



January 24, 2023

Chair Xiong and members of the Workforce Development Finance and Policy Committee,

We are writing on behalf of the League of Minnesota Cities and Association of Minnesota Counties regarding HF 2 Paid Family and Medical Leave (Richardson).

As public employers, counties and cities are proud of our commitment towards providing quality compensation and benefit packages that provide an assortment of health, retirement, and ancillary benefits including education, sick and paid leave banks, professional training reimbursements, and more.

It is common for local governments to engage in collective bargaining of benefits with multiple unions on behalf of several different employee groups and job classes. This collective bargaining process works well to differentiate unique needs among our employee groups and often means that counties are able to best spend resources on what makes the most sense and provides an overall benefit to various groups of people. As this bill progresses, we hope that it can recognize the strong history of collective bargaining and generous benefits provided by local governments.

Specifically, the League of Minnesota Cities and Association of Minnesota Counties supports:

- **Authorizing employers to require a partial buy down of accrued leave** or allow accrued leave to be used in a private employer plan. Some local governments allow storage of sick time over 1000 hours, which provides 25 weeks of leave.
- **Clarifying language regarding the employee chargeback** to delineate that employees are responsible for 50 percent of the premium cost unless an employer opts to pay more.
- **Specifying that future premium adjustments to employers be noticed to employers before preliminary levies are set.** Each year, local governments must set their preliminary levies at the end of September. It is critical that any increased costs due to premiums are communicated by then to ensure that a local government's preliminary