Local View: For workers, businesses, Minnesota needs paid family and medical leave

By Emily & Joel Vikre

At first glance, beautifully crafted cocktails inspired by the overwhelming magic of northern Minnesota's waterscapes do not appear to be remotely related to the concept of a quality, affordable, and well-administered paid family and medical leave (PFML) program. But we'll let you in on a little secret: The two are much more related than you may think.

Like everyone in their busy lives, we wear multiple hats. First and foremost, we're parents to two young children. On top of that, we're also the founders and owners of a small distillery in our beloved home city of Duluth, as well as dedicated employers to a team of incredible employees, many of whom have children and families of their own. Through these various roles, we have interacted with many angles of paid family and medical leave throughout the years.

As new parents, we learned how necessary paid family leave can be when our youngest son was born and needed heart surgery at 5 days old. When surgery complications required us to remain in the Twin Cities for three months, away from work and our home, we were able to take paid leave to manage the situation. As small-business owners, we have prioritized providing paid family and medical leave to our employees ever since.

We have experienced firsthand the positive impact a PFML program has on financial security, familial flexibility, employee well-being, operational stability, and more. We have provided these benefits, despite how expensive and administratively difficult it is for Minnesota small businesses to afford. It's such an essential benefit that all employees should have access. Flexibility and financial support when emergencies arise are critical to community well-being. To this day, we have no clue what we would have done in our son's situation had we not had that flexibility.

The ongoing COVID-19 pandemic has only further highlighted how challenging it is for small businesses to support their employees through benefits like PFML without risking

significant financial impacts. As a small business, we provided extensive paid leave to enable our employees to quarantine, so that they wouldn't have to make a decision between their economic well-being and following public-health guidelines. Being the sole safety net for employees is a huge burden to carry at any time, much less in an historic, once-in-a-generation pandemic.

This is all why a cohesive, government-funded program for paid family and medical leave is needed. A reasonable, dependable program that serves as a support system for all Minnesotans — not something that is piecemeal or varies by employer — just makes sense. Economically, it prevents the fully avoidable loss of productivity and creativity by retaining quality employees. From a moral standpoint, it's simply the humane thing to do. People need, and deserve, to be taken care of when the unexpected happens.

When we originally set out to create an innovative distillery offering superior spirits, we were indeed inspired by the awe-inducing grandeur of northern Minnesota. But as small-business owners, we were also passionate about creating meaningful, well-paying jobs that support the people we deeply care about here in Duluth. We can continue to fulfill our dream because of the beauty and humanity of the people — our employees and their families, our customers, our business partners, and those in our community — who keep us here and happy.

It is time to implement a government-funded PFML program for Minnesota's small businesses to easily access so we can care for our people in return.

Emily and Joel Vikre of Duluth are owners of <u>Vikre Distillery</u>, a member of Main Street Alliance (mainstreetalliance.org), a nonprofit network of small business owners.

Minnesotans need Paid Family & Medical Leave to support ourselves, our communities and a better world

When we are all able to access the care we need, our entire community benefits.

By Tabota Seyon

We've all experienced it at some point: Coming down with nasty cold symptoms that leave you exhausted and unable to focus on a single task. Hiding your worry or fear as you care for a chronically ill loved one. Waking up to your young child who complains of a sore throat and sports a matching fever, prompting the quick realization that your day will go the complete opposite direction of what you had planned.

These situations are a common, unavoidable part of life that nobody can escape. And that's okay – it's a part of being human. Nobody should be penalized for it. There should be built-in safety nets that guarantee employment and financial security through these unanticipated and difficult times.

The past two years have been one big unanticipated, difficult time for everyone, myself included. As a small business owner, the COVID-19 pandemic created many different challenges in my world – the primary concern being to operate my business while simultaneously ensuring my employees (many of whom are parents) have access to what they need to stay healthy and take care of themselves and their families.

I've also faced serious personal health challenges during this time. A year ago I was in a car accident that left me with chronic back pain. Despite attempting to take some time off from running my business to heal and care for myself, it simply wasn't possible financially. By

laboring through the recommended recovery period, fully healing was never possible. My doctor is now recommending surgery.

This process repeated itself when I contracted COVID in 2020, along with my sons, daughter and grandchild, making it practically impossible for us to sustain my often family-run business. When I got COVID for the second time in January 2021, total shop closure was inevitable: I had to make the tough decision to close it completely for four weeks to protect myself, my family, my employees and my community, which resulted in significant income loss I can never gain back.

While nobody can prepare for the once-in-a-century pandemic like COVID, we can absolutely prepare for the more common, inevitable parts of life, like getting sick or caregiving, through pre-planned safety nets through a public government-administered program like <u>Paid Family & Medical Leave</u> (PFML).

Over the past two years, this resource would have been a complete gamechanger for the small business world, which was taking pandemic-related hit after hit. In addition to giving us business owners the operational and financial stability needed to better plan and prepare for the future, supporting business growth, it would have given me the ability to offer my employees quality, reliable time to pause and care for themselves and their loved ones.

It also would have given me the reassurance needed to truly take the doctor-recommended time to fully rest, heal and recover, avoiding a more intensive recovery option like surgery. With PFML, I wouldn't have had to organize a fundraiser to remain financially afloat – these types of unsustainable approaches shouldn't have to be taken when you're already navigating difficult circumstances like illness or injury.

PFML would keep small businesses vibrant and people secure in the local jobs they're passionate about. Our current way of tailoring special credits and processes like PFML at a price point comfortable to larger businesses is unhelpful and unsustainable. So many Minnesotans want to work for their local mom and pop business that are staffed by the people they care about who live in their communities. Small employers keep these much-loved neighborhoods safe and vibrant, ensuring access to community resources and a thriving local economy.

When we are all able to access the care we need, our entire community benefits. It is extremely hard to work when you don't feel good. Nobody benefits. Giving everyone the ability to practice some form of self-care without restrictions – without having to make a choice between putting food on the table or proactively resting to avoid burnout; between paying rent or taking time to recover following a serious illness – is critical for the well-being of our world.

These are not the sort of choices we should have to make. By implementing PFML for Minnesota's small business owners and employees to easily access, we wouldn't have to.

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Paid Family Medical Leave fosters stronger families and stronger communities

By: Shannon Berns

Regardless of the industry, economic success for a small business in today's market relies on more than just a smart business plan, or sheer financial viability. True success stems from fostering a trusted, talented team made up of dedicated individuals who deliver quality results. And to retain this knowledgeable pool of talent who keeps your business operations viable, prioritizing their health and well-being by providing full Paid Family Medical Leave (PFML) only makes sense.

This conclusion is not particularly revolutionary. It's one I personally have arrived at through my various experiences with the issue, through many perspectives: As a small business owner and former employee myself, but also as a business consultant and contractor for business development centers. I've specifically experienced the challenge of making tough decisions for my family and my business when the care of loved ones is necessary and PFML is unavailable. This includes tough conversations around employee hiring and retention when such benefits are out of reach for most small businesses.

This situation is not uncommon. Unless you're a business owner with 10 or more employees, it's incredibly difficult to buy into any type of private leave plan in Minnesota, much less an affordable one. The few options that are available on the private market are expensive and peppered with tough coverage exclusions and waiting periods. Such a lack of realistic benefits options has caused many small businesses to lose talented staff to larger corporations that can afford them. One of the most frustrating parts? Most small business owners would love to be able to provide PFML and many people would love to be able to work for a smaller business in their community. It is often just not financially viable.

The good news: There is an opportunity to pass legislation this session which would address two of the most commonly cited barriers to PFML I hear as a business consultant – cost and questions around how any benefits would be directed. HF1200 would create a new state-administered PFML benefits program, like Minnesota's current Unemployment Insurance system under the Department of Employment and Economic Development, to serve as a stable, easy-to-access resource for small business owners and employees.

This PFML benefits program would keep participation costs low for everyone by creating a large statewide risk pool to equally share costs between employers and employees; the average worker and small business owner would pay around \$2-3 per week. That weekly \$2-3 would cover both benefits and program administration costs, with PFML coverage options including up to 12 weeks of partial wage replacement for medical leave, including pregnancy; up to 12 weeks of partial wage replacement for family leave; and the replacement of wages on a tiered scale of an employee's salary, protecting job and healthcare benefits.

While HF1200 would be a game-changer for many, it is not groundbreaking. Many states across the country have already made similar policy changes to support their families and small business owners and they are already reporting positive results. Employers and employees enjoy a more consistent and plan-able work environment through increased economic and operational security. Community organizations and local businesses are boosted by the increase in consumer spending when consumers have the financial stability they need. And business owners retain their freedom to make important business decisions by having another benefits option available.

Most importantly, HF1200 would make it possible for Minnesotans to truly be able to take care of one another. When people have what they need to succeed, it allows them to remain steady, healthy and strong to be ready for when the unexpected occurs. And stronger employees and their families, stronger neighbors, and stronger local businesses inherently help build stronger communities – something I know we all collectively want for each other across our land of 10,000 lakes.

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