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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

EIGHTY-NINTH SESSION

**H. F. No. 3491**

03/23/2016 Authored by Mullery and Kahn

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 state contracts; encouraging a goal of 20 percent employment of  
1.3 females on state construction contracts; requiring a ten percent goal; requiring  
1.4 reports; amending Minnesota Statutes 2014, section 363A.36, 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

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

(c) This section does not apply to contracts entered into by the State Board of Investment for investment options under section 356.645.

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

(e) In implementing this section, it is legislative policy to encourage a workforce for construction work that is at least 20 percent female. The commissioner of human rights shall report to the legislature by January 15 each year on: (1) whether this 20 percent goal is feasible that year; and (2) if the goal is not feasible, what barriers exist to participation of women in the construction workforce, and what steps can be taken to lessen these barriers. Effective for certificates of compliance issued on or after July 1, 2016, an affirmative action goal for female participation in construction work must be at least ten percent, unless the commissioner determines that goal cannot be achieved.