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State of Minnesota
HOUSE OF REPRESENTATIVES
First Division Engrossment

NINETY-FIRST SESSION

H. F. No. **2001**

03/04/2019 Authored by Cantrell
The bill was read for the first time and referred to the Committee on Labor
03/18/2019 Adoption of Report: Amended and re-referred to the Committee on Ways and Means

Division Action

Referred by Chair to the Judiciary Finance and Civil Law Division

1.1 A bill for an act
1.2 relating to human rights; ensuring workforce certificates of compliance apply
1.3 equally to in-state and out-of-state contractors; amending Minnesota Statutes 2018,
1.4 section 363A.36, subdivisions 1, 4.

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

1.6 Section 1. Minnesota Statutes 2018, 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 has~~
1.14 ~~been approved by the commissioner. Receipt of a certificate of compliance issued by the~~
1.15 ~~commissioner shall signify that a firm or business has an affirmative action plan that has~~
1.16 ~~been approved by the commissioner. A certificate shall be valid for a period of four years.~~
1.17 No department, agency of the state, the Metropolitan Council, or agency subject to section
1.18 473.143, subdivision 1, shall execute a contract for goods or services in excess of \$100,000
1.19 with a business that has 40 or more full-time employees in this state or a state where the
1.20 business has its primary place of business on a single day during the prior 12 months, unless
1.21 the business has a workforce certificate from the commissioner of human rights or has
1.22 certified in writing that it is exempt. Determinations of exempt status shall be made by the
1.23 commissioner of human rights. A certificate is valid for four years. A municipality as defined
1.24 in section 466.01, subdivision 1, that receives state money for any reason is encouraged to

2.1 prepare and implement an affirmative action plan for the employment of ~~minority persons,~~
2.2 people with disabilities, people of color, and women, and the qualified disabled and to
2.3 submit the plan to the commissioner.

2.4 ~~(b) This paragraph applies to a contract for goods or services in excess of \$100,000 to~~
2.5 ~~be entered into between a department or agency of the state and a business that is not subject~~
2.6 ~~to paragraph (a), but that has more than 40 full-time employees on a single working day~~
2.7 ~~during the previous 12 months in the state where the business has its primary place of~~
2.8 ~~business. A department or agency of the state may not execute a contract or agreement with~~
2.9 ~~a business covered by this paragraph unless the business has a certificate of compliance~~
2.10 ~~issued by the commissioner under paragraph (a) or the business certifies that it is in~~
2.11 ~~compliance with federal affirmative action requirements.~~

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

2.14 ~~(d)~~ (c) The commissioner shall issue a certificate of compliance or notice of denial within
2.15 15 days of the application submitted by the business or firm.

2.16 **EFFECTIVE DATE.** This section is effective June 1, 2020, and applies to contracts
2.17 entered into on or after that date.

2.18 Sec. 2. Minnesota Statutes 2018, section 363A.36, subdivision 4, is amended to read:

2.19 Subd. 4. **Revocation of contract.** A contract awarded by a department or agency of the
2.20 state, the Metropolitan Council, or an agency subject to section 473.143, subdivision 1, may
2.21 be terminated or abridged by ~~the department or agency~~ the awarding entity because of
2.22 suspension or revocation of a certificate based upon a contractor's failure to implement or
2.23 make a good faith effort to implement an affirmative action plan approved by the
2.24 commissioner under this section. If a contract is awarded to a person who does not have a
2.25 contract compliance certificate required under subdivision 1, the commissioner may void
2.26 the contract on behalf of the state.

2.27 **EFFECTIVE DATE.** This section is effective June 1, 2020, and applies to contracts
2.28 entered into on or after that date.