



STATEMENT OF NEED AND REASONABLENESS

Proposed Amendment to Rules Relating to the Public Employment Labor Relations Act (PELRA), Minnesota Rules, 5510.0320, 5510.0410, 5510.0720, 5510.0810, 5510.0910, 5510.2010; Revisor's ID Number R-04915

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General information:

1. Availability: The State Register notice, this Statement of Need and Reasonableness (SONAR), and the proposed rule(s) are available on the Bureau's Public Notices website: [Rules / Minnesota.gov](#)
2. View older rule records at: [Minnesota Rule Statutes](#)
<https://www.revisor.mn.gov/rules/status/>
3. [Bureau contact for information](#), documents, or alternative formats: Upon request, this Statement of Need and Reasonableness can be made available in an alternative format, such as large print, braille, or audio. To make a request, contact Tom Shoemaker, State Program Coordinator, Bureau of Mediation Services, 1021 Bandana Blvd. E, St. Paul, MN 55108; telephone 651-649-5444; email tom.shoemaker@state.mn.us; or use your preferred telecommunications relay service.

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Acronyms

APA	Administrative Procedures Act
ALJ	Administrative Law Judge
BMS	Bureau of Mediation Services
CFR	Code of Federal Regulations
MAT	MN Association of Townships
Minn. R. pt	Minnesota Rules part
Minn. Stat.	Minnesota Statutes
MMB	Minnesota Management and Budget
MN	Minnesota
MORS	MN Office of the Revisor of Statutes
OAH	Office of Administrative Hearings
PELRA	Public Employment Labor Relations Act
RFC	Request for Comments
SONAR	Statement of Need and Reasonableness

Introduction and Overview

Introduction

The Bureau of Mediation Services (BMS) was established in 1939 under the [Minnesota Labor Relations Act](#) to peacefully settle labor-management disputes; these disputes resulted from the growing size and strength of Minnesota's private-sector labor movement. The Bureau's mission and functions were substantially expanded in 1971, when [PELRA](#) was enacted to extend collective bargaining to the public sector. Importantly, PELRA:

- Gave public employees the right to unionize and collectively bargain
- Established criteria for forming bargaining units
- Provided procedures for employees to elect exclusive representatives
- Emphasized the need and right to resolve contract grievances and other labor-management disputes

Under PELRA, the Bureau oversees collective-bargaining issues for approximately 293,500 union-represented public employees. In fiscal year 2024, the Bureau successfully mediated 98.9% of collective-bargaining disputes.

The Bureau's mission is to promote stable, constructive labor-management relations. The Bureau oversees the collective-bargaining relationship between all public-sector employers, charitable hospitals and nursing homes, and some private-sector employers and their unionized employees. The Bureau accomplishes its critical mission through:

- Mediation, labor-management programs, training, and alternative dispute resolution
- Adjudicating representation issues
- Holding hearings and elections
- Developing and maintaining rosters of labor arbitrators

The Bureau monitors collective-bargaining disputes and works to prevent strikes and arbitration by directly mediating labor negotiations and providing labor-management training. Representation rights (an employee's right to unionize or refrain from unionizing) are regulated through an administrative law process that includes administrative investigations, hearings, and elections.

Statement of General Need

The Bureau seeks to update and enhance one of its six rule chapters to simplify, clarify, and streamline requirements that govern representation issues, negotiation, mediation, contract grievances, and other labor-management provisions under [PELRA](#). Ultimately, the Bureau's desire is to update its rules to enhance operational efficiency and carry out its statutorily required labor-management duties.

