

Association of Minnesota Building Officials

Building Officials administrating the building, mechanical, plumbing & electrical codes, are committed to serving the public interest and the professionals that ensure safety in the building environment

The 2017 Session – The Final Stretch

Minnesota’s “Regular” legislative session is constitutionally required to end no later than midnight, on May 22, 2017. This rapidly approaching deadline leaves only a few more weeks of politicking, but we can expect some fireworks.

In an effort to avoid a “special session”, and the confusion that killed last years bonding bill, the Governor and the legislative leaders are negotiating much earlier. Right now they are debating how to allocate Minnesota’s \$46,000,000,000 biennial budget.

That budget is allocated through the numerous omnibus finance bills. Those bills have been making their way through committees and conference committees for the last month. One thing is for sure - the devil is in the details when it comes to how all that money is allocated.

There is more to the fight than just money though – the current finance bills, being advanced by the Republican majority, contain a significant amount of new state “policy” language. Many believe that this is a negotiation strategy, but some find it concerning because the Governor has said that he will not sign finance bills containing unrelated policy provisions. Without the Governor’s signature there is no state budget, and a special session becomes necessary to keep the state’s wheels turning.

The Republican controlled House and Senate’s stated budget priorities are tax cuts (\$1.15 billion), transportation funding for roads and bridges (near \$1billion in additional funds), and education (a \$1.25 billion increase). Their proposal also makes significant cuts to state agencies (except DLI), workforce development programs, and the environment (cuts to the tune of \$515 million dollars).

Democrats are calling the joint Republican budget proposal a recession like deal for Minnesotans. The Governor and Democrats seek constitutionally dedicated transportation funding, a large bonding bill leveraging low interest rates, and more funding for education.

With two weeks left in session there is still time for our divided government to agree on a state budget. The passage of a “catch-up” bonding bill this year may sweeten the deal for everyone.

Construction Laws Already Passed this Session

1. [Chapter Law 14 - HF837/SF821](#): The allocation of \$105,000,000.00 in federal funding to state road construction. This money will be spent starting this summer on construction projects across Minnesota.
2. [Chapter Law 20 - HF792/SF578](#): Requiring DLI to engage in rulemaking to ensure that fire-sprinklers are not required in one and two family dwelling and two-unit townhouses. This rulemaking begins shortly and will likely finish around August.
3. [Chapter Law 21 - HF400/SF247](#): Prevents the state from entering into contracts for services with organizations that discriminate against Israel or on the basis of national origin.

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AMBO at Work & Bills to Watch

The bills highlighted below are the relevant construction bills advancing through the legislative process. AMBO will continue to work with the respective stakeholders to improve, monitor for amendments, or prevent the following from passing into law:

- **ADA Working Group legislation with AMBO listed as a member ([HF2617/SF2348](#))**, *this legislation was introduced but will not be passed into law this year.*
 - AMBO has been listed as one of the 13 working group members.
 - This legislation is related to the efforts of HF1542/SF1407 (attempting to prevent the drive-by ADA lawsuits while protecting access for all Minnesotans).
 - Disability advocates believe that building owners wrongly believe that their buildings are in compliance with ADA standards once a final inspection of any kind is completed.
 - The identified problem is that partially inspected buildings may not be in full compliance with the ADA. The task before the working group is to identify how best to notify owners as to non-compliance when the entire building is not inspected.
 - Proponents hope that the bill will initiate important conversations over the interim.

- **Requiring any rule(s) increasing the cost of “residential construction”, on “average”, by more than \$1,000 be sent to the legislature ([HF1001/SF745](#))**, *added to the Omnibus State Government Finance Bill and Omnibus Jobs Bill which are currently in conference committee; awaiting hearings on the House and Senate floor as a standalone.*
 - AMBO opposes this legislation and has met with the advocates, a chief author, and sent joint letters of opposition to the Governor and key legislators.
 - AMBO supports the stated intent of legislators advocating this bill (i.e. to develop affordable housing in Minnesota), but AMBO also seeks to ensure the integrity of the rulemaking process. This bill does not strike the appropriate balance.
 - AMBO has identified and is working with a group of 20 construction stakeholders that now oppose this legislation.
 - If you would like a copy of the joint letter please contact AMBO or your lobbyist.

- **The 2016 Architectural and Affirmative Defenses Bill designed to prevent “drive-by” ADA lawsuits is being worked on again in the House and Senate ([HF1542/SF1407](#))**, *passed off House floor and Senate floor, and headed to conference committee.*
 - This legislation is moving forward without the proponents’ initially desired requirement that all municipal building permits clearly state that the permit does not evidence full building compliance with ADA standards.

