

SF1714 - 5A - Public Contracts Payment Transparency Required

Chief Author: **Ann Johnson Stewart**
 Committee: **State and Local Government**
 Date Completed: **3/24/2026 10:21:05 AM**
 Lead Agency: **Administration Dept**
 Other Agencies:
 Metropolitan Airports Commission Metropolitan Council
 Military Affairs Dept Minnesota State
 Natural Resources Dept Transportation Dept
 Veterans Affairs Dept

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings) Dollars in Thousands	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Metropolitan Council					
General Fund	-	-	121	132	132
State Total					
General Fund	-	-	121	132	132
Total	-	-	121	132	132
Biennial Total			121		264

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Metropolitan Council					
General Fund	-	-	.92	1	1
Total	-	-	.92	1	1

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Chloe Burns **Date:** 3/24/2026 10:21:05 AM
Phone: 651-297-1423 **Email:** chloe.burns@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
Metropolitan Council						
General Fund		-	-	121	132	132
Total		-	-	121	132	132
Biennial Total				121		264
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Metropolitan Council						
General Fund		-	-	121	132	132
Total		-	-	121	132	132
Biennial Total				121		264
2 - Revenues, Transfers In*						
Metropolitan Council						
General Fund		-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-

SF1714 - 5A - Public Contracts Payment Transparency Required

Chief Author: **Ann Johnson Stewart**
 Committee: **State and Local Government**
 Date Completed: **3/24/2026 10:21:05 AM**
 Agency: **Administration Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Chloe Burns **Date:** 3/9/2026 9:12:15 AM
Phone: 651-297-1423 **Email:** chloe.burns@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

The bill amends Minn. Stat. § 15.72 to require public contracting agencies to provide payment information to contractors and subcontractors upon written request. Agencies must supply the payment amount, payment date or approval date, and a copy of the payment application (or estimate/voucher for highway projects). Agencies must respond within seven calendar days and must post contact information for payment inquiries on their public website. No fees may be charged for providing the information.

Assumptions

The Department of Administration (Admin) anticipates that the administrative requirements of the proposed law can be absorbed within existing staff and current appropriations. However, this absorption may temporarily affect staff workloads and could require reprioritization until the volume and nature of incoming requests are better understood.

Admin contracts directly with prime contractors, who in turn hold contracts with their subcontractors. Because these subcontractor relationships are managed by the prime, Admin’s Real Estate and Construction Services division does not maintain direct data on the number of subcontractors working under each prime contract.

As of March 2026, the division reports approximately 300 active construction projects, which is consistent with typical annual activity levels. The division estimates an average of six subcontractors per project, resulting in a potential pool of 1,800 subcontractors across the active portfolio.

Based on historical billing patterns, it is assumed that 20-25 percent of subcontractors may have work eligible for payment in a given month. This results in an estimated pool of 360-450 subcontractors who may have a reason to submit an information request under the new law.

Admin has historically received very few subcontractor inquiries, but the new law is expected to increase inquiries as contact information becomes more accessible.

Admin estimates that approximately 1-3 percent of eligible subcontractors roughly 5 to 15 requests per month may submit payment information inquiries during an average month.

Admin estimates 0.5hrs per request at an Account Clerk Senior or similar level. At an average estimated total FTE cost of \$85,000/yr the annual impact for 5-15 requests/moth would be around \$2400 on average. This would be immaterial to the agency as the work would be spread across several position and is similar to the regular tasks of those positions.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact: Greg Ewig, 651-201-2566

Agency Fiscal Note Coordinator Signature: Ify Onyiah

Phone: 651-201-2387

Date: 3/6/2026 4:43:34 PM

Email: ify.onyiah@state.mn.us

SF1714 - 5A - Public Contracts Payment Transparency Required

Chief Author: **Ann Johnson Stewart**
 Committee: **State and Local Government**
 Date Completed: **3/24/2026 10:21:05 AM**
 Agency: **Metropolitan Airports Commission**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 3/5/2026 1:23:52 PM
Phone: 651-284-6543 **Email:** laura.cecko@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
	Total	-	-	-	-	-
	Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
	Total	-	-	-	-	-
	Biennial Total			-		-
2 - Revenues, Transfers In*						
	Total	-	-	-	-	-
	Biennial Total			-		-

Bill Description

Public contracts Payment Transparency Required

Assumptions

The Metropolitan Airports Commission does not anticipate any additional cost related to this bill.