The proposed amendments are intended to align rules with changes in Minnesota Statute and are necessary to:

- Add categories in which an exclusive representative may file a petition
- Allow employee data and dues information on valid authorization cards
- Extend valid signature cards from six to twelve months
- Clarify that cards are not required for Unit Clarification petitions
- Certification of proposed unit following determination of over 50% provided authorization signatures

Additionally, the Bureau provides new rules on Unit Mergers that:

- Identify petition requirements
- Identify the right to merge
- define expiration of existing labor agreements when a new unit is certified
- Provides that previous terms and conditions of labor agreements remain in effect until certification of the new unit
- Provides that previous terms and conditions of employment remain in effect until a new agreement is ratified
- Recognizes that merger request constitutes a notice of bargaining

Scope of Proposed Amendments

[Chapter 5510, Public Employment Labor Relations](#), of Minnesota rules is affected by the proposed changes. This chapter 5510 governs three provisions exclusively under PELRA.

Part one contains proceedings before the commissioner on representation issues, including petitions, rules on hearings for investigating petitions:

- Certifying and decertifying an exclusive representative
- Clarifying an appropriate bargaining unit
- Other certification issues
- Holding elections as needed
- Filing of unfair election practices

Part two governs notices and petitions for mediation between an exclusive representative and an employer whereby the commissioner may order interest arbitration. This part also informs notices to strike and right to strike timelines.

Part three administers rules on grievance arbitration including rules establishing grievance procedures not outlined in a public employer/exclusive representative contract.

Statutory Authority

The Bureau has the necessary statutory authority to adopt the proposed rules amending chapter [5510](#) under [Chapter 179A](#). Under [Minnesota Statutes, section 179A.04, subd. 3\(6\)](#), the Commissioner shall: “adopt rules relating to the administration of this chapter and the conduct of hearings and elections.” The Bureau also has statutory authority to amend and adopt rules under [Minnesota Statutes, sections 179.02, subdivisions 3 and 4; 179A.04, subdivision 3, paragraph \(a\), clause \(14\); and 179A.16, subdivision 7](#). This statutory authority was adopted and effective prior to January 1, 1996, and has not been revised by the Legislature since adoption, therefore the requirements of Minnesota Statutes, section 14.125 does not apply. See [Minnesota Laws 1995, chapter 233, article 2, section 58](#).

Public Participation and Stakeholder Involvement

In accordance with the requirements of [Minnesota Statutes, Chapter 14](#), and [Minnesota Rules, Chapter 1400](#), the Department sought input and comments from the public, stakeholders, and individuals affected by these rules. These activities are described in detail in this section.

Consistent with the Administrative Procedures Act (APA), the Bureau published a Request for Comments in the Minnesota State Register on Monday, March 24, 2025 Volume 49, Number 39, Pages 1071 - 1102, on page 1085 (https://mn.gov/admin/assets/SR49_39_tcm36-673918.pdf). To increase accessibility and opportunity for feedback, the Bureau displayed relevant information on rulemaking changes and provided the opportunity to make comments. The website information is available from the time the Request for Comments was published until the Bureau publishes the Notice of Intent to Adopt Rules.

The Bureau’s leadership team comprised of its General Counsel, Deputy Commissioner, and Commissioner representing diverse backgrounds and decades of relevant experience carefully considered each proposed rule change and the likely effects on operations within the Bureau and on its valued stakeholders.

Additionally, the Bureau held hybrid meetings known as “Coffee with the Commissioner” whereby the Commissioner and staff met with Employer representatives on the third Wednesday of each odd numbered month and Employee groups during the even numbered months. During these meetings, the Bureau solicited initial feedback on proposed rule changes from a variety of organizations that are most likely to be affected by rule revision. These organizations, Employer representatives, and Employee groups include:

- University of Minnesota
- County Government
- State Agencies
- Metropolitan Council
- SEIU
- MN Nurses Association
- Minnesota State University
- City Government
- School Districts
- AFSCME
- MN AFL-CIO
- Teamsters

- Education Minnesota
- MN School Employees Association
- MN Public Employees
- Law Enforcement Labor Services
- MAPE
- Various Others

Reasonableness of the Amendments

General Reasonableness

The proposed changes to [Chapter 5510](#) are wide ranging and involve allowing for petition filing, electronic service, updating authorization signature card requirements, issues of unit merger, certification of units, and general clarification the relationship between the rule and the governing statute. The changes are reasonable because they provide clear and efficient standards that comply with MN Statute and, importantly, legislative intent.

