

**SENATE  
STATE OF MINNESOTA  
NINETIETH SESSION**

**S.F. No. 2567**

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DATE  
02/22/2018

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Introduction and first reading  
Referred to State Government Finance and Policy and Elections

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to administrative rulemaking; requiring agencies to determine the impact  
1.3 of a proposed rule on the cost of residential construction or remodeling; requiring  
1.4 notice to the applicable legislative committees; permitting a legislative committee  
1.5 to require approval of a rule by law; proposing coding for new law in Minnesota  
1.6 Statutes, chapter 14.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. **[14.1275] RULES IMPACTING RESIDENTIAL CONSTRUCTION OR**  
1.9 **REMODELING; LEGISLATIVE NOTICE AND REVIEW.**

1.10 Subdivision 1. **Definition.** As used in this section, "residential construction" means the  
1.11 new construction or remodeling of any building subject to the Minnesota Residential Code.

1.12 Subd. 2. **Impact on housing; agency determination.** (a) An agency must determine if  
1.13 implementation of a proposed rule, or any portion of a proposed rule, will, on average,  
1.14 increase the cost of residential construction or remodeling by \$1,000 or more per unit, and  
1.15 whether the proposed rule meets the state regulatory policy objectives described in section  
1.16 14.002. In calculating the cost of implementing a proposed rule, the agency may consider  
1.17 the impact of other related proposed rules on the overall cost of residential construction. If  
1.18 applicable, the agency may include offsetting savings that may be achieved through  
1.19 implementation of related proposed rules in its calculation under this subdivision.

1.20 (b) The agency must make the determination required by paragraph (a) before the close  
1.21 of the hearing record, or before the agency submits the record to the administrative law  
1.22 judge if there is no hearing. Upon request of a party affected by the proposed rule, the  
1.23 administrative law judge must review and approve or disapprove an agency's determination  
1.24 under this subdivision.

2.1 Subd. 3. Notice to legislature; legislative review. If the agency determines that the  
2.2 impact of a proposed rule meets or exceeds the cost threshold provided in subdivision 2, or  
2.3 if the administrative law judge separately confirms the cost of any portion of a rule exceeds  
2.4 the cost threshold provided in subdivision 2, the agency must notify, in writing, the chair  
2.5 and ranking minority members of the policy committees of the house of representatives and  
2.6 the senate with jurisdiction over the subject matter of the proposed rule within ten days of  
2.7 the determination. The agency shall not adopt the proposed rule until after the adjournment  
2.8 of the next session of the legislature convened on or after the date that notice required in  
2.9 this subdivision is given to the chairs and ranking minority members.

2.10 **EFFECTIVE DATE.** This section is effective August 1, 2018, and applies to  
2.11 administrative rules proposed on or after that date.