



STATE OF MINNESOTA

Office of Governor Tim Pawlenty

130 State Capitol ♦ 75 Rev. Dr. Martin Luther King Jr. Boulevard ♦ Saint Paul, MN 55155

April 4, 2008

The Honorable James Metzen
President of the Senate
75 Rev. Dr. Martin Luther King Jr. Blvd.
322 State Capitol Building
Saint Paul, Minnesota 55155

Dear President Metzen:

I have vetoed and am returning Senate File 2688, Chapter 172, the bill removing some independent contractors from the law defining independent contractor status for the trucking industry.

Under current law, there is a specific standard that applies to determining whether owners-operators in the trucking industry are independent contractors. The standard involves six clearly defined criteria that are specific to the nature of work performed by individual owner-operators in the trucking industry.

This bill singles out owner-operators who "deliver shipments less than 250 pounds per parcel" for different treatment than other carriers. Nothing in connection with the existing criteria would suggest that the criteria are more or less appropriate for the industry on the basis of the size or weight of the individual items being transported. The weight designation of 250 pounds is an arbitrary distinction with no rational basis and would result in treating similarly situated businesses to different standards.

The distinction used in the bill does not define "parcel," which can mean either a distinct bundle such as a package or more broadly any distinct item of a whole. Accordingly, this provision could apply to any owner-operator who transports items that independently weigh less than 250 pounds. This ambiguity will certainly create unwarranted confusion in the industry.

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Current law appears adequate to address the needs of this industry. Moreover, a recent analysis by the legislative auditor found that the percentage of misclassified individuals in this industry is no greater than other industries.

Sincerely,



Tim Pawlenty
Governor

cc: Senator Lawrence J. Pogemiller, Majority Leader
Senator David Senjem, Minority Leader
Senator David J. Tomassoni
Representative Margaret Anderson Kelliher, Speaker of the House
Representative Marty Seifert, Minority Leader
Representative Sheldon Johnson
Mr. Patrick E. Flahaven, Secretary of the Senate
Mr. Al Mathiowetz, Chief Clerk of the House of Representatives
Mr. Mark Ritchie, Secretary of State