



2022 Legislative Policies



2022 State Legislative Session Highlights:

- The 2022 session begins January 31. Adjournment date is May 23.
- The Legislature will focus on the continued COVID response, economic recovery, and necessary action to maximize the federal infrastructure bill. Even-year sessions are largely centered on the passage of a public works (capital investment) bill. Legislators will likely also consider supplemental budget spending with biennial revenue projections coming in much higher than expected.
- Minnesota is one of two states in the country with a divided legislature - a Republican majority in the Senate and a Democratic-Farmer-Labor majority in the House of Representatives.

ADVOCACY

(AGC Sponsored or Endorsed Legislation)

General Obligation Bonds for Transportation and Utility Infrastructure Projects

AGC supports a significant level of General Obligation bonding for local system bridge construction, the Local Road Improvement Program, and maximum PFA bonding dollars to leverage water infrastructure projects.

Comprehensive Transportation Funding

AGC will heavily advocate for funding for transportation infrastructure -roads, bridges, and transit- that provide increased, stable, and dedicated funding to address unmet needs across the state. New and current state leaders have voiced their commitment to investing in the state's infrastructure. AGC will work with other groups to amplify our collective voice in support of a transportation package that includes various funding options.

Wage Theft Clarifications

A new wage theft law passed in the 2019 legislative session instituted several new compliance measures to ensure proper payment to employees. AGC will advocate to clarify the statute with regards to initial notification for seasonal employees and ways to provide timely notice when an employee shifts projects or equipment. AGC supports certain measures to codify current interpretations and practice by the Department of Labor and Industry.

Work Zone Safety

AGC will continue to advocate for a comprehensive approach to address safety for construction workers and the traveling public in a work zone. AGC will explore options to provide funding that improves safety and addresses workforce mental health concerns, particularly if funds can enhance the application of technology to prevent work zone accidents.



Worker Safety and Underground Damage Prevention

AGC supports legislation that prioritizes worker safety, the general public, and utility infrastructure safety. Highway, commercial building, and utility contractors have been facing mounting problems with improperly marked locates, timeliness of locating utility lines, and decreased participation by utility operators to attend required meetings for upcoming construction projects. Specifically, AGC supports amending the excavation notice system laws (Chapter 216D) to add worker and contractor protections, improve the quality of utility mapping, and allow for contractor recourse when they face downtime due to negligence by a utility. AGC is also working with the MN Office of Pipeline Safety and other interested parties to educate members on rights and responsibilities under current law.

SUPPORTIVE INVOLVEMENT

(Initiatives from Other Sources/Organizations)

Building Jobs Coalition (BJC) - Construction Market Stimulus Initiatives

Minnesota's economic recovery from the COVID-19 pandemic will require significant stimulus. The Building Jobs Coalition recommends the State continue to use its bonding capacity to invest in asset preservation, pre-design and architectural services, infrastructure, and transportation. Infrastructure investment drives short-term growth by boosting demand for construction, employment, and long-term growth by increasing the potential supply capacity of our economy. Efforts will also continue to emphasize workforce development.

Permit Streamlining & Environmental Regulations

AGC will evaluate opportunities to streamline permit processes and reduce regulatory burdens for the utility infrastructure, vertical, and transportation construction sectors.

AGC will track and be a resource regarding any "Buy Clean" initiatives, which require certain materials be used in public construction projects. Any new standards need to be fully vetted to consider the impacts to all actors in the construction supply chain and project delivery.

Technology Adoption in Public Procurement

The COVID-19 pandemic has put the spotlight on the need for increased safety measures, including utilizing technology for meeting requirements in the public procurement process. Several state agencies have addressed state requirements and standards that impeded the issuance of surety and bond authorizations during the COVID-19 pandemic. However, there are still outstanding questions if departmental guidance will continue after the peacetime state of emergency or if further clarifications are needed regarding several aspects related to the construction industry. It is in the interest of policymakers, regulators, and those in the construction industry to protect taxpayer funds and the downstream parties that depend on surety guarantees of performance and payment. The use of digital technology such as electronic signatures also creates efficiencies for all involved parties. AGC of MN will work with other associations to make many of these changes permanent via legislation or other means by advocating for widespread adoption of electronic signatures for surety bonds at the state level.



MONITOR & ENGAGE

(Initiatives from Other Sources/Organizations)

Industry Behavioral Health

Contractors, associations, industry service providers, unions, and project owners must work together to address the mental health and suicide crisis in construction occupations. AGC recognizes that project delivery schedules are being shortened in many cases, causing corresponding impacts to work hours. In the heavy civil market, and at times, commercial building market, work under live traffic puts constant pressure on workers. These realities must be considered as part of solutions by contractors and owners alike to determine effective mental health strategies for those in the industry.

Labor Relations Issues/Proposals

AGC will continue to monitor closely any proposals that may change prevailing wage law, project labor agreements, safety requirements, workplace requirements, etc.

- 4-10s at Straight Time: AGC will explore opportunities to change state prevailing wage law and provide overtime after 40 hours and allow (4) ten- hour days paid at straight time rates.

Contract Procurement Issues

Initiatives to change public contract procurement processes are perennial at the Capitol. AGC will continue to engage and represent the interests of all contractors with any proposal that changes current public procurement laws.

P3 Procurement & Project Delivery Authorization

AGC will monitor federal and state government actions that may provide opportunities for a statutory authorization for public private partnerships (P3) in the construction sector.

Equipment “Right to Repair” Legislation

AGC will evaluate proposals that seek to allow consumers or independent distributors to repair and modify their own electronic devices and equipment. AGC will review potential impacts for contractors as it pertains to heavy equipment and encourage groups working on a legislative agreement to prioritize safety as well as continuing education for technicians.

Sales Tax Exemption for Building Materials

AGC will pursue legislative adjustments or dialog with the MN Department of Revenue regarding the clarification of provisions related to the sales tax exemption for construction materials.

Workforce Hiring Goal Changes & State Administrative Procedures Act

AGC will continue looking for opportunities to enact changes that would require the Minnesota Department of Human Rights to be bound by provisions of the State Administrative Procedures Act when setting workforce participation goals on publicly funded projects. Specifically, this would require public hearing and public comment opportunity when changes to the goals are proposed.



Duty to Defend

AGC continues to monitor and engage as necessary to preserve the existing construction contract insurance provision that requires insurance to cover the defense costs of vicarious liability claims against upper tier subcontractors, general contractors, and project owners.

Other

AGC will monitor and engage in any other items of interest to the industry.