Rule-by-Rule Analysis

The Bureau provides the following analysis for each provision of the rules it proposes to amend. An explanation of why each change is needed and reasonable is stated below. It is the intent of the Bureau to deliver sufficient specificity as to provide evidence in favor of each amendment that follows each numerical and headnote.

5510.0320 Filing and Service - Party Notification

[Subp. 3. Filing method](#). Unless another manner of filing is required by law, a document may be filed:

- in person, but if filing at the bureau, between only 8:00 a.m. and 4:30 p.m.
- by facsimile;
- by United States mail, postage prepaid, and addressed to the bureau or a party at its last known address; or
- electronically, ~~with the express, prior written consent of the recipient that has provided~~ at an email address **provided** for the filing purpose.

Summary: Strikes language requiring express written consent of recipient for purposes of filing and notice and adds that an email address will be provided.

Justification: Requiring express written consent is burdensome and unnecessary as parties routinely provide email addresses to the Bureau and each other. This change is reasonable in that it reflects standard communication procedures and current use of technology. It identifies that the parties will

provide an email address that will be used for the purpose of filing notification electronically, to ensure that parties and the Bureau receive notice in a timely fashion.

5510.0410, Subp. 2. Eligibility; Single-Party Petition

- C. An exclusive representative may file a petition for:
- (1) unit clarification;
 - (2) amendment of certification;
 - (3) transfer of exclusive representative status; ~~and~~
 - (4) abandonment of exclusive representative status; -
 - (5) request for unit merger; and**
 - (6) request for maintenance of status quo in part.**

Summary: Adds request for unit merger and request for maintenance of status quo in part as conditions when an exclusive representative may file a petition.

Justification: [Minnesota Statutes 179A.09, subdivision 4](#) includes a new provision permitting a union to file a petition for unit merger. This rule change authorizes an exclusive representative to use the existing petition process to make that request.

The Bureau has also updated its procedures to allow stakeholders to request a maintenance of status quo order in part. When the Bureau receives a petition which requires an election for employees to choose a bargaining representative or the clarification of a unit, the Bureau issues a Notice of Maintenance of Status Quo order to help ensure a fair environment while the matter is being determined. A maintenance of status quo in part provides greater flexibility to the parties to continue with bargaining, while ensuring that employee rights are protected during the representation process. The changes are reasonable because they utilize the Bureau's established petition process to implement new provisions of the rules.

5510.0720 Unit Mergers (NEW)

Subpart 1. Filing a petition. A petition requesting merger of two appropriate units must include:

- A. the name, address, email address, and phone number of a representative for the employer and the exclusive representative;**
- B. a statement on whether there are effective labor contracts, and the expiration date of the contracts;**
- C. the type of public employer involved;**
- D. the approximate number of employees in each bargaining unit to be merged;**
- E. a description of the proposed unit;**
- F. the date the petition is signed; and**
- G. the name and title of the person signing the petition.**

Subp. 2. Right to merger. In accordance with 179A.09, Subd. 4., upon request of an exclusive representative, the commissioner will certify as a single bargaining unit two or more units represented by the exclusive representative within the same employer.

Subp. 3. Existing labor agreements. The labor agreements in place expire effective the date the commissioner certifies the new unit.

Subp. 4. Employee rights. Terms and conditions of employment in existence prior to certification of the merged unit continue until a new agreement is ratified.

Subp. 5. Notice of bargaining. The request of an exclusive representative to merge units constitutes a notice of intent to meet and negotiate an agreement in accordance with 179A. 14, subd. 1.

Summary: This rule creates a new process that allows exclusive representatives to petition the Bureau to merge two existing bargaining units with the same employer. It updates the administrative steps required for processing a unit merger.

Justification: The proposed rules provide guidance to parties on the process for transitioning to a new bargaining unit and corresponding successor labor agreement. [Minnesota Statutes 179A.9, subd. 4](#), Unit mergers, provides that at any time upon the request of an exclusive representative the commissioner must designate as a single unit two or more bargaining units represented by the exclusive representative. State units and other bargaining units designated by statute are excluded from the merger process provided for under the statute.

