

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

2018 Legislative Session

March Update

The 2018 legislative session began on February 20, 2018, at noon. It is constitutionally required to end no later than May 21, 2018, at midnight. At this point in session, committee deadlines largely dictate what will move forward as a possible law, and what will not in 2018.

Committee Deadlines this year are as follows:

1. 1st deadline, March 22, 2018 at midnight: The first deadline is for committees to act favorably on bills in the house of origin; i.e. the bill has to pass through all requisite committees in the House or in the Senate.
2. 2nd deadline, March 29, 2018 at midnight: The second deadline is for committees to act favorably on bills, or companions of bills, that met the first deadline in the other body; i.e. the bill has to pass through the relevant committees in the other legislative body.
3. 3rd deadline, April 20, 2018 at midnight: The third deadline is for committees to act favorably on major appropriation and finance bills.

Please note that if a bill does not make committee deadlines (more than 95% of bills will not), it does not mean that it is completely dead for the session. Even when a bill does not pass out of the requisite committees by the mandated deadlines, the bill can still be amended to another “germane” bill, or it can be included in an omnibus bill.

AMBO At the Capitol

AMBO is at the capitol everyday of session, reviewing bills, meeting with peers and legislators, and monitoring committee and floor hearings.

AMBO engages all relevant parties on construction legislation to protect the built environment, the building official profession, and the safety of our citizens.

If you ever hear of a bill that could impact the building official profession please contact AMBO or your lobbyist. The following bills have been identified as potentially problematic or positive for the state of Minnesota’s built environment.

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Relevant Construction Legislation in 2018

- **A New \$1,000 Rulemaking Bill ([HF3044/SF2567](#))**
 - This new version of the \$1,000 Rulemaking bill is being pushed by the Builder Association of the Twin Cities (aka Housing First MN), and is supported by the Builders Association of Minnesota (BAM).
 - The bill applies to any rule impacting a building that falls under the Minnesota Residential Code.
 - Requires agencies to determine whether any rule, or portion of a rule, will increase the cost of residential construction by \$1,000 or more "on average";
 - Or if a single party believes that the rule will increase residential construction costs by \$1,000 or more they can request a hearing before an administrative law judge;
 - If the agency or the administrative law judge determines that the rule increases residential construction by \$1,000 or more then the agency must notify the legislature and the rule will not be adopted until "after the adjournment of the next session of the legislature" (i.e. more than a year later).
 - This bill was heard in a Senate Committee, was passed on a partisan vote (Republicans voted in favor of the bill, Democrats against), and was laid over for possible inclusion in an omnibus bill.
 - If this is included in an omnibus bill and is sent to the Governor, he will have to weigh whether the rest of the provisions are worth vetoing to stop the passage of the \$1,000 Rulemaking portion.

How this law would play out is unclear, but in no circumstance is it a productive step forward for Minnesota, the built environment, or the safety of our residents. Accordingly, AMBO continues to work with a group of 22 construction and energy advocates to prevent the passage of this legislation into law.

- **Cities of 5,000 or Less Allowed to Repeal the State Building Code ([HF2765](#))**
 - Currently cities outside the metropolitan counties, with a population of less than 2,500, that adopted the building code prior to January 2008, can repeal the adoption of the State Building Code.
 - This bill would increase the population from 2,500 to 5,000, effectively increasing the number of outstate cities that can repeal the adoption of the State Building Code.
 - AMBO has met with the chief author and raised our concerns.
 - There is no companion bill in the senate at this time.

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- **DLI & Dept. of Edu to Increase Construction Career Opportunities ([HF3765/SF3622](#))**
 - This bill requires DLI and the Department of Education to collaborate to incorporate construction and skilled trades into career counseling services for middle and high school aged students as well as study ways to safely ensure kids can engage in hands-on learning activities.
 - This seems like an opportunity for AMBO to get involved if the organization is interested.

- **Back Flow Prevention Bill ([HF3214/SF2602](#)):**
 - This bill is intended to rectify the arguable overreach by the MN Plumbing board and the UPC provision that requires a licensed plumber to repair a backflow preventer.
 - The bill is being advanced by the Minnesota Nursery and Landscapers Association (MNLA). MNLA members have been performing this work for years until the new UPC went into effect.
 - It is likely that this legislation will continue to be worked on throughout the year in hopes that the parties can come to a reasonable agreement.

- **ADA Working Group - AMBO is listed as a member ([HF2617/SF2348](#))**
 - AMBO has been listed as one of the 13 working group members to decide the fate of ADA non-compliance notification.
 - 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 confusion may stem from the buildings that receive a partial inspection but may not be in full compliance with the ADA.
 - The task that is before the working group may be to identify how best to notify owners as to non-compliance when the entire building is not inspected.
 - Nothing is happening so far this year on this bill.

- **Heightened Penalties for Unlicensed Builders ([HF1119/SF1533](#))**
 - Increasing the criminal charge from a misdemeanor to a gross misdemeanor for unlicensed residential contractors building in MN.
 - The primary advocates of this legislation (BAM) hope that an increased penalty for illegal building will lead to greater rates of licensure and increased enforcement by local prosecutors against bad actors.
 - AMBO has been supportive of this legislation.