Expenditure and/or Revenue Formula

N/A

Long-Term Fiscal Considerations

N/A

Local Fiscal Impact

N/A

References/Sources

N/A

Agency Contact:

Agency Fiscal Note Coordinator Signature: Mitch Kilian

Date: 3/5/2026 1:10:26 PM

Phone: 612-794-9176

Email: mitch.kilian@mspmac.org

SF1714 - 5A - Public Contracts Payment Transparency Required

Chief Author: **Ann Johnson Stewart**
 Committee: **State and Local Government**
 Date Completed: **3/24/2026 10:21:05 AM**
 Agency: **Metropolitan Council**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	121	132	132	
Total	-	-	121	132	132	
Biennial Total			121		264	

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	.92	1	1
Total	-	-	.92	1	1

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 3/16/2026 12:55:13 PM
Phone: 651-284-6543 **Email:** laura.cecko@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	121	132	132	132
Total		-	-	121	132	132
Biennial Total				121		264
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	-	121	132	132	132
Total		-	-	121	132	132
Biennial Total				121		264
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

SF1714-5A updates the laws governing construction contracts to promote transparency and timely payment, particularly for public construction and improvement projects. It also makes clear that contract terms are unenforceable if they conflict with public policy, especially when they interfere with fair payment practices. In addition, the bill prohibits systems or procedures that discourage contractors from submitting invoices. Amends Minnesota Statutes 2024, sections 15.72, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 15.

Section 1: Requires public contracting agencies on covered public improvement projects, upon written request from a contractor or subcontractor of any tier participating in the public improvement project, to provide information regarding any progress, retainage, final, or other payment made by the contracting agency. The information provided must include payment amount, date, and a copy of the payment application submitted by the contractor. The public agency must provide the requested information within seven days of receipt of the request. The public contracting agency must post on its public website, and otherwise make available to contractors and subcontractors, contact information for payment information requests on public improvement projects. No costs or fees may be charged to the contractor or subcontractor for providing information required under this section.

Section 2: When an invoice is required, prohibiting or delaying submittal of the invoice is contrary to public policy and is void and unenforceable. A contract provision waiving the right to submit an invoice is void and unenforceable.

Section 3: When an invoice is required, prohibiting or delaying submittal of the invoice is contrary to public policy and is void and unenforceable. A contract provision waiving the right to submit an invoice is void and unenforceable.

Assumptions

Implementing this process would require developing and posting language specific to payment information requests on our existing public facing website and responding to requests. Accounts payable has access to the required information (payment amount, date, and copy of payment request). However, the Council does not have an automated internet-based system that can be made available to requestors, so responding to requests within seven days would be manual and require one (1) additional FTE.

Expenditure and/or Revenue Formula

1 FTE at \$132,037.89 (including salary and benefits)

SFY 2027: \$132,037.89 x 91.7% (11 months given effective start date of August 1, 2026) = \$121,078.75

SFY 2028-SFY 2029: \$132,037.89/year

Long-Term Fiscal Considerations

1 FTE will be required to remain on staff to support information collection, dissemination, and verification to ensure compliance.

