

State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 2103

03/25/2015 Authored by Gruenhagen and Drazkowski

The bill was read for the first time and referred to the Committee on Government Operations and Elections Policy

1.1 A bill for an act  
1.2 relating to public employment; forbidding collective bargaining contracts in  
1.3 which the cost exceeds the growth in private sector gross domestic product;  
1.4 proposing coding for new law in Minnesota Statutes, chapter 179A.  
1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. [179A.195] LIMIT ON CONTRACT COSTS.

1.7 (a) By July 1 each year, the commissioner of management and budget must certify  
1.8 the percentage increase in the private sector gross domestic product of Minnesota during  
1.9 the year ending the prior December 31, based on data supplied by the federal Bureau of  
1.10 Economic Analysis. The commissioner must publish this percentage in the State Register.

1.11 (b) Before entering into a contract under this chapter, a public employer must  
1.12 calculate the anticipated annual percentage increase in costs to the employer each year of  
1.13 the contract as a result of the contract. A public employer may not enter into a contract  
1.14 if the percentage calculated by the public employer under this paragraph for any year of  
1.15 the contract is greater than the most recent percentage certified by the commissioner of  
1.16 management and budget under paragraph (a).

1.17 (c) An arbitrator may not issue an award that would cause a public employer to  
1.18 violate the limits of this section.

1.19 EFFECTIVE DATE. This section is effective July 1, 2015. The commissioner of  
1.20 management and budget must make the first certification of the percentage increase in the  
1.21 private sector gross domestic product on that date, and the limits in paragraphs (b) and  
1.22 (c) apply to contracts entered into after that certification.