

## Litigation

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# Construction Trades Challenge Minnesota Law Classifying Workers

By [Mike Vilensky](#)

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- **COURT:** D. Minn.
- **TRACK DOCKET:** No. [0:25-cv-00550](#) (Bloomberg Law subscription)

A Minnesota law levying fines on construction businesses that misclassify employees as independent contractors is unconstitutional, construction trade groups said in a lawsuit Wednesday.

The Minnesota Chapter of Associated Builders and Contractors, Builders Association of Minnesota, and commercial construction company J&M Consulting filed their complaint in the US District Court for the District of Minnesota.

The trade groups and company named Minnesota Attorney General Keith Ellison and Commissioner of the Minnesota Department of Labor and Industry Nicole Blissenbach as defendants.

The challenged statute imposes a \$10,000 penalty for each misclassified worker along with potential jail time, the complaint says. It was passed by the state legislature last year and goes into effect March 1, the complaint says.

The state law violates the US Constitution's due process clause because it's unconstitutionally vague, the complaint says. An average person couldn't determine what's necessary to comply with the statute, which lays out a 14-part test for determining whether an individual qualifies as an independent contractor, the complaint says.

The statute also violates the Eighth Amendment's bar on excessive fines by imposing "massive, compounding fines for even inadvertent, innocent, or technical violations," the complaint says.

And the statute is preempted by the federal National Labor Relations Act, the trade groups argue. Misclassified workers under the statute become entitled to the same wages and benefits as employees, the complaint says.

That measure conflicts with the federal labor policy embodied in the NLRA "because it imposes a collective bargaining scheme on independent contractors, whose labor practices Congress intended should remain unregulated," the complaint says.

Spokespeople for Blissenbach and Ellison didn't immediately respond to a request for comment.

Little Mendelson PC represents the plaintiffs.

The case is Minn. Chapter of Associated Builders and Contractors, Inc. v. Blissenbach, D. Minn., No. 0:25-cv-00550, complaint filed 2/12/25.

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