

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-SEVENTH LEGISLATURE**

**S.F. No. 1771**

(SENATE AUTHORS: TOMASSONI, Metzen, Kelash, Goodwin and Skoe)

| DATE       | D-PG | OFFICIAL STATUS  |
|------------|------|--|
| 02/09/2012 | 3773 | Introduction and first reading<br>Referred to State Government Innovation and Veterans |

1.1 A bill for an act

1.2 relating to job creation; amending state procurement policies; establishing the  
1.3 Buy Minnesota Act; amending Minnesota Statutes 2010, sections 16C.06, by  
1.4 adding a subdivision; 16C.08, by adding a subdivision; 16C.26, by adding a  
1.5 subdivision; proposing coding for new law in Minnesota Statutes, chapter 16C.

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

1.7 Section 1. TITLE.

1.8 Sections 1 to 5 may be referred to as the "Buy Minnesota Act."

1.9 Sec. 2. Minnesota Statutes 2010, section 16C.06, is amended by adding a subdivision  
1.10 to read:

1.11 Subd. 5a. Tie bid preferences; limited application. Notwithstanding any other  
1.12 law to the contrary, the commissioner shall take the location where the commodities to  
1.13 be purchased are made, manufactured, or grown into consideration in bid specifications.  
1.14 When feasible and when the price of commodities made, manufactured, or grown  
1.15 in Minnesota by Minnesota-headquartered businesses does not exceed the price of  
1.16 commodities made, manufactured, or grown outside of Minnesota by more than 1-1/2  
1.17 percent, the commissioner, and state agencies when purchasing under delegated  
1.18 authority, shall purchase commodities made, manufactured, or grown in Minnesota by  
1.19 Minnesota-headquartered businesses. This subdivision applies only when a nonresident  
1.20 vendor is from a state that does not give or require a preference to vendors from that state.

1.21 Sec. 3. Minnesota Statutes 2010, section 16C.08, is amended by adding a subdivision  
1.22 to read:

2.1           Subd. 1b. **Tie bid preferences.** Notwithstanding any other law to the contrary, the  
2.2 commissioner shall take the state of residence of a contractor into consideration in bid  
2.3 specifications. When feasible and when the price of a contract utilizing the services of  
2.4 a contractor residing in and doing business in Minnesota does not exceed the price of a  
2.5 contract utilizing the services of a contractor from outside of Minnesota by more than 1-1/2  
2.6 percent, the commissioner, and state agencies when purchasing under delegated authority,  
2.7 shall award the contract to a contractor residing in and doing business in Minnesota.

2.8           Sec. 4. Minnesota Statutes 2010, section 16C.26, is amended by adding a subdivision  
2.9 to read:

2.10           Subd. 1a. **Tie bid preferences.** Notwithstanding any other law to the contrary, the  
2.11 commissioner shall take the location where commodities and supplies purchased for use in  
2.12 a building or construction contract are made, manufactured, or grown into consideration  
2.13 in bid specifications. When feasible and when the price of commodities and supplies  
2.14 made, manufactured, or grown in Minnesota by Minnesota-headquartered businesses does  
2.15 not exceed the price of commodities or supplies made, manufactured, or grown outside  
2.16 of Minnesota, by more than 1-1/2 percent, the commissioner, and state agencies when  
2.17 purchasing under delegated authority, shall purchase commodities and supplies made,  
2.18 manufactured, or grown in Minnesota by Minnesota-headquartered businesses.

2.19           Sec. 5. **[16C.36] RESIDENT PREFERENCE POLICY.**

2.20           The state, political subdivisions of the state, and the University of Minnesota are  
2.21 encouraged to adopt and implement policies that provide a preference to Minnesota-based  
2.22 vendors and contractors. The policies may provide a preference based on the status of  
2.23 the primary contractor as a Minnesota-based business or based on the status of one or  
2.24 more subcontractors of the primary contractor as a Minnesota-based business. Any rules  
2.25 adopted pursuant to this section shall be consistent with federal statutes and regulations  
2.26 and shall not apply to any contract financed in full or in part by federal funds.