

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 3945

(SENATE AUTHORS: LATZ and Dziejcie)

DATE
03/04/2020

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OFFICIAL STATUS
Introduction and first reading
Referred to Judiciary and Public Safety Finance and Policy

1.1 A bill for an act
1.2 relating to human rights; adding a penalty clause to the contracting provisions of
1.3 the Human Rights Act; amending Minnesota Statutes 2018, sections 363A.36,
1.4 subdivision 3; 363A.44, subdivision 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 3, is amended to read:

1.7 Subd. 3. ~~Revocation of certificate~~ Violations; remedies. Certificates of compliance
1.8 may be suspended or revoked by the commissioner if a holder of a certificate has not made
1.9 a good faith effort to implement an affirmative action plan that has been approved by the
1.10 commissioner. If a contractor does not effectively implement an affirmative action plan
1.11 approved by the commissioner pursuant to subdivision 1, or fails to make a good faith effort
1.12 to do so, the commissioner may refuse to approve subsequent plans submitted by that firm
1.13 ~~or business.~~ contractor shall be deemed to lack good standing and unable to bid for contracts
1.14 until any levied payments are complete. The commissioner may impose fines or actions as
1.15 follows:

1.16 (1) issue fines up to \$5,000 per violation; and

1.17 (2) refuse to approve subsequent plans submitted by that firm or business.

1.18 EFFECTIVE DATE. This section is effective July 1, 2020, for all current and future
1.19 certificate holders.

1.20 Sec. 2. Minnesota Statutes 2018, section 363A.44, subdivision 4, is amended to read:

1.21 Subd. 4. ~~Revocation of certificate~~ Violations; remedies. An equal pay certificate for
1.22 a business may be suspended or revoked by the commissioner when the business fails to

2.1 make a good-faith effort to comply with the laws identified in subdivision 2, paragraph (a),
2.2 clause (1), fails to make a good-faith effort to comply with this section, or has multiple
2.3 violations of this section or the laws identified in subdivision 2, paragraph (a), clause (1).
2.4 The commissioner may also issue a fine due to lack of compliance with this section of up
2.5 to \$5,000 per violation. Prior to issuing a fine, or suspending or revoking a certificate, the
2.6 commissioner must first have sought to conciliate with the business regarding wages and
2.7 benefits due to employees. Until payments are made, the contractor shall be viewed as
2.8 having a lack of good standing with the state and shall be unable to bid for contracts until
2.9 any levied payments are complete.

2.10 **EFFECTIVE DATE.** This section is effective July 1, 2020, for all current and future
2.11 certificate holders.