Summary of Minnesota House Bill 541 on protection of collective bargaining contracts in the event of changes in company ownership

Minnesota House of Representatives Bill No. 541 extends labor protection by mandating that every collective bargaining agreement provide that an employer's successors, assigns, purchasers, lessees, or transferees will be bound by the agreement. Notice to the successor of the agreement's existence and to the labor organization of the nature of the transaction is required. Any transfer that modifies rights or benefits under an agreement is enjoinable as an unfair labor practice. The ability of the transferor and transferee to arrange a transfer of the assets after transferor has terminated business activity so as to avoid the act is not blocked, but a thirty day notice of such a termination to the labor organization is required.