

HOUSE RESEARCH

Bill Summary

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Authors: Cassell and others

Subject: Repealing the requirement that school districts pay the prevailing wage rate

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Overview

In 1997, the legislature included in its omnibus tax bill a provision making the prevailing wage act applicable to school district construction projects costing over \$100,000. The Monticello school district and builders and contractors challenged the provision, asserting that the legislature violated the single subject and title requirements in the state constitution, thereby making the provision unconstitutional. The district court determined that enacting the prevailing wage provision as part of the 1997 omnibus tax bill violated state constitutional requirements and the Minnesota appellate court agreed. The effect of these rulings is to make the prevailing wage provision inapplicable to school district construction projects unless the Minnesota supreme court decides to overturn the lower court rulings. This bill proposes to repeal the prevailing wage provision the state courts ruled unconstitutional.

Section

- 1 Repealer.** Repeals a provision of law requiring school districts to pay prevailing wages when a school construction project costs more than \$100,000.
- 2 Effective date.** Makes section 1 effective for construction, remodeling and improvement plans and proposals that school districts initially submitted on or after July 1, 1997, under the prevailing wage provision.