



MPMA's Legal Corner

Presented by:

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The Senate passed HF 1257, which modifies the Responsible Contractor Law. The bill now awaits a floor vote in the house, where if approved, will become law.

The Responsible Contractor Law is a newer statute that sets forth requirements for any contractor or subcontractor doing work on public projects. The law went into effect in January of 2015, and this new pending bill expands these requirements to "Motor Carriers."

The bill defines "Motor Carriers" as "a business or natural person providing for-hire transportation of materials, equipment, or supplies for a project." "Project," as previously defined in the statute, means "building, erection, construction, alternation, remodeling, demolition, or repair of buildings, real property, highways, roads, bridges, or other construction work performed pursuant to a construction contract."

The bill requires that any contractor or subcontractor doing work on public contracts to obtain annually from all Motor Carriers a signed statement under oath by an owner or officer of that Motor Carrier verifying that they meet all of the minimum criteria of the Responsible Contractor Law requirements. These minimum criteria include compliance with all workers' compensation and unemployment insurance requirements, in compliance with the Minnesota Department of Revenue and the Minnesota Department of Employment and Economic Development regarding registration requirements of its employees, has not had any issues with the Minnesota Department of Labor and Industry over the past three years, has not had any issues with the Minnesota Department of Transportation over the past three years, and similar requirements.

We will keep you posted if this bill passes, but what you need to do, if your business could be considered a "Motor Carrier" under this bill (or even a subcontractor), is meet with your attorney – the requirements under this bill are more significant than filling out another government form – it's a statement under oath, with the same weight as if you were testifying in Court before a Judge. It's imperative for you to determine where your business stands with regard to these requirements.

At Libby Law Office, we would be happy to sit down with you and discuss any questions or concerns you have regarding your business' compliance under this potential new law, and any other regulatory compliance issues you have with the Minnesota Department of Labor and Industry, the Minnesota Department of Commerce, the Minnesota Pollution Control Agency, the Minnesota Department of Revenue, the Minnesota Department of Transportation, the Minnesota Department of Employment and

Economic Development, or any of the other numerous state and federal agencies out there that are regulating your business.