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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH
SESSION

HOUSE FILE No. 1476

April 14, 2011

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The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

April 27, 2011

Committee Recommendation and Adoption of Report:

To Pass and re-referred to the Committee on Ways and Means

By motion, recalled and re-referred to the Committee on Jobs and Economic Development Finance

1.1 A bill for an act
1.2 relating to labor and employment; modifying prevailing wage provisions;
1.3 amending Minnesota Statutes 2010, section 177.42, subdivisions 4, 6.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2010, section 177.42, subdivision 4, is amended to read:

1.6 Subd. 4. **Prevailing hours of labor.** "Prevailing hours of labor" means the hours
1.7 of labor ~~per day and per week worked within the area by a larger number of workers of~~
1.8 ~~the same class than are employed within the area for any other number of hours per day~~
1.9 ~~and per week.~~ The prevailing hours of labor may not be more than ~~eight hours per day~~
1.10 ~~or more than~~ 40 hours per week.

1.11 Sec. 2. Minnesota Statutes 2010, section 177.42, subdivision 6, is amended to read:

1.12 Subd. 6. **Prevailing wage rate.** "Prevailing wage rate" means the ~~hourly basic~~
1.13 ~~rate of pay plus the contribution paid to or for the largest number of~~ mean hourly
1.14 compensation paid to workers engaged in the same class of labor within the area. The
1.15 mean hourly compensation includes the hourly basic rate plus the contribution for medical
1.16 or hospital care, pensions on retirement or death, compensation for injuries or illness
1.17 resulting from occupational activity, or insurance to provide any of the foregoing, for
1.18 unemployment benefits, life insurance, disability and sickness insurance, or accident
1.19 insurance, for vacation and holiday pay, for defraying the costs of apprenticeship or other
1.20 similar programs, or for other bona fide fringe benefits, but only where the contractor or
1.21 subcontractor is not required by other federal, state, or local law to provide any of those
1.22 benefits, the amount of:

2.1 (1) the rate of contribution irrevocably made by a contractor or subcontractor to a
2.2 trustee or to a third person under a fund, plan, or program; and

2.3 (2) the rate of costs to the contractor or subcontractor that may be reasonably
2.4 anticipated in providing benefits to laborers and mechanics pursuant to an enforceable
2.5 commitment to carry out a financially responsible plan or program which was
2.6 communicated in writing to the laborers and mechanics affected.

2.7 "Prevailing wage rate" includes, for the purposes of section 177.44, rental rates for
2.8 truck hire paid to those who own and operate the truck.

2.9 The prevailing wage rate may not be less than a reasonable and living wage.