

HF2000 (Lee)/SF2280 (Pappas) - Adding Equity Goals to Bonding Projects

Equity Goals in Bonding

This bill would amend the Minnesota Human Rights Act so that bonding projects undertaken by local units of government under the Department of Human Rights workforce goals and equal pay protections.

Currently, these programs cover bonding projects overseen by entities, such as the Metropolitan Council or Department of Administration, which are generally covered by these programs. Bonding projects funded by the state but contracted for by non-covered entities, such as most cities and counties, are not covered by these programs.

This proposal would require that all projects that meet the funding thresholds, regardless of what entity is running them, and require contractors to comply with these equity requirements. This will help to ensure that workforce inclusion opportunities exist on all programs and that all of the state's business partners are following equal pay laws.

The primary obligation for compliance is on the contractor. The local unit of government or other entity running a bonding project would merely need to inform bidders of these requirements and verify that they had obtained appropriate certificates. The map below shows existing hiring goals by region of the state.

Workforce Certificate of Compliance - Minn.

Stat. 363A.36-363A.37; Minn. Stat. 473.143-473.144

- The Workforce Certificate of Compliance program requires that state contractors with 40 or more employees and a contract of \$100,000 or more make good faith efforts to hire women, people of color, and individuals with disabilities.
- Contractors submit their affirmative action plan and pay a \$150 fee for a 4-year certificate.
- The Department sets hiring goals for women and people of color on construction projects. These goals vary by region around the state of Minnesota.

Equal Pay Certificate of Compliance - Minn. Stat. 363A.44

- The Equal Pay Certificate of Compliance requires that state contractors with 40 or more employees and a contract of \$500,000 or more make an affirmative commitment to follow state and federal equal pay laws, and gives the Department the ability to audit their compliance.
- Contractors submit an affirmative statement signed by their president or CEO and pay a \$150 fee for a 4-year certificate.

