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Overview

Amends the 2014 Responsible Contractor Law that governs public construction contracts.

Section

- 1** **Definitions; “contractor”.** Under the current Responsible Contractor Law, a “contractor” does not include a material supplier. This section provides more detail on this exclusion. Excludes design professionals from the definition of “contractor”. Defines “motor carrier” for purposes of the law.
- 2** **Responsible contractor required.** The current law applies to a publicly owned or financed project when the contract with the prime contractor is estimated to exceed \$50,000. This section provides that in determining whether a contract exceeds \$50,000, the value of tax increment financing must be excluded. Also provides that motor carriers must meet the minimum criteria of the law.
- 3** **Minimum criteria; “responsible contractor”.** Under current law, a contractor is not a responsible contractor if the contractor repeatedly fails to pay statutorily required wages or penalties under specified circumstances within a three-year period. This section provides that a failure to pay is “repeated” only if it involves two or more separate and distinct occurrences of underpayment during the three-year period.

Clarifies that the requirement in current law that a contractor is not currently suspended or debarred applies only to those groups that have authority to debar a contractor. Requires that motor carriers that a contractor intends to use must verify that they have met minimum criteria.

Section

- 4** **Verification of compliance.** Strikes requirement that a statement verifying compliance with the responsible contractor requirements be sworn. Makes the consequences of failure to verify compliance apply to a prime contractor, subcontractor, or motor carrier. Provides that the statement submitted by the prime contractor responding to a solicitation document is not required to verify compliance by all subcontractors and motor carriers. Provides that a verification of compliance need not be notarized, and specifies conditions under which an electronic verification is acceptable.
- 5** **Subcontractor verification.** Provides that as a condition precedent to execution of a contract, the apparent successful prime contractor must submit a supplemental verification relating to subcontractors and motor carriers. Requires subcontractors to submit statements verifying compliance.
- 6** **Motor carrier verification.** Specifies procedures for a prime contractor or subcontractor to obtain annual verification of compliance from motor carriers.
- 7** **Additional criteria.** Provides that the section of current law dealing with additional criteria is not an independent grant of authority to establish additional minimum criteria.
- 8** **Effective date.** Effective July 1, 2015 and applicable to construction contracts based on solicitation documents issued on and after that date.