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LEGISLATIVE REPORT: PLUMBING AT RESORTS



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Executive summary

In response to legislation proposed during the 2014 session (Minnesota Session Laws 2014; Chapter 305, Sec. 28), the legislature directed the Minnesota Department of Labor and Industry (DLI) to convene a "Plumbing at Resorts Workgroup" to provide recommendations to the legislature about requirements for plumbing at resorts. DLI assembled the workgroup from its own staff members, representatives from the Minnesota Department of Health (MDH) and members of the plumbing and hospitality industries, which included individual resort owners.

During three meetings, the workgroup reviewed the:

- issues of concern identified by both the plumbing and resorts industries;
- statutory requirements for plumbing installations; and
- possible recommendations to address practices for performing plumbing at resort properties.

The group's goal was to try to achieve consensus on a legislative recommendation that would allow resort owners to perform defined plumbing work outside of the existing plumbing licensing framework. Specifically, to define a scope of plumbing work that could be performed by resort owners and under what conditions. A shared objective of all members of the work group is to ensure the health and safety of those that use resort lodging establishments.

DLI is required to report its recommendations to the legislature by January 1, 2015. At the time of this report, the workgroup had not reached consensus about a legislative proposal, however, discussions continue under the framework of the legislative mandate with the hopes that a resolution will still be reached during the 2015 legislative session.

Introduction and background

In Minnesota, anyone who is employed to install plumbing must be a:

- licensed master plumber; or
- licensed restricted master plumber; or
- licensed journeyman plumber; or
- licensed restricted journeyman plumber; or
- registered plumbing apprentice; or
- registered unlicensed individual.

Legislation passed in 2007 that required a plumbing license issued by DLI to perform all plumbing work in the state. Prior to that, plumbing work performed in cities with less than 5,000 in population and rural areas was not required to be performed by licensed individuals.

The 2007 legislation also created "restricted" plumbing licenses to grandfather in those unlicensed persons who had been performing plumbing work in cities with less than 5,000 in

population and rural areas. Without the restricted plumbing license, these individuals would have been subject to the plumbing licensing requirements, which include demonstrating experience and passing an examination for competence and code knowledge. The deadline to apply for the restricted license was Dec. 31, 2007. The 2008 legislature reopened the opportunity to apply for a restricted plumbing license through Sept. 30, 2008.

DLI administers about 7,000 total plumbing licenses in Minnesota; approximately 1,200 of them are restricted plumber licenses. Some resort owners applied for and were granted restricted plumbing licenses during 2007 and 2008.

A restricted plumber may continue to be licensed to perform plumbing work in the state of Minnesota if the license is renewed every two years. Part of the requirement for renewal is the completion of 16 hours of continuing education during the two-year cycle of the license. These conditions apply to all plumbing license holders.

It is unknown how many of the current restricted plumbers license holders are also resort owners. It is estimated there are approximately 900 resorts in Minnesota. The majority of these resorts are located in the northern half of the state, particularly in the north central and northeastern areas.

Legislation proposed in 2014 on behalf of resort owners would have allowed plumbing work at resorts classified as either 1c or 4c property under Minnesota Statutes to be perform without a plumber's license. The proposal would have amended Minnesota Statutes 2012, section 326B.46, subd. 1a. The language was contained in SF 2519, and read:

- (f) A person may perform plumbing work without a restricted plumbing contractor's license if the person is performing the work at a resort that:
 - (1) is classified either class 1c or class 4c property under section 273.13 and
 - (2) licensed by the Department of Health under section 157.16.

The 2014 proposed legislation would have allowed any person to perform any plumbing work without a license at any resort licensed by the Department of Health under section 157.16 with a property tax classification of 273.13 1c or 4c.

Resorts that qualify under 1c or 4c classifications can operate under various types of ownership models, which include sole proprietors, limited liability companies and corporations. Some of the owners of these properties obtained restricted plumbing licenses in 2007 and 2008 and are able to legally perform plumbing activities that require a license at resorts, as well as in municipalities of less than 5,000 in population.

