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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 3056

02/11/2020 Authored by Lee, Olson, Dehn, Her, Mann and others
The bill was read for the first time and referred to the Committee on Government Operations
02/17/2020 Adoption of Report: Amended and re-referred to the Capital Investment Division

1.1 A bill for an act
1.2 relating to capital investment; requiring recipients of state general obligation bond
1.3 proceeds to comply with certain human rights provisions; amending Minnesota
1.4 Statutes 2018, sections 363A.36, by adding a subdivision; 363A.44, subdivision
1.5 1.

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

1.7 Section 1. Minnesota Statutes 2018, section 363A.36, is amended by adding a subdivision
1.8 to read:

1.9 Subd. 1a. Scope of application; state capital funding. (a) An agency or political
1.10 subdivision that uses state money to pay for part or all of a capital project is subject to and
1.11 must comply with the restrictions in subdivision 1, for contracts exceeding \$100,000.

1.12 (b) For the purposes of this subdivision, the following terms have the meanings given
1.13 them:

1.14 (1) "agency" means a state board, commission, authority, department, or other agency
1.15 of the executive branch of state government; the Minnesota Historical Society; the Minnesota
1.16 State Colleges and Universities; or the University of Minnesota;

1.17 (2) "capital project" means the acquisition and betterment of land and buildings and
1.18 other public improvements in the state, including acquisition of real property or an interest
1.19 in real property, predesign, design, engineering, site preparation and related environmental
1.20 work, renovation, construction, furnishing, and equipping;

1.21 (3) "political subdivision" means a county, home rule charter or statutory city, town,
1.22 school district, metropolitan or regional agency, public corporation established in law, or
1.23 other special or limited purpose district created or authorized by law; and

2.1 (4) "state money" means the proceeds of state general obligation bonds issued under
2.2 article XI, section 5, clause (a), of the Minnesota Constitution.

2.3 (c) This subdivision applies to a capital project or discrete phase of a capital project for
2.4 which state money has been appropriated on or after January 1, 2022.

2.5 Sec. 2. Minnesota Statutes 2018, section 363A.44, subdivision 1, is amended to read:

2.6 Subdivision 1. **Scope.** (a) No department, agency of the state, the Metropolitan Council,
2.7 or an agency subject to section 473.143, subdivision 1, shall execute a contract for goods
2.8 or services or an agreement for goods or services in excess of \$500,000 with a business that
2.9 has 40 or more full-time employees in this state or a state where the business has its primary
2.10 place of business on a single day during the prior 12 months, unless the business has an
2.11 equal pay certificate or it has certified in writing that it is exempt. A certificate is valid for
2.12 four years.

2.13 (b) An agency or political subdivision that uses state money to pay for part or all of a
2.14 capital project is subject to and must comply with the restrictions in this section for contracts
2.15 exceeding \$500,000. For purposes of this subdivision, "agency," "political subdivision,"
2.16 "capital project," and "state money" have the meanings given in section 363A.36, subdivision
2.17 1a. This paragraph applies to a capital project or discrete phase of a capital project for which
2.18 state money has been appropriated on or after January 1, 2022.

2.19 ~~(b)~~ (c) This section does not apply to a business with respect to a specific contract if the
2.20 commissioner of administration determines that application of this section would cause
2.21 undue hardship to the contracting entity. This section does not apply to a contract to provide
2.22 goods and services to individuals under chapters 43A, 62A, 62C, 62D, 62E, 256B, 256I,
2.23 256L, and 268A, with a business that has a license, certification, registration, provider
2.24 agreement, or provider enrollment contract that is prerequisite to providing those goods and
2.25 services. This section does not apply to contracts entered into by the State Board of
2.26 Investment for investment options under section 352.965, subdivision 4.