As a new unit clarification procedure, the proposed rule is needed to provide guidance to stakeholders on the merger petition process, the status of existing labor agreements, the rights of employees subject to the merger process, and requirements for bargaining a successor labor agreement.

While the labor agreements in place at the time of the merger expire effective the date the commissioner certifies the new unit, the rule protects the rights of employees by ensuring that the terms and conditions of employment in existence at the time of the merger continue until a new agreement is ratified by the parties. The merger order also constitutes a notice of intent to negotiate as required by [Minnesota Statutes 179A. 14, subd. 1](#), prompting a new contract bargaining process to help ensure a timely completion of a successor labor agreement.

5510.0810, Subp. 2 Valid Authorization Signatures

[Subp. 2. Valid authorization signatures.](#)

A. Authorization signatures must be in the form of individual authorization cards and include:

- (1) a statement reflecting the employee's support for the petition's purpose;
- (2) the legibly printed name of the employee making the authorization;
- (3) the employee's **information and** signature; ~~and~~
- (4) the date the employee signed the card; **and**

(5) the name of the employee organization.

B. Authorization cards may contain the employee organization's ~~name~~, address, email address, **dues information**, and telephone number.

Summary: Adds employee information and employee organization data in what must be included on a valid signature card. Strikes the employee organization's name from what may be required and finally, adds that a valid signature card *may* include dues information.

Justification: The proposed rule provides for the inclusion of dues information on authorization cards, to simplify and streamline Bureau administration procedures for the majority verification process provided for under [Minnesota Statutes 179A.12, section 2a](#). The changes also provide updates and clarification for stakeholders on the information what is required on valid authorization cards. This change was needed to incorporate current practices into the requirements. This change is reasonable because it uses the existing petition and authorization card process provided for under [Minnesota Rules 5510.0810](#) to updates that are consistent with majority verification procedures adopted by the legislature in 2023.

5510.0810, Subp. 3 Invalid Authorization Signatures

Subp. 3. Invalid authorization card. An authorization card is invalid if it:

- A. does not include ~~the~~ **all** information and statements required under subpart 2;
- ~~B. contains statements of explanation, interpretation, or advice regarding the BMS~~ **election** process;
- ~~B. C.~~ is modified or altered in any way; or
- ~~C. D.~~ is dated more than ~~six~~ **twelve** months before the commissioner receives the petition.

Summary: Clarifies that cards that do not contain *all* information and statements in subpart 2 are invalid signature cards. Strikes prohibition of statements of explanation, interpretation, and advice regarding the BMS election process and extends the time an authorized signature card is valid from six to twelve months.

Justification: [Minnesota Statutes 179A.12, subd. 6](#) modified authorization signature requirements and extended the validity of an authorization signature from 6 months to one year following the signature date. The rule change is needed to provide consistency with statute.

This proposal also strikes language restricting information exclusive representatives may include on a valid authorization card. This change is reasonable because it eliminates outdated language and creates consistent procedures the Bureau has in place to administer majority verification requirements in [Minnesota Statutes 179A.12](#). It also reduces administrative burdens on exclusive representatives and creates a more efficient representation process.

5510.0910 Unit Clarification Petitions

Subpart 1. A petition for unit clarification must include:

- A. a statement on ~~whether~~ if there is an effective labor contract and the contract's expiration date;
- B. the type of public employer involved;
- C. the approximate number of employees affected by the proposed unit clarification;
- D. a specific statement of the unit clarification requested and the reasons for the request;
- E. the date the petition is signed; and
- F. the name and title of the person signing the petition.

Subp. 2. Authorization cards are not required for Unit Clarification petitions.

Summary: [Divides the rule](#) into Subpart 1 and Subpart 2 for ease of use and clarity. Corrects grammatically incorrect use of “whether”. Adds Subpart 2 which clearly states that authorization cards are not required when submitting Unit Clarification petitions.