Local Fiscal Impact

References/Sources

Jody Jacoby 651-602-1144

Agency Contact: Jody Jacoby 651-602-1144

Agency Fiscal Note Coordinator Signature: Stewart McMullan

Phone: 651-602-1374

Date: 3/16/2026 12:52:45 PM

Email: stewart.mcmullan@metc.state.mn.us

SF1714 - 5A - Public Contracts Payment Transparency Required

Chief Author: **Ann Johnson Stewart**
 Committee: **State and Local Government**
 Date Completed: **3/24/2026 10:21:05 AM**
 Agency: **Military Affairs Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Adam Bolling **Date:** 3/24/2026 10:16:42 AM
Phone: 651-296-6053 **Email:** adam.bolling@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

The bill amends Minn. Stat. § 15.72 to require public contracting agencies to provide payment information to contractors and subcontractors upon written request. Agencies must supply the payment amount, payment date or approval date, and a copy of the payment application (or estimate/voucher for highway projects). Agencies must respond within seven calendar days and must post contact information for payment inquiries on their public website. No fees may be charged for providing the information.

Assumptions

The Department of Military Affairs (MDMA) anticipates that the administrative requirements of the proposed law can be absorbed within existing staff and current appropriations. However, this absorption may temporarily affect staff workloads and could require reprioritization until the volume and nature of incoming requests are better understood.

MDMA contracts directly with prime contractors, who in turn hold contracts with their subcontractors. Because these subcontractor relationships are managed by the prime, DMA does not maintain direct data on the number of subcontractors working under each prime contract.

DMA estimates 0.5hrs per request at an Account Clerk Senior or similar level. At an average estimated total FTE cost of \$85,000/yr the annual impact for 5-15 requests/month would be around \$2400 on average. This would be immaterial to the agency as the work would be spread across several position and is similar to the regular tasks of those positions.

Expenditure and/or Revenue Formula

None

Long-Term Fiscal Considerations

None

Local Fiscal Impact

None

References/Sources

None

Agency Contact: Eric Athman

Agency Fiscal Note Coordinator Signature: Eric Athman

Phone: 651-268-8946

Date: 3/12/2026 5:06:56 PM

Email: eric.c.athman.mil@army.mil

SF1714 - 5A - Public Contracts Payment Transparency Required

Chief Author: **Ann Johnson Stewart**
 Committee: **State and Local Government**
 Date Completed: **3/24/2026 10:21:05 AM**
 Agency: **Minnesota State**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Kate Schiller **Date:** 3/12/2026 11:54:41 AM
Phone: 651-296-6052 **Email:** kate.schiller@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This bill would require Minnesota State to provide certain payment information to contractors and subcontractors upon written request.

Assumptions

It is current practice to provide this kind of information if it is requested. Assuming the volume of requests does not increase manifold due to this option being put into law, we assume there would not be substantial increases in administrative costs.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact: Steve Ernest (651-201-1710)

Agency Fiscal Note Coordinator Signature: Steve Ernest

Phone: 651-201-1710

Date: 3/9/2026 4:12:38 PM

Email: Steve.Ernest@minnstate.edu

SF1714 - 5A - Public Contracts Payment Transparency Required

Chief Author: **Ann Johnson Stewart**
 Committee: **State and Local Government**
 Date Completed: **3/24/2026 10:21:05 AM**
 Agency: **Natural Resources Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Jordan Peoples **Date:** 3/20/2026 2:26:34 PM
Phone: 651-296-6044 **Email:** jordan.peoples@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
	Total	-	-	-	-	-
	Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
	Total	-	-	-	-	-
	Biennial Total			-		-
2 - Revenues, Transfers In*						
	Total	-	-	-	-	-
	Biennial Total			-		-

Bill Description

This bill requires public contracting agencies to notify subcontractors of payments made on public improvement projects upon request.

Assumptions

The Department of Natural Resources would provide appropriate payment information to subcontractors upon request. DNR assumes that the number of requests would not substantially increase due to this bill, and impacts to workload would be minor enough to have minimal fiscal impact.

Expenditure and/or Revenue Formula

None.

