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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1834

03/12/2015 Authored by Moran, Melin and Winkler

The bill was read for the first time and referred to the Committee on Civil Law and Data Practices

1.1 A bill for an act
1.2 relating to human rights; adding provisions to the certificate of compliance and
1.3 equal pay certificate requirements; amending Minnesota Statutes 2014, sections
1.4 363A.36, subdivision 1; 363A.44, subdivision 1.

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

1.6 Section 1. Minnesota Statutes 2014, section 363A.36, subdivision 1, is amended to read:

1.7 Subdivision 1. **Scope of application.** ~~(a) For all contracts for goods and services in~~
1.8 ~~excess of \$100,000, no department or agency of the state shall accept any bid or proposal~~
1.9 ~~for a contract or agreement from any business having more than 40 full-time employees~~
1.10 ~~within this state on a single working day during the previous 12 months, unless the~~
1.11 ~~commissioner is in receipt of the business' affirmative action plan for the employment of~~
1.12 ~~minority persons, women, and qualified disabled individuals. No department or agency of~~
1.13 ~~the state shall execute any such contract or agreement until the affirmative action plan~~
1.14 ~~has been approved by the commissioner. Receipt of a certificate of compliance issued by~~
1.15 ~~the commissioner shall signify that a firm or business has an affirmative action plan that~~
1.16 ~~has been approved by the commissioner. A certificate shall be valid for a period of four~~
1.17 ~~years. A municipality as defined in section 466.01, subdivision 1, that receives state~~
1.18 ~~money for any reason is encouraged to prepare and implement an affirmative action plan~~
1.19 ~~for the employment of minority persons, women, and the qualified disabled and submit the~~
1.20 ~~plan to the commissioner.~~

1.21 (b) ~~This paragraph applies to a contract for goods or services in excess of \$100,000~~
1.22 ~~to be entered into between a department or agency of the state and a business that is~~
1.23 ~~not subject to paragraph (a), but that has more than 40 full-time employees on a single~~
1.24 ~~working day during the previous 12 months in the state where the business has its primary~~

2.1 ~~place of business. A department or agency of the state may not execute a contract or~~
 2.2 ~~agreement with a business covered by this paragraph unless the business has a certificate~~
 2.3 ~~of compliance issued by the commissioner under paragraph (a) or the business certifies~~
 2.4 ~~that it is in compliance with federal affirmative action requirements.~~

2.5 (a) No department, agency of the state, the Metropolitan Council, agency subject
 2.6 to section 473.143, subdivision 1, or Minnesota local unit of government that receives
 2.7 grants funded with general appropriation bond proceeds shall execute a contract for goods
 2.8 or services or an agreement for goods or services in excess of \$100,000 with a business
 2.9 that has 40 or more full-time employees in this state or a state where the business has
 2.10 its primary place of business on a single day during the prior 12 months, unless the
 2.11 business has a workforce certificate or it has certified in writing that it is exempt to the
 2.12 commissioner. A certificate is valid for four years. A municipality as defined in section
 2.13 466.01, subdivision 1, which receives state money for any reason is encouraged to prepare
 2.14 and implement an affirmative action plan for the employment of minority persons, women,
 2.15 and individuals with disabilities and submit the plan to the commissioner.

2.16 ~~(e)~~ (b) This section does not apply to contracts entered into by the State Board of
 2.17 Investment for investment options under section 356.645.

2.18 ~~(d)~~ (c) The commissioner shall issue a certificate of compliance or notice of denial
 2.19 within 15 days of the application submitted by the business or firm.

2.20 Sec. 2. Minnesota Statutes 2014, section 363A.44, subdivision 1, is amended to read:

2.21 Subdivision 1. **Scope.** (a) No department, agency of the state, the Metropolitan
 2.22 Council, or an agency subject to section 473.143, subdivision 1, or a Minnesota local unit
 2.23 of government that receives grants funded with general appropriation bond proceeds shall
 2.24 execute a contract for goods or services or an agreement for goods or services in excess of
 2.25 \$500,000 with a business that has 40 or more full-time employees in this state or a state
 2.26 where the business has its primary place of business on a single day during the prior 12
 2.27 months, unless the business has an equal pay certificate or it has certified in writing that it
 2.28 is exempt. A certificate is valid for four years.

2.29 (b) This section does not apply to a business with respect to a specific contract if
 2.30 the commissioner of administration determines that application of this section would
 2.31 cause undue hardship to the contracting entity. This section does not apply to a contract
 2.32 to provide goods and services to individuals under chapters 43A, 62A, 62C, 62D, 62E,
 2.33 256B, 256I, 256L, and 268A, with a business that has a license, certification, registration,
 2.34 provider agreement, or provider enrollment contract that is prerequisite to providing those

3.1 goods and services. This section does not apply to contracts entered into by the State
3.2 Board of Investment for investment options under section 352.965, subdivision 4.

3.3 (c) No local unit of government receiving state funds for a construction project may
3.4 award a grant for the project to a business unless the business has an equal pay certificate
3.5 from the commissioner, or has certified in writing that it is exempt to the commissioner.