1.1   .... moves to amend H.F. No. 1821, the first engrossment, as follows:

1.2   Page 1, line 12, strike " set-asides"

1.3   Page 2, line 12, delete "set-asides" and insert "; contract preferences"

1.4   Page 2, delete lines 27 to 35

1.5   Page 3, delete lines 1 to 2

1.6   Page 3, line 3, delete "(e)" and insert "(d)"

1.7   Page 3, after line 7, insert:

1.8   "Sec. 3. Minnesota Statutes 2010, section 161.321, is amended by adding a subdivision

1.9   to read:

1.10   Subd. 2b. **Veteran-owned small business; subcontracting goals.** (a) The

1.11   commissioner, as a condition of awarding a construction contract, must set goals that

1.12   require the prime contractor to subcontract portions of the contract to veteran-owned small

1.13   businesses, except when prohibited by federal law or rule as a condition of receiving

1.14   federal funds. Prime contractors must demonstrate good faith efforts to meet the project

1.15   goals. The commissioner shall establish a procedure for granting waivers from the

1.16   subcontracting requirement when qualified veteran-owned small businesses are not

1.17   reasonably available. The commissioner may establish (1) financial incentives for prime

1.18   contractors who exceed the goals set for the use of subcontractors under this subdivision;

1.19   and (2) sanctions for prime contractors who have not been granted a waiver and fail

1.20   to meet goals set under this subdivision.

1.21   (b) The subcontracting requirements of this subdivision do not apply to prime

1.22   contractors who are veteran-owned small businesses."

1.23   Renumber the sections in sequence and correct the internal references

1.24   Amend the title accordingly