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- **Repeal of the 2016 Radon Mitigation Act ([HF334/SF639](#))**
 - This would remove the MN Department of Health from controlling radon mitigation contractor licensing.
 - Although this bill is not moving forward at this time it is likely that we will see some legislation come forth in attempts to address the remaining concerns of radon mitigation contractors around the MDH spot check.

- **Civil Penalties for Unlicensed Builders ([HF3871/SF3447](#))**
 - Gives the Commissioner of DLI the authority to:
 - Issue cease and desist orders if the party knowingly violates 326B.802 to 326B.885;
 - Issue cease and desist orders to anyone aiding the violator;
 - Fine a party up to \$5,000 per incident;
 - An “incident” for purposes of a fine is constituted by each day of illegal building; and
 - DLI will start rulemaking on methods of issuing these violations.

- **Repealing the MN Residential Trades Licensure ([HF3872/3448](#)).**
 - Requiring the Revisor to prepare a technical corrections bill to repeal the residential trades licensure, the bill has to be prepared prior to the 2019 legislative session.
 - BAM is concerned that the code is not being administered outstate, and their licensed members are effectively being held to a higher standard and are underpriced by their unlicensed competition.

- **Repeal of the one-time handyman exception from state law ([HF3927/SF3442](#)):**
 - This would impact non-licensed non-owner parties performing residential construction work, no matter the cost of the construction (previously up to \$15,000 of work was exempt).

- **Homeowners responsible for SBC and Warranties ([HF3941/SF3443](#)):**
 - Includes the homeowner in the definition of “vendor” under MN§327A.01, effectively requiring the homeowner to build/follow the SBC and be responsible for warranties.

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- **Lenders required to verify contractor's license number to issue loan ([HF3942/SF3444](#))**
 - Lenders prohibited from issuing new loans for new and remodeled construction without verification that the work is done by a licensed contractor.
- **CGL policy required to list contractor license number ([HF3943/SF3445](#))**
 - Commercial general liability insurers are required to obtain proof of licensure before insuring residential builders.
- **All rights striped from non-licensed residential contractors ([HF3944/SF3446](#))**
 - Non-licensed residential contractors cannot:
 - Bring a cause of action to collect compensation due;
 - Enforce a security lien;
 - Achieve substantial compliance with the licensure requirements if they have never been licensed.
 - A person utilizing the services of an unlicensed contractor may recover all compensation paid to the unlicensed contractor for services rendered.

Additional 2018 Construction Bills

- [HF700](#): Transferring the fire code from DLI to Public Safety.
- [HF1202/SF969](#): Mandating that the DLI Commissioner *must* administer & amend the SBC.
- [HF1433](#): Rulemaking sent to the legislature if there's "substantial economic impact".
- [HF2013/SF2064](#): Statutory cleanup regarding ADA/Accessibility on state owned buildings.
- [HF2310/SF1927](#): Changing the methods of accounting for electrical experience to allow for unregistered parties to take the Journeyman test if they've worked for a single electrical employer.
- [HF2320/SF2044](#): Modifying the employment requirements for unlicensed and journeymen electricians – allowing for apprentices to move amongst various electrical contractors.
- [HF2235/SF2058](#): Expanding the elevator exemption for buildings with 5 or less floors in fourth-class cities if approved by a building official.

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- [HF2452/SF2168](#): ADA litigation reforms.
- [SF2613](#): Allowing Journeyman Sprinkler Fitter tests to be taken every 30 days when the applicant fails to pass, and increasing the number of test opportunities throughout the year.
- [HF2899/SF3188](#): Requires notification of terms required in [MN§325E.66](#), and prevents insurance companies from offering a settlement of less than the replacement value in all scenarios aside a “total loss”.
- [HF2937/SF2629](#): Altering (decreasing) state grantee requirements of job training programs.
- [HF3282](#): Modifying the “Best Value” determination for state construction contracts.
- [HF3698/SF3602](#): Authorizing Public –Private Partnership Projects (P3) in Minnesota.
- [HF3810/SF3430](#): Authorizing \$1,000,000 in funding from the workforce development fund for “Project Build Minnesota” to reach out to middle and high school kids to raise awareness about opportunities in the construction industry.
- [HF3824/SF3431](#): Changing the fees and procedures for well borings.
- [HF3838/SF3297](#): Authorizing Saint Paul to use a design-build process on the “McCarron’s Treatment Process Improvements”.
- [HF3841/SF3399](#): Increasing the amount that municipal contracts can be authorized without bidding from \$100,000 to \$175,000.
- [HF3880](#): School counselors are allowed to consult with DLI, and school districts are allowed to grant persons promoting careers in skilled trades access to secondary students.
- [HF3904/SF3483](#): Changing the apprenticeship ratios on solar projects from 2:1 to 5:1.
- [HF3915](#): A constitutional amendment requiring that 70% of taxes on new or used vehicles to be allocated for “highway purposes”.
- [HF3926/SF3452](#): Allowing Journeyman Sprinkler Fitter tests to be taken every 30 days.
- [HF3939](#): Establishing favorable tax treatment for building residential or commercial construction in specified border cities. This bill is authored by the previous chief author of the bill exempting border cities from the SBC, and may be a new method to address border city concerns.