

HOUSE RESEARCH

Bill Summary

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Subject: Public contracts - "project labor agreements"

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Overview

When a contractor or subcontractor does not have an agreement with a labor organization, this bill would prohibit the state and local governments from requiring the contractor or subcontractor to provide employees wages and benefits as if the contractor or subcontractor had an agreement with a labor organization. It also prohibits the state and local governments from requiring a contractor's or subcontractor's employees to be members of or pay dues to labor organizations.

Section

- 1 Awards (state acquisition of goods, services, utilities).** Prohibits the state, in awarding a contract for acquisition of goods, services or utilities, from considering a contractor's or subcontractor's willingness to follow wage, benefit, or other economic terms as if the contractor or subcontractor had an agreement with a labor organization. "Services" under this section include professional and technical services.
- 2 Certain requirements not to be imposed (state building and construction contracts).** Prohibits the state from requiring a contractor or subcontractor for a building or construction project to provide wages, benefits, or other economic benefits as if the contractor or subcontractor had an agreement with a labor organization (if the contractor or subcontractor does not actually have such an agreement). Prohibits the state from requiring a contractor's or subcontractor's employees to be members of or pay dues to a labor organization.
- 3 Certain requirements prohibited (uniform municipal contracting law).** Prohibits municipalities from requiring a contractor or subcontractor to provide wages, benefits, or other economic benefits as if the contractor or subcontractor had an agreement with a labor organization (if the contractor or subcontractor does not actually have such an agreement).

Section

Prohibits municipalities from requiring a contractor's or subcontractor's employees to be members of or pay dues to a labor organization.

"Municipality" means a county, town, city, school district or other municipal corporation or political subdivision of the state authorized by law to enter into contracts. Minn. Stat. § 471.345, subd. 1.

This provision would apply to contracts for "the sale or purchase of supplies, materials, equipment or the rental thereof, or the construction, alteration, repair or maintenance of real or personal property." Minn. Stat. § 471.345, subd. 2.