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- AMBO did not believe that mandating such a requirement made sense, and after sharing our concerns with the advocates, neither did they. Following our discussion the advocates met with numerous other associations and were not able to come up with practical resolution to address their concerns.

- **DLI “Housekeeping” Bill ([SF1457](#))**, *passed off the Senate Floor 65-0, and awaiting a floor vote in the House.*
 - Changes the method of counting Building Official education hours from 16 units to 38 hours. There is no substantive change in educational requirements or the amount of education necessary; the change simplifies the way credits are recorded.
 - Changes the requisite number of education hours to become an “Accessibility Specialist” from four hours to nine hours.
 - Clarifies that the High-Pressure Piping Code is exempt from the Commissioner of DLI’s final interpretive authority.
 - Decreases the days late-renewing-licensees have to correct/renew their licensure prior to being assessed a late fee, from 90 days to 30 days.

- **Omnibus Jobs Bill: ([SF1937](#))**; *in conference committee.*
 - Since the dangerous collapse of the Thumper Pond Water Park in Ottertail, MN, AMBO has considered methods to ensure facilities used by the public meet safety standards. DLI has included language in the “Jobs Bill” that will begin to address this concern. The language states that a “place of public accommodation” must be in compliance with the SBC, and will be administered by the commissioner of DLI.
 - Includes BATC’s \$1,000 rulemaking bill (see above).
 - Includes the interim ordinance bill (see below).
 - Reduces numerous state building permit fees under 326.153.
 - Contains \$1,000,000 in funding for the Construction Careers Foundation and \$200,000 to “Helmets to Hardhats” for 2018 and 2019.

- **State Government Finance Omnibus Bill: ([SF605](#))**; *Passed off the House and Senate Floors and Sent to the Governor.*
 - Contains massive reforms to rulemaking processes for all agencies.
 - The Rulemaking provisions are opposed by all state agencies impacted.
 - Expands legislative review and opportunities for the legislature to stop rulemaking; creates new advisory panels; requires review of rules with a “substantial economic impact”; restricts enforcement of certain policies; requires that all final decisions on rules be made by an administrative law judge instead of the relevant agency; creates affirmative defenses to rules; and creates a rulemaking working group.
 - AMBO has weighed in on the relevant \$1,000 Rulemaking portion.

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2017 Construction Relevant Bill Status

[HF330/SF201](#): Requires that any interim ordinance impacting a “housing proposal” be passed by a 2/3 majority of city council members and requires that the council hold a public hearing. *Included in the House Jobs Omnibus bill and passed off the House and Senate floor as a standalone.

[HF334/SF639](#): Repeal of the 2016 Radon Mitigation Act. This would remove the MN Department of Health from controlling radon mitigation contractor licensing. *Not advancing at this time.

[HF700](#): Transferring the fire code from DLI to Public Safety. *Not moving forward at this time.

[HF805/SF369](#): Creating a carve-out from plumbing licensure for water conditioning contractors performing work on certain projects. *Included in the House & Senate Omnibus Jobs & Energy bill.

[HF1119/SF1533](#): Increases the criminal charge from a misdemeanor to a gross misdemeanor for unlicensed residential contractors building in MN. *On the House floor, didn't make Senate deadlines.

[HF1202/SF969](#): Mandating that the Commissioner of DLI *must* administer & amend the SBC. *Passed all requisite committees in the House and Senate and is on the floor in each body.

[HF1433](#): Rulemaking sent to the legislature if there's “substantial economic impact”. *Passed out of two committees and sent to the House Rules and Legislative Administration committee; included in the State Government Finance Omnibus bill.

[HF1538/SF1455](#): Making it more difficult to bring a lawsuit under MCIOA law. *Passed off the House floor and awaiting a vote on the Senate floor.

[HF1542/SF1407](#): Creating a process for notice, remedy, and limiting ADA litigation. *On the House and Senate floor awaiting a hearing.

[HF2013/SF2064](#): Deleting the exception that public buildings do not need to be remodeled to achieve ADA compliance. *Not advancing at this time.

[HF2235/SF2058](#): Expanding the elevator exemption for buildings with 5 or less floors in fourth-class cities if approved by a building official. *Not advancing at this time.

[HF2452/SF2168](#): Additional ADA litigation reforms. *Not advancing at this time.