

Subject Labor requirements for subsidized housing projects

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Overview

This bill would apply the state prevailing wage requirements, which generally apply to projects receiving state financial assistance or tax credits, to projects that were allocated a federal low-income housing tax credit by the Minnesota Housing Finance Agency (MHFA).

This bill would also require applicants for financial assistance from MHFA to disclose labor law violations to the agency and to use responsible contractors, and it would impose penalties for recipients of MHFA funding who failed to comply with the new requirements or who failed to pay legally required wages to workers on projects receiving financial assistance from MHFA.

Summary

Section	Description
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1	Definitions.
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Expands the definition of financial assistance for the purposes of the Minnesota Prevailing Wage Act to include MHFA allocations of the federal low-income housing tax credit.

Effective date: Applies the expanded definition to financial assistance provided after August 1, 2024, excepting the disclosure requirements under section 2 for financial assistance arising out of requests for proposals that preceded August 1, 2024.

Section	Description
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2	Wage theft prevention and use of responsible contractors.
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Requires applicants for assistance from MHFA to disclose any of a broad range of labor law violations occurring within the five years preceding the application. Requires applicants to disclose the information to a member of the public who requests the data within 14 days of the request. Requires that applicants for financial assistance from MHFA use responsible contractors, as defined by law, for their projects. Proscribes penalties for noncompliance with this section and for contractors who fail to pay statutorily required wages on projects receiving financial assistance from MHFA.

Effective date: Applies the expanded definition to financial assistance provided after August 1, 2024, excepting the disclosure requirements under section 2 for financial assistance arising out of requests for proposals that preceded August 1, 2024.



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