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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 4818

03/11/2024 Authored by Berg, Hussein, Frazier, Noor, Pérez-Vega and others
03/18/2024 The bill was read for the first time and referred to the Committee on Transportation Finance and Policy
By motion, recalled and re-referred to the Committee on Labor and Industry Finance and Policy

1.1 A bill for an act
1.2 relating to Metropolitan Airports Commission; requiring health and welfare
1.3 benefits; imposing penalties; creating a civil action; proposing coding for new law
1.4 in Minnesota Statutes, chapter 473.

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

1.6 Section 1. [473.6125] HEALTH AND WELFARE BENEFITS.

1.7 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
1.8 the meanings given.

1.9 (b) "Airport" means the Minneapolis-St. Paul International Airport, Wold-Chamberlain
1.10 Field, a public airport under the supervision, operation, direction, and control of the
1.11 Metropolitan Airports Commission, including all property owned by the Metropolitan
1.12 Airports Commission at Minneapolis-St. Paul International Airport.

1.13 (c) "Employee" has the meaning given in section 177.23, and does not include the
1.14 following persons:

1.15 (1) employees classified as extended employment program workers as defined in
1.16 Minnesota Rules, parts 3300.6000 to 3300.6070, and participating in the extended
1.17 employment program under section 268.15; and

1.18 (2) an individual operating as an independent contractor as defined in section 181.723,
1.19 subdivision 4.

1.20 (d) "Employer" means any individual, partnership, association, corporation, business
1.21 trust, or any person or group of persons acting directly or indirectly in the interest of an

2.1 individual, partnership, association, corporation, or business trust in relation to an employee
2.2 employed by the employer at the airport and does not include any of the following:

2.3 (1) the United States government;

2.4 (2) the state of Minnesota, including any office, department, agency, authority, institution,
2.5 association, society, or other body of the state, including the legislature and the judiciary;

2.6 (3) any county or local government, except the Metropolitan Airports Commission; and

2.7 (4) providers with certificates issued by the United States Department of Labor or the
2.8 Minnesota Department of Labor and Industry for purposes of subminimum wage payments
2.9 pursuant to section 177.28 and Minnesota Rules, part 5200.0030, but only to the extent of
2.10 the workers specifically covered by the subminimum wage certificate.

2.11 (e) "Health and welfare benefits rate" means an hourly supplement of \$4.98 furnished
2.12 to an employee by providing at least \$4.98 per hour toward the cost of minimum essential
2.13 coverage under an eligible employer-sponsored plan as defined in Code of Federal
2.14 Regulations, title 26, section 1.5000A-2, paragraph (c), clause (1). The health and welfare
2.15 benefits rate must be adjusted annually to the rate provided pursuant to the McNamara
2.16 O'Hara Service Contract Act (SCA) requirements under United States Code, title 41, sections
2.17 6701 to 6707.

2.18 Subd. 2. **Scope.** Except as otherwise specified, this section applies to all employers at
2.19 the airport.

2.20 Subd. 3. **Health and welfare benefits.** (a) An employer shall provide an employee who
2.21 enrolls in an employer benefit plan and who is employed by the employer at the airport an
2.22 hourly supplement at the health and welfare benefits rate.

2.23 (b) The health and welfare benefits rate applies only to the first 40 hours worked by each
2.24 covered employee in each week and shall not apply to any overtime hours worked by any
2.25 covered employee.

2.26 (c) The health and welfare benefits rate applies to any paid leave taken by a covered
2.27 employee that does not exceed 40 hours in a week.

2.28 Subd. 4. **Enforcement; investigation.** (a) The executive director shall enforce this
2.29 section.

2.30 (b) The executive director or the executive director's designee may initiate an investigation
2.31 pursuant to a complaint or when the executive director has reason to believe that a violation
2.32 of this section has occurred.

3.1 (c) In conducting the investigation, the executive director may enter during reasonable
3.2 office hours or upon request and inspect the place of business or employment of any employer
3.3 to examine and inspect books, registers, payrolls, and other records of the employer that
3.4 relate to wages, hours, and other conditions of employment of any employees for the purpose
3.5 of ascertaining whether the employer is and has been in compliance with the provisions of
3.6 this section.

3.7 Subd. 5. **Penalty.** (a) Upon finding that an employer has violated any provision of this
3.8 section, and after issuing an order describing the nature of the violation and providing an
3.9 opportunity for hearing, the executive director may issue a penalty to the employer of not
3.10 less than \$1,000 and not more than \$10,000 per violation of this section.

3.11 (b) In assessing the amount of the penalty, the executive director shall consider the size
3.12 of the employer's business, the good faith of the employer, the gravity of the violation, the
3.13 history of previous violations, and the failure to comply with other requirements.

3.14 (c) Any order issued under paragraph (a) is final and is not subject to review.

3.15 Subd. 6. **Civil action.** (a) The executive director may bring a civil action in a court of
3.16 competent jurisdiction against an employer for a violation of this section.

3.17 (b) An employee may bring a civil action in district court seeking redress for a violation
3.18 of this section.

3.19 (c) A prevailing party in an action under paragraph (a) or (b) is entitled to such legal or
3.20 equitable relief as may be appropriate to remedy the violation and shall be awarded reasonable
3.21 attorney fees and other costs of the action.