Workgroup representatives

| Resort owners | Plumbing industry | Department of Health | Labor and Industry |
|---------------|-------------------|----------------------|--------------------|
| Paul Bugbee | Jessica Bortran | Tom Davey | Jessica Looman |
| Joel Carlson | Carl Crimmins | Steven Diaz | Jim Lungstrom |
| Tony Kwilas | Tom McCarthy | Randy Ellingboe | John Rajkowski |
| Roger Lykins | Phil Raines | Linda Prail | |
| Tom Marnik | Gary Thaden | Blake Nordin | |
| Dan McElroy | Luke Westman | Jerry Smith | |
| Mark Novotny | Dave Ybarra | • | |

Workgroup sessions

The "Plumbing at Resorts Workgroup" met three times at DLI's St. Paul office. The group's goal was to attempt to achieve consensus about whether it could make a recommendation to the legislature to change the existing plumbing licensing laws. Specifically, whether resort owners should be permitted to perform plumbing work at their resorts without meeting the current licensing requirements, and if so, to define the scope of plumbing work that could be performed and under what conditions. In order to achieve this goal and to make informed recommendations, the group gathered input and perspectives from its various members.

Minnesota Department of Health

The Minnesota Department of Health is responsible for a number of issues that affect resorts. Among them is their responsibility to license lodging facilities and restaurants, administer the food code and oversee the safety of public water systems. As part of its licensing program, MDH conducts safety and health related inspections of many types of facilities, including resorts.

According to MDH inspectors, the plumbing deficiencies they most commonly see at resorts include leaky fixtures, toilets that lack proper anti-siphon valves, missing backflow prevention devices, improper waste line connections, and improper termination points on hot water pressure-temperature relief valves. In addition, some possible causes of water standard exceedances at resorts include cross connections, dead-end plumbing, poor maintenance of water treatment units, missing well caps, inadequate disinfection, and low-water use.

Minnesota Department of Labor and Industry

The Department of Labor and Industry is responsible for the examination of plumbers, issuing plumbing licenses, reviewing plumbing plans and performing plumbing inspections on public facilities where DLI has not delegated this authority to a local jurisdiction.

In most instances, plumbing work performed in the state requires three things:

- 1. A plumbing plan that is developed by a licensed engineer or master plumber be approved by DLI or a local building jurisdiction. The purpose of plan review is to ensure the plumbing design conforms to established codes and standards.
- 2. The plumbing is performed by a plumber that is licensed by DLI; and

3. Once construction is underway, the work is inspected to confirm the plan is being followed and proper methods and materials are being used for the installation.

Plumbing industry representatives

During the workgroup meetings, plumbing industry representatives shared their concerns that the scope of plumbing work desired to be performed by resort owners is unclear and cautioned that other businesses in addition to resorts would likely petition to perform plumbing work without a plumbing license. They emphasized that necessary code knowledge and skills training are demonstrated by possession of a plumbing license and the necessary continuing education required to maintain the license.

The plumbing industry representatives have indicated that it is necessary for any proposal to carefully define the scope of work allowed, account for necessary fees to administer any new program, define who would be able to perform work, and provide protection to the public by defining how and when inspections would be conducted for any plumbing work performed by resort owners.

Resort owner representatives

During the workgroup meetings, the resort owners expressed a need to be able to perform some plumbing work at their resort properties. Costs, emergency situations and, in some cases, remoteness from licensed plumbers were cited as concerns. Due to their familiarity with their resorts accumulated from day-to-day management, many owners feel comfortable they can successfully perform any necessary plumbing repairs and provide general plumbing system maintenance at their own resorts.

The resort owner representatives have indicated that they are interested in exploring ideas including plumbing licensing exemptions and a plumbing license with different requirements.

Conclusion

The workgroup has not yet reached consensus on a recommendation to the legislature as to whether and how the plumbing licensing laws should be amended to address the concerns of both the resort industry and the plumbing industry and to also ensure the health and safety of the public.

However, it is evident the points of view of all parties are more completely understood as a result of the workgroup. DLI recommends the parties continue the discussions and to remain committed to achieving a consensus proposal to be presented to the Minnesota Legislature during 2015.