Long-Term Fiscal Considerations

If contract volume, subcontractor complexity, or reporting requirements increase beyond current assumptions, additional administrative costs could occur.

Local Fiscal Impact

None.

References/Sources

None.

Agency Contact: Rick Byers

Agency Fiscal Note Coordinator Signature: Tyler Teggatz

Phone: 651-259-5304

Date: 3/19/2026 3:11:22 PM

Email: tyler.teggatz@state.mn.us

SF1714 - 5A - Public Contracts Payment Transparency Required

Chief Author: **Ann Johnson Stewart**
 Committee: **State and Local Government**
 Date Completed: **3/24/2026 10:21:05 AM**
 Agency: **Transportation Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 3/18/2026 2:52:48 PM
Phone: 651-284-6543 **Email:** laura.cecko@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
	Total	-	-	-	-	-
	Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
	Total	-	-	-	-	-
	Biennial Total			-		-
2 - Revenues, Transfers In*						
	Total	-	-	-	-	-
	Biennial Total			-		-

Bill Description

The bill requires payment transparency in public contracts.

Assumptions

MnDOT’s current contract system does not restrict, delay, or prohibit a party from submitting an invoice. MnDOT’s construction contracts and payment system are based on progress of the project and corresponding invoicing. As projects progress, invoicing or payments are made with no delay.

MnDOT assumes costs and work hours spent adjusting contracts to these requirements will constitute normal work and not incur additional costs.

MnDOT assumes staff would spend negligible time programming and testing system notification emails, which would automatically be sent if required by the bill. MnDOT assumes costs associated with this work would be negligible.

Expenditure and/or Revenue Formula

MnDOT assumes no impact.

Long-Term Fiscal Considerations

MnDOT assumes no long-term impacts.

Local Fiscal Impact

The bill’s notification requirement appears to apply to most local governments.

References/Sources

MnDOT Office of Chief Counsel

MnDOT Office of Finance

MnDOT Construction and Innovative Contracting

Agency Contact:

Agency Fiscal Note Coordinator Signature: Catherine Greene

Phone: 612-523-2198

Date: 3/18/2026 2:44:20 PM

Email: catherine.greene@state.mn.us

SF1714 - 5A - Public Contracts Payment Transparency Required

Chief Author: **Ann Johnson Stewart**
 Committee: **State and Local Government**
 Date Completed: **3/24/2026 10:21:05 AM**
 Agency: **Veterans Affairs Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Adam Bolling **Date:** 3/24/2026 10:16:24 AM
Phone: 651-296-6053 **Email:** adam.bolling@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

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Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

The bill requires, upon written requests from a contract or subcontractor participating in public improvement projects, progress payment, retainage payment, final payment or other payment made by the contracting agency. The contracting agency cannot prohibit, delay, or withhold payments.

Assumptions

The Minnesota Department of Veterans Affairs (MDVA) assumes that all construction contracts (public improvement projects contracts) would be managed by the Minnesota Department of Administration Real Estate and Construction Services (RECS). RECS would hold any and all construction contracts and would then send invoices to the MDVA for payment processing.

MDVA assumes any contractor or subcontractor requesting information within this bill language would contact RECS directly as the contracting agency. RECS would notify the MDVA of the request and the MDVA and RECS would work together to provide any necessary information to the requestor. This will allow the MDVA and RECS to verify this information and RECS can then supply this information to the requestor.

RECS tracks the retainage on these construction projects and the MDVA assumes this would be a collaboration with RECS to meet the requirements of this bill language.

A requirement that the contracting agency cannot prohibit, delay, or withhold payments will not have any fiscal impact for MDVA.

Since all requests must be made in writing and only for public improvement contracts, MDVA assumes there will be an insignificant burden in complying with this bill and costs will be absorbed.

Expenditure and/or Revenue Formula

N/A

Long-Term Fiscal Considerations

N/A

Local Fiscal Impact

N/A

References/Sources

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