

## **S.F. No. 2373 – Labor Budget Bill (2<sup>nd</sup> Engrossment)**

**Author:** Senator Jennifer McEwen

**Prepared by:** Carlon Doyle Fontaine, Senate Counsel  
(carlon.doyle.fontaine@mnsenate.gov)

**Date:** April 16, 2025

---

**S.F. 2373** is the budget bill for the Department of Labor and Industry, Workers’ Compensation Court of Appeals, and the Bureau of Mediation Services

### **Article 1 – Appropriations**

Provides appropriations for the Department of Labor and Industry, Workers’ Compensation Court of Appeals, and the Bureau of Mediation Services.

### **Article 2 – Department of Labor and Industry Policy**

Section 1. [177.27, subdivision 5] **Civil actions.** Allows the DLI commissioner to apply in district court for an order enjoining and restraining violations of statutes and rules over which the commissioner has compliance order authority.

Sections 2 to 5. [326B.103] **Definitions.** Provide definitions for terms to be used in Ch. 326B related to manufactured housing. Terms include “closed construction,” “industrialized or modular building,” “manufactured home,” “prefabricated building.”

Section 6. [326B.154] **Industrialized modular or prefabricated buildings plan review and inspection fees.** Provides a structure for plan review and inspection fees, similar to other plan review and inspection activities under the jurisdiction of the Department of Labor and Industry (DLI), for industrialized modular or prefabricated buildings.

Section 7. [326B.184, subdivision 1a] **Department permit and inspection fees.** Provides a \$10 fee for each separate remote virtual inspection of a stairway chairlift installation or other authorized devices at private residences.

Section 8. [326B.184, subdivision 2] **Operating permits and fees; periodic inspections.** Increases the annual elevator operating permit fee to \$145 from \$100.

Section 9. [326B.31, subdivision 29] **Technology circuits or systems.** Makes technical changes related to the class of circuits or systems involved and references to the National Electrical Code for low-voltage lighting.

Section 10. [326B.33, subdivision 21] **Exemptions from licensing.** Adds a reference to class 4 circuits or systems to those planning, laying out, or installing activities that require licensing.

Sections 11 to 18. [326B.37] **Electrical permit, inspection, reinspection, and supplemental fees.** Provide a permit fee for electrical permits. Increase other existing electrical inspection fees and make conforming changes.

Section 19. [326B.49] **Fees for plan reviews and audits.** Modifies the existing plumbing fee structure for plan reviews and audits.

Section 20. [326B.49, subdivision 3] **Permits; fees.** Modifies the existing fee structure for plumbing permits.

Section 21. [326B.986, subdivision 9] **Boiler and pressure vessel registration fee.** Increases the annual boiler and pressure vessel registration fee from \$10 to \$25.

Sections 22. [327.31] **Sale.** Provides a definition for the term “sale” as it is used in Ch. 327 related to manufactured housing.

Section 23. [327.32, subdivision 1a] **Requirement; used manufactured homes.** Modifies the statute governing notice requirements for sales of used manufactured homes. Provides direction to the DLI commissioner regarding elements to include in a Notice of Compliance Form for a Used Manufactured Home including life and safety requirements, alarm requirements, electrical requirements, plumbing requirements, heat-producing requirements, and other general requirements.

Section 24. [327.32, subdivision 1e] **Reinstallation requirements for used manufactured homes.** References certain statutory sections as applicable to manufactured housing.

Section 25. [327.32, subdivision 7] **Enforcement.** Clarifies that manufactured home installation inspection and plan review services may be provided by municipalities that have adopted the State Building Code in areas of the state without local building code enforcement.

Section 26. [327.33, subdivision 1] **Inspections.** Modifies the “sufficient” standard from the commissioner’s performance of inspections of manufactured homes.

Section 27. [327.33, subdivision 2] **Fees.** Allows the commissioner to establish reasonable fees for the Notice of Compliance Form for a used manufactured home filing.

Sections 28 to 30. [327.33] **Fee changes.** Increase existing fees for construction seals, installation seals, and temporary installation certificates.

Section 31. [327.33, subdivision 2f] **Notice of Compliance Form for a used manufactured home filing fee.** Provides a fee of \$100 for each Notice of Compliance Form for a used manufactured home filing.

Section 32. [327.33, subdivision 2h] **Installation plan review and inspection fee.** Provides for a fee of \$1200 for plan review and inspection of new and used installed or reinstalled manufactured homes in areas of the state without local building code enforcement.

Section 33. [327B.01, subdivision 1] **Terms.** Makes grammatical change.

Sections 34 to 40. [327B.01] **Definitions.** Provide new and amended definitions for terms used in Ch. 327B. Terms include “authorized representative,” “dealer or retailer,” “distributor,” “installation,” “manufactured home installer,” “purchaser,” and “salesperson.”

Section 41. [327B.04, subdivision 3] **License application; manufacturer and dealer.** Makes a clarifying addition regarding application to manufacturer and dealer licensing.

Section 42. [327B.04, subdivision 4] **License prerequisites.** Makes a clarifying addition regarding application to manufacturers and dealers.

Section 43. [327B.04, subdivision 6] **Certificate of license; manufacturer and dealer.** Makes clarifying additions regarding application to manufacturers and dealers.

Section 44. [327B.04, subdivision 7a] **Fees.** Clarifies and sets the fee structure for dealer’s, manufacturer’s, dealer’s subagency, and limited dealer’s licenses for manufactured housing.

Section 45. [327B.041] **Manufactured home installers.** Updates name of association as the Minnesota and Modular Home Association of Minnesota.

Section 46. [327B.05, subdivision 1] **Grounds.** Modifies the standard for a material violation to be one that the dealer knew of or could have known of with the exercise of reasonable diligence. Makes other technical changes.

### **Article 3 – Labor and Industry – Miscellaneous**

Section 1. [177.253, subdivision 1] **Rest breaks.** Specifies fifteen minutes as the amount of time that an employee is entitled to take as a rest break every four hours. Currently, the rest break requirement is stated as “adequate time.”

Section 2. [177.253] **Remedies.** Provides remedies for a rest break violation. Allows the DLI commissioner to assess a penalty of up to \$1,000 per employee per day during which rest breaks are not provided as required.

Section 3. [177.254, subd. 1] **Meal break.** Specifies at least a 30-minute meal break be provided by employers for every six consecutive hours worked. Currently, the meal break requirement is stated as “sufficient time.”

Section 4. [177.254, subd. 2] **Payment not required.** Includes a cross reference to the exception that payment is not required during meal breaks.

Section 5. [177.254] **Remedies.** Provides remedies for a meal break violation. Allows the DLI commissioner to assess a penalty of up to \$1,000 per employee per day during which meal breaks are not provided as required.

Section 6. **Misclassification fraud impact report.** Allows the commissioners of revenue, employment and economic development, and labor and industry to coordinate and report on their analysis of the costs of misclassification of workers and the impact of workers, government programs, and tax collections. Alls the commissioners to report this analysis to the legislature beginning January 15, 2027, and then every odd-number year thereafter.

#### **Article 4 – Underground Telecommunications Installers**

Section 1. [Amends 326B.198, subd. 2] **Installation Requirements.** Eliminates the requirement that at least two safety-qualified underground telecommunications installers be present during directional drilling. Eliminates the requirement that beginning July 1, 2025, that underground telecommunications infrastructure installations in the seven-county metro area be done by safety-qualified installers but retains the requirement on a statewide basis beginning January 1, 2026.

Section 2. [Amends 326B.198, subd. 3] **Certification Standards.** Allows approved training provider to apply for approval of classroom instruction course material delivered up to two years prior to becoming an approved training provider. Specifies the information and materials to be included with the application. Allows an approved training provider to grant full or partial retroactive credit for completion of classroom instruction training. A person granted retroactive credit must still successfully complete the required examination.



Senate Counsel, Research, and Fiscal Analysis provides nonpartisan legislative, legal, fiscal, and analytical services to the Minnesota Senate. This document can be made available in different formats upon request.

[www.senate.mn/scrfa/home](http://www.senate.mn/scrfa/home) | 651-296-4791  
95 University Ave. W., STE 3300, Saint Paul, MN, 55155