Justification: The unit clarification process ensures the accurate definition and composition of bargaining units. Unit clarification processes are often required due to changes in job duties or organizational restructuring and are evaluated using criteria provided in [Minnesota Statutes 179A.09, subdivision 1](#). Accordingly, authorization cards signed by individual employees are not required to complete the unit review and assign positions to an appropriate bargaining unit as part of the unit clarification process. The proposed rule provides clarity and definitive guidelines to stakeholders regarding the purpose of the rules and Bureau requirements within the unit clarification process.

5510.2010 Elections

[Subp. 2. Election method.](#)

A. In accordance with 179A.12, Subd. 2a., the commissioner will certify a proposed unit upon receipt of a valid petition after determining over 50 percent of the employees in the appropriate unit provided authorization signatures.

B. If the commissioner orders an election, it must be conducted by secret ballot ~~either~~ at a site of employment or by mail, as determined under Minnesota Statutes, section 179A.12, subdivision 7.

Summary: Subpart 2 into paragraphs A and B for ease of use and clarity. Aligns rule with current statute regarding proposed unit certification. Removes unnecessary grammar for ease of use and clarity.

Justification: The proposed rule on majority verification creates consistency between representation rules, which currently only provide information and procedures for secret ballot elections, and the

majority verification procedure adopted by the legislature in 2023. This update creates clarity for Bureau stakeholders on requirements of the majority verification process.

Regulatory Analysis

[Minnesota Statutes, section 14.131](#), sets out eight factors for a regulatory analysis that must be included in the SONAR. The sections below quote these factors and then give the Bureau's response.

Classes Affected

Classes of Persons Probably Affected

- Public employees and public employers
- Labor unions and independent non-union labor organizations
- Attorneys and consultants representing clients before the Bureau
- Professional associations advising public employers and labor groups

Classes That Bear Costs of Proposed Rules

Most proposed rule changes simply update current representation and petition-filing processes. Additionally, changes primarily clarify the meaning and application of the rules with regard to authorization card requirements and unit clarification petitions. As a result, the Bureau has identified no substantive expenses and does not anticipate the proposed rules will increase stakeholder costs.

The proposed rules on unit merger provide information on the impact of mergers on the collective bargaining process. They summarize employer and labor organization obligations in the event of a merger, as well as the rights of the affected employees. The Bureau does not anticipate that updated unit merger requirements will increase the costs of collective bargaining incurred by stakeholders.

The proposed rule on majority verification codifies in [Minnesota Rules Chapter 5500](#) the existing statutory provisions on majority verification. Majority verification procedures will likely *reduce* costs because when used, it eliminates the need for a secret ballot election.

Classes That Will Benefit from the Proposed Rules

All affected classes will benefit from rule updates, which bring Bureau procedure framework in line with amendments to [Minnesota Statutes Chapter 179A](#) adopted by the legislature in 2023. These updates provide vital guidance and interpretation of the Bureau's regulatory processes needed to enforce the statute. Stakeholders will also benefit from the elimination of outdated language and increased clarity and specificity regarding Bureau procedures.

Probable Costs of Implementation

Department/Agency Costs

The Bureau expects no increased operational costs as a result of implementation and enforcement proposed rule updates or changes. Furthermore, the Bureau has consulted with other state agencies most likely to be affected and found that they do not suppose any probable costs. Ultimately, the proposed rule changes are projected to have no effect on state revenues.

Less Costly or Intrusive Methods

As previously noted, proposed rule changes are not expected to impact state revenues. Accordingly, a determination of whether there are less costly or less intrusive methods to achieve the Bureau's goal of promoting stable and constructive labor-management relations by enacting clear, efficient, and understandable rule updates is not required.

Alternative Methods

The Bureau did not identify or consider alternative methods for the proposed rules concerning petition filing, notice requirements, and valid authorization cards. Revision serves to update and clarify existing procedures. The Bureau's leadership team deemed this approach the most efficient and direct means for stakeholders to access information and comply with applicable requirements.

Likewise, no other approaches were considered for the proposed rules addressing unit mergers and majority verification. The development and adoption of these rules are mandated by statute, and consequently no alternatives were practicable.

Costs to Comply

The Bureau expects no significant cost to comply with the proposed rules update for stakeholders such as separate classes of governmental units, businesses, or individuals.

Costs of Non-Adoption

The consequences of not adopting the proposed rule updates are continued use of an outdated regulatory framework that also does not support recent changes to statute. This degrades operational efficiency at the Bureau, other state agencies, other government units, public employers, labor unions, and individual stakeholders who rely on clear and current rules to successfully complete their associated tasks and responsibilities.

Differences from Federal Regulations & Cumulative Effect

The proposed rules cover areas that are not addressed by federal law or other Minnesota state laws. Therefore, this consideration is not applicable to other state and federal rules related to the same specific purpose.

Notice Plan

[Minnesota Statutes, section 14.131](#), requires that an agency include in its SONAR a description of its efforts to provide additional notification to persons or classes of persons who may be affected by the proposed rule or must explain why these efforts were not made.

Details on the previous measures taken to ensure stakeholders received both required and additional notice of this rulemaking during the Request for Comments and rule development period can be found on page eight of this SONAR.

Required Notice

The Bureau is required under [Minnesota Statutes, Chapter 14](#) to identify and send notice to several groups. The steps the Bureau will take to meet those statutory requirements are laid out in detail below.

Consistent with [Minnesota Statutes, section 14.14, subd. 1a](#), on the day the Dual Notice of Intent to Adopt Rules is published in the *State Register*, the Bureau will send via email or U.S. mail a copy of the Dual Notice of Intent to Adopt Rules and the proposed rule to the contacts on the Bureau's list of all persons who have registered with the Bureau for the purpose of receiving notice of rule proceedings. No (ZERO) persons have requested to be added to the Bureau's notice via United States Postal Service, and 98 persons as of 09/23/2025 have requested noticed of all rule proceedings via email. The Dual Notice of Intent to Adopt Rules will be sent at least 33 days before the end of the comment period.

Consistent with [Minnesota Statutes, section 14.116\(b\)](#), the Bureau will send a copy of the Dual Notice of Intent to Adopt Rules, a copy of the proposed rules, and a copy of the SONAR to the chairs and ranking minority party members of the Senate Labor Committee, the House of Representatives Workforce, Labor, and Economic Development Finance and Policy Committee, and the Legislative Coordinating Commission. These documents will be sent at least 33 days before the end of the comment period.

Consistent with [Minnesota Statutes, section 14.131](#), the Bureau will send a copy of the SONAR to the Legislative Reference Library when the Dual Notice of Intent to Adopt Rules is sent.

[Minnesota Statutes, section 14.111](#) requires the Bureau to provide the commissioner of agriculture with a copy of the proposed rule change if the agency plans to adopt or repeal a rule that affects farming operations. This requirement does not apply because the proposed amendments will not have any effect on farming operations in Minnesota.

Additional Notice

The Bureau's Additional Notice Plan gives notice to persons or classes of persons that may be affected by the proposed rules. The Bureau's Additional Notice Plan complies with the APA because the Bureau published notice of the proposed rules and SONAR in the State Register, emailed copies of the notice, proposed rules, and SONAR to the Bureau's rulemaking list.

In addition to the required notice referenced above, the Bureau will make the Dual Notice of Intent to Adopt Rules, SONAR, and proposed rule available on the Bureau's [Rules webpage](#).

The Bureau also intends to send an electronic notice with a hyperlink to electronic copies of the Dual Notice of Intent to Adopt Rules, SONAR, and proposed rule to significant users of Bureau services, including:

- Public employers and their representatives and advocates, including the League of Minnesota Cities, the Association of Minnesota Counties, the Minnesota Association of Townships, and the Minnesota School Boards Association
- Labor organizations, including labor unions
- Independent attorneys and consultants representing clients before the Bureau
- All individuals on the Bureau's arbitration rosters
- All individuals on the Bureau's arbitration advisory committee
- All individuals who requested to be added to the rulemaking list.

Additionally, the proposed rules, SONAR, and other notices will be published on the Bureau's website ([Rules / Minnesota.gov](#)) and an announcement about the rules will be posted on the website's home page ([Bureau of Mediation Services / Minnesota.gov](#)).

Performance-Based Rules

[Minnesota Statutes, section 14.002](#), requires state agencies, whenever feasible, to develop rules that are not overly prescriptive and inflexible, and rules that emphasize achievement of the Bureau's regulatory objectives while allowing maximum flexibility to regulated parties and to the Bureau in meeting those objectives.

While developing the proposed rule changes, Bureau leadership and staff encouraged stakeholders to submit comments and encouraged public participation. The Bureau consulted with its arbitrators and arbitration advisory committee to vet the rule changes and analyze whether the rule changes would help the Bureau continue to ensure performance-based rules.

Consultation with MMB on Local Government Impact

As required by [Minnesota Statutes, section 14.131](#), the Bureau will consult with Minnesota Management and Budget (MMB). We will do this by sending MMB copies of the documents that we send to the Governor's Office for review and approval on the same day we send them to the Governor's office. We will do this before the Bureau publishes the Dual Notice of Intent to Adopt Rules. The documents will include: the Governor's Office Proposed Rule and SONAR Form; the proposed rules; and the SONAR. The Bureau will submit a copy of the cover correspondence, and any response received from Minnesota Management and Budget to OAH at the hearing or with the documents it submits for ALJ review.

Impact on Local Government Ordinance and Rules

As required by [Minnesota Statutes, section 14.128, subdivision 1](#), the Bureau has considered whether these proposed rules will require a local government to adopt or amend any ordinance or other regulation to comply with these rules. The Bureau has determined, in consultation with MMB, that they do not affect local ordinances or regulations.

Costs of Complying for Small Business or City

Bureau Determination of Cost

As required by [Minnesota Statutes, section 14.127](#), the Bureau has considered whether the cost of complying with the proposed rules in the first year after the rules take effect will exceed \$25,000 for any small business or small city. The Bureau has determined, in consultation with MMB that the cost of complying with the proposed rules in the first year after the rules take effect will not exceed \$25,000 for any small business or small city.

The Bureau has made this determination based on the probable costs of complying with the proposed rule, as described in the Regulatory Analysis section of this SONAR on pages [14-16](#). The Bureau estimates there to be no increased costs to the agency or other state agencies, including MMB, which administers state-employee contracts. No other agencies are substantially affected by the proposed rules, and none of the changes will result in a more-than-minimal increased cost. Additionally, the proposed rules do not affect state revenue.

Authors, Witnesses, and Exhibits

Authors

The primary authors of this SONAR are [Tom Shoemaker, BMS Program Coordinator](#); [Marcy Cordes, BMS General Counsel](#); and [Johnny Villarreal, BMS Commissioner](#).

Witnesses

If a public hearing is required, the Bureau anticipates having the following witnesses testify in support of the need for and reasonableness of the rules:

- [Marcy Cordes, General Counsel, Minnesota Bureau of Mediation Services](#)
- [Johnny Villarreal, Commissioner, Minnesota Bureau of Mediation Services](#)
- The Bureau does not anticipate a need to call non-agency witnesses

Exhibits

If a public hearing is required, the Bureau does not anticipate entering any additional exhibits into the hearing record.

Conclusion

In this SONAR, the Bureau has established the need for and the reasonableness of each of the proposed amendment to [Minnesota Rules, 5510.0320, 5510.0410, 5510.0720 \(NEW\), 5510.0810, 5510.0910, and 5510.2010](#). The Bureau has provided the necessary notice and documented its compliance with all applicable administrative rulemaking requirements of Minnesota statute and rules.

Based on the forgoing, the proposed amendments are both needed and reasonable.

Commissioner

Date