

MUCA Legislative Update

By Nick de Julio and Troy Olsen, Ewald Consulting and MUCA Lobbyists April 5, 2016

First Committee Deadline Passes

The work done at the capitol is often not the attention-grabbing material made for headlines. The vast majority of the work is accomplished during committee meetings where they will have long agendas to hear and debate various bills. While committees hear only a handful of bills in the first few weeks, once they approach the first committee deadline they start meeting late into the night to hear dozens of bills and either pass them on to the next committee or encompass them into their major omnibus bill. Joint rules of the House and Senate state that "the first deadline is for committees to act favorably on bills on the House of origin," so for any policy bill to be eligible to become law, it must pass through all policy committees in one chamber by Friday, April 1. To continue on its path to becoming law, any bill that meets first deadline must pass through the other chamber by the second deadline, which this year is Friday, April 8. All finance committees, which are responsible for considering legislation that would have a fiscal cost, must assemble and pass their major appropriation bills by Thursday, April 22.

Now that the first deadline has arrived, this week House and Senate committees will hear bills that met deadline in the other chamber, as well as assemble supplemental budget proposals. After the second deadline the attention will shift from the committee rooms to the House and Senate floor sessions, as more and more bills will be passed on to the other chamber.

So far only three bills have been signed into law by Gov. Mark Dayton. The governor's office has a <u>legislative tracker</u> that shows which bills have been signed into law so far this session (sort the chart by date signed to see the most recent signings).

Bills MUCA Is Tracking

On Wednesday, the House Commerce Committee passed <u>HF2451</u> (Rarick) to the House Floor where it now awaits possible action. The bill deals with building and construction contracts regulated, subcontractor payments regulated, and progress payments and retainages provided. The bill was passed out of committee with bipartisan support. In the Senate, the companion bill <u>SF 1898</u> will be taken up this Thursday by the Judiciary Committee.

On Thursday, the House Civil Law Committee passed <u>HF1099</u> (Loonan) and sent the bill to the floor. The proposed language looks to clarify building construction and contract requirements by clarifying that an agreement to defend an action against a third party is included in the definition of indemnification agreements, and for the purposes of building contracts is limited in certain circumstance.

The bill awaits possible action on the House floor as does the companion bill in the Senate, <u>SF 924</u> which originally made it to the Senate floor last session.

On Wednesday, the House Job Growth & Energy Affordability Policy and Finance will be hearing <u>HF 3658</u> (Rarick) which looks to appropriate \$1,000,000 in fiscal year 2017 from the general fund to the

commissioner of employment and economic development for a grant to the Construction Careers Foundation for the construction career pathway initiative to provide year-round educational and experiential learning opportunities for teens and young adults under the age of 21 that lead to careers in the construction industry. MUCA will be closely following this bill to see if there is an opportunity to partner in advancing the Minnesota Legacy Workforce Program bill.

-Other bills that have not received hearings

The following bills were introduced this session but have not been scheduled for a hearing and are going to miss committee deadlines, which pretty much kills any chance at passing them this session.

SF 3212/HF 3597 – Responsible Contractor Repeal

<u>SF 2415</u> - Utility easements location for new subdivisions regulation

<u>SF 2278/HF 2340</u> - Uncollectible judgments against prime contractors permitted to be paid from contract retainage, and direct payments to subcontractors required

SF 2261/HF 3079 - Retainages regulated

MUCA Members Day at the Capitol

Executive Director Menning (center), was joined by Matt Brenteson, Brenteson Companies (left) and Trish Carlson, Forest Lake Contracting (right) for MUCA's Day at the Capitol through the Minnesota Chamber of Commerce last week. Our 'asks' were three-fold: 1. Support Infrastructure Investment (transportation and water infrastructure); 2. Repeal/Amend the Responsible Contractor law; and 3. Support Workforce Development for construction as a solution to economic disparities for under-represented communities.



MUCA members met with Rep. Tim Sanders who is chair of the House Government Operations Committee. The purpose of the meeting was to discuss HF 3597 the Responsible Contractor Repeal bill that was sent to his committee. With a short ten week session and quick committee timelines, Rep. Sanders said it would be hard for committee, given the complexity of the issue, to take action on the bill this session. With the issue having a partisan split, Rep. Sanders indicated there would be a number of hurdles to overcome this session and that action in the Senate would be nonexistent. Rep. Sanders encouraged MUCA to continue working with other groups to build consensus on needed reforms and return to the legislature in 2017.

In addition to Rep. Sanders, MUCA Members also met with Speaker of the House Rep. Kurt Daudt; Rep. Bob Dettmer, chair of the House Veterans Affairs Committee; Rep. Jean Wagenius, member of the House Capital Investment Committee; and Sen. Patricia Torres Ray, chair of the Senate State and Local Government Committee and member of several workforce development committees. Thanks to Matt and Trish for doing a great job representing MUCA at the Capitol!

Senate Subcommittee on Racial Disparities Named

This week 15 senators were named to a new senate subcommittee on racial disparities that will focus on easing racial disparities in jobs, housing, health, education and other topics. This session MUCA has been talking with legislators and others about a "Minnesota Legacy Workforce Program" that is designed to prepare and train youth for a career in construction. In our talks we were able to craft a legislation that helps fund the legacy program. In the next few weeks we will continue to work with members of the subcommittee to educate them about the program in Minnesota and continue working to fund and expand the program to a number of fields.

A full list of the subcommittee members can be found here.

They said it:

HI Stephanie:

Thank you for sending this report out. It is very impressive and I appreciate this being a part of our membership benefits (and please feel free to share that!).

Have a great week,



LeeAnn M. Weigt

Olson's Sewer Service, Inc. Olson's Excavating Service