \$70;
165.12 ~~(8)~~ (7) amateur combatants, \$50;
165.13 ~~(9)~~ managers, \$80; and
165.14 ~~(10)~~ (8) ringside physicians, ~~\$80~~ \$25.
165.15 License fees for promoters are due at least six weeks prior to the combative sport contest.
165.16 All other license fees shall be paid no later than the weigh-in prior to the contest. No license
165.17 may be issued until all prelicensure requirements are satisfied and fees are paid.
165.18 (b) The commissioner shall establish a contest fee for each combative sport contest and
165.19 shall consider the size and type of venue when establishing a contest fee. The combative
165.20 sport contest fee is \$1,500 per event or not more than four percent of the gross ticket sales,
165.21 whichever is greater, as determined by the commissioner when the combative sport contest
165.22 is scheduled.
165.23 (c) A professional or amateur combative sport contest fee is nonrefundable and shall be
165.24 paid as follows:
165.25 (1) \$500 at the time the combative sport contest is scheduled; and
165.26 (2) \$1,000 at the weigh-in prior to the contest.
165.27 If four percent of the gross ticket sales is greater than \$1,500, the balance is due to the
165.28 commissioner within seven days of the completed contest.
165.29 (d) The commissioner may establish the maximum number of complimentary tickets
165.30 allowed for each event by rule.
166.1 (e) All fees and penalties collected by the commissioner must be deposited in the
166.2 commissioner account in the special revenue fund.
166.3 Sec. 30. **REPEALER.**
166.4 Minnesota Statutes 2018, section 325F.75, is repealed.

50.6 ~~(7)~~ (6) professional combatants, \$70;
50.7 ~~(8)~~ (7) amateur combatants, \$50;
50.8 ~~(9)~~ managers, \$80; and
50.9 ~~(10)~~ (8) ringside physicians, ~~\$80~~ \$25.
50.10 License fees for promoters are due at least six weeks prior to the combative sport contest.
50.11 All other license fees shall be paid no later than the weigh-in prior to the contest. No license
50.12 may be issued until all prelicensure requirements are satisfied and fees are paid.
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50.22 If four percent of the gross ticket sales is greater than \$1,500, the balance is due to the
50.23 commissioner within seven days of the completed contest.
50.24 (d) The commissioner may establish the maximum number of complimentary tickets
50.25 allowed for each event by rule.
50.26 (e) All fees and penalties collected by the commissioner must be deposited in the
50.27 commissioner account in the special revenue fund.