Background Education Paper 2024 MN SHRM Day at the Capital

Information provided by MNSHRM State Council Legislative Director, Cory Genlin

This paper is meant to provide you with information that may help make you comfortable in speaking with your MN State elected representatives and senators. It is for your advice only. As I've said in previous communication, no one is required to advocate in accordance with this paper.

In speaking with your legislators, try to be neither pro-employee nor pro-employer. Be pro-employment.

Both political parties in Minnesota want employment. SHRM wants to promote as many opportunities for employment and we want people to be able to be able to create as many diverse employment relationships as possible.

Here are some bills that generally favor employment. Please familiarize yourself with them and form your own opinions:

• <u>HF3530</u> (Rep. Baker, GOP) / <u>SF3874</u> (Sen. Coleman, GOP) – modifying the Paid Family and Medical Leave mandate.

As I've said, my main goal for this Day at the Capital is to try to get a small employer exemption for reinstatement obligations of small employers. These bills do that. They also do a lot more, which is why they are unlikely to pass as written. I simply don't see the majority party accepting such drastic changes to a bill they just passed. But I do think that the majority party could be persuaded to exempt small employers from the obligation to take employees back after a long absence.

• HF4462 (Rep. Schultz, GOP) – modifying the Sick and Safe time mandate.

Here are some bills that will make employment more difficult, more expensive, and less likely. Please familiarize yourself with them and form your own opinions:

- <u>HF3587</u> (Rep. Bahner, DFL) / <u>SF3725</u> (Sen. Mann, DFL) requiring employers to disclose salary ranges in job postings
- <u>HF4478</u> (Rep. Greenman, DFL) / <u>SF4071</u> (Sen. McEwen, DFL/DSA) requiring overtime for a seventh consecutive day of work and specifying minimum time between employee work shifts
- <u>HF4050</u> (Rep. Kozlowski, DFL) / <u>SF3947</u> (Sen. Mohamed, DFL) doubling the annual percentage increase for the minimum wage and removing certain industry-related accommodations
- <u>SF4019</u> (Sen Mohamed, DFL) increasing minimum wage to \$20.00/hour by 2028 for all employers.

The most important thing you can talk about with your representatives and senators is the personal impact that employment regulation has had on your workplace; or what future legislation could do to your workplace. Here's my pitch and most relevant story just to get you thinking:

"One of the most important things I'd like you to consider is revising the Minnesota Paid Family Medical Leave act, so as to have reemployment rights only for employees who work for employers of more than 50 employees, just like Federal FMLA.

I'm not asking to remove them from the program altogether, I'm only talking about their right to return to their job after a long or indefinite absence.

I've personally dealt with the challenges this can create. A few years ago, I was representing a client with over 50 employees, so they were subject to FMLA. This client was a nursing home. While they had over 50 employees, they only had one Kitchen Manager. Unfortunately, the Kitchen Manager got sick. The doctors didn't know what was wrong with her, but she was too weak to work and the doctors had no idea when she would be better. The employer of course gave her paid sick leave and then unpaid FMLA for 12 weeks. At the end of the 12 weeks, they gave her 2 more weeks additional leave as an accommodation under the ADA. After 14 weeks the doctors still didn't know when she would return.

In the meantime, because FMLA said she had to have her job waiting for her when she came back, the employer could not realistically fill that position. They couldn't hire a full time replacement because they would need to fire that person when the sick employee came back. Managing the kitchen was more complicated than what a temporary worker could do. So this nursing home, that was caring for more than 100 elderly people, had to just get by with an empty position for 14 weeks.

The current MN Paid FMLA applies to all employers. Imagine a workplace with just five employees trying to keep providing services to Minnesotans, with 20% of its workforce gone for an unknown period of time. Imagine the workload falling on the remaining 4 employees.

Again, I'm not asking that employees of employers with less than 50 employees not be able to get wage-replacement benefits. I'm only asking that employees of these small employers not get reinstatement rights. So they would still get money; they just would not be entitled to return to their job, which is no different than the law as it is today. Even putting in a two-week limitation on the reinstatement rights would make this law much more realistic for small employers.

I support House File 3530 and Senate File 874. These bills do a lot more than just address reemployment obligations of small employers. But even if we just put in a small employer threshold, that would make it much easier to provide jobs to Minnesotans."

Again, that's just my story to get you thinking. As you read the bills above, think about how they would change your workplace for the better or worse.

Customize your comments to the listener. If you're speaking to a Democrat, talk about the increased cost of employing a Minnesotan and how giving a Minnesotan a job can be made easier. If you're speaking to a Republican, talk about costs to business and things that will help or hurt small business as they drive our economy.