

HF4414 - 0 - Elected Official Exempt. from Paid Leave Law Est.

Chief Author: **Dave Baker**
 Committee: **Workforce, Labor, and Economic Development Finance and Policy**
 Date Completed: **3/24/2026 8:56:58 PM**
 Agency: **Employment and Economic Dvlpmnt**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Family and Medical Benefit Ins	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Family and Medical Benefit Ins	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Karl Palm **Date:** 3/24/2026 8:56:58 PM
Phone: 651-296-6055 **Email:** karl.palm@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029	
Family and Medical Benefit Ins	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Family and Medical Benefit Ins						
Expenditures	-	-	20	-	-	-
Absorbed Costs	-	-	(20)	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Family and Medical Benefit Ins						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

The bill restricts the definition of covered employment by excluding employment of the state or a political subdivision, as an elected official, a member of a legislative body, or a member of the judiciary

Assumptions

To estimate the impact of the bill, we need to estimate the number of elected officials who would fall under this new exemption. Below is an approximation based on units of government in Minnesota.

Category	Estimate
State Legislature	201
Statewide Executive	5-8
State Judiciary	322
County Governments	800-1,000
City Governments	3,400-4,900
Townships	8,500
School Boards	1,950
Special Districts	16,500

TOTAL	30,000-35,000
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Across all levels of government, Minnesota has an estimated 30,000 to 35,000 elected officials. This constitutes less than 1% of employees in Minnesota. While we do not have the total wages reported to these employees, we know that the vast majority of these elected officials receive minimal wages (under \$10,000 per year). Because of this, the fiscal impact of this exemption would be minimal, and this change would not have a material impact on the net fund balance of the program or on overall program sustainability.

It is assumed that a majority of elected officials have a position in addition to their role as an elected official, that would qualify them to receive benefits under this program. This reduces the estimated impact of this legislation, as the officials would not be made ineligible for paid leave in their other position.

Ongoing costs to administer this change would be minimal and could be managed with existing resources. The program would likely incur one-time costs of around \$20,000 for notifying the relevant employers of this change. This is an estimate that includes mailers to government entities and staff time for content development and entity engagement. It is assumed the program will absorb these costs.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

[1] <https://mncourts.gov/about-the-courts/fast-facts>

[2] https://assets.senate.mn/committees/2021-2022/3100_Committee_on_Local_Government_Policy/AMC%20County%20Government%20101.pdf

[3] <https://www.lmc.org/news-publications/publications/city-directory/>

[4] <https://www.mntownships.org/about>

[5] <https://www.revisor.mn.gov/statutes/cite/123b.09>

Agency Contact: Greg Norfleet

Agency Fiscal Note Coordinator Signature: Lynn Wilson-Walz

Phone: 651-355-0450

Date: 3/24/2026 3:05:17 PM

Email: lynn.wilson-walz@state.mn.us