

A bill for an act
relating to labor and employment; adding and modifying prevailing wage
provisions; amending Minnesota Statutes 2010, section 177.42, subdivisions 4,
6; proposing coding for new law in Minnesota Statutes, chapter 177; repealing
Minnesota Rules, part 5200.1020, subparts 1, 2, 5.

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

Section 1. Minnesota Statutes 2010, section 177.42, subdivision 4, is amended to read:

Subd. 4. **Prevailing hours of labor.** "Prevailing hours of labor" means the hours
of labor ~~per day and per week worked within the area by a larger number of workers of~~
~~the same class than are employed within the area for any other number of hours per day~~
~~and per week.~~ The prevailing hours of labor may not be more than ~~eight hours per day~~
~~or more than~~ 40 hours per week.

Sec. 2. Minnesota Statutes 2010, section 177.42, subdivision 6, is amended to read:

Subd. 6. **Prevailing wage rate.** "Prevailing wage rate" means the ~~hourly basic~~
~~rate of pay plus the contribution paid to or for the largest number of~~ mean hourly
compensation paid to workers engaged in the same class of labor within the area. The
mean hourly compensation includes the hourly basic rate plus the contribution for medical
or hospital care, pensions on retirement or death, compensation for injuries or illness
resulting from occupational activity, or insurance to provide any of the foregoing, for
unemployment benefits, life insurance, disability and sickness insurance, or accident
insurance, for vacation and holiday pay, for defraying the costs of apprenticeship or other
similar programs, or for other bona fide fringe benefits, but only where the contractor or
subcontractor is not required by other federal, state, or local law to provide any of those
benefits, the amount of:

(1) the rate of contribution irrevocably made by a contractor or subcontractor to a trustee or to a third person under a fund, plan, or program; and

(2) the rate of costs to the contractor or subcontractor that may be reasonably anticipated in providing benefits to laborers and mechanics pursuant to an enforceable commitment to carry out a financially responsible plan or program which was communicated in writing to the laborers and mechanics affected.

"Prevailing wage rate" includes, for the purposes of section 177.44, rental rates for truck hire paid to those who own and operate the truck.

The prevailing wage rate may not be less than a reasonable and living wage.

Sec. 3. [177.421] PREVAILING WAGE DETERMINATIONS.

Subdivision 1. **Highway and heavy construction.** The department shall, at least once every two calendar years, determine and certify prevailing wage rates applicable to state projects that are similar in nature to public and private highway and heavy construction projects where the estimated total cost of completing the project is \$25,000 or more.

Subd. 2. **Commercial type construction.** The department shall, at least once every two calendar years, determine and certify prevailing wage rates applicable to state projects that are similar in nature to public and private commercial projects where the estimated total cost of completing the project is \$2,500 or more.

Subd. 3. **Survey data.** Each wage survey shall be based upon work performed in the 24 months preceding the date the survey is commenced and the resulting wage determinations certified following the close of the survey.

Subd. 4. **Rule modification.** The commissioner shall adopt or amend rules as necessary to reflect this section. Rules may be adopted or amended using the process under section 14.388.

Sec. 4. REPEALER.

Minnesota Rules, part 5200.1020, subparts 1, 2, and 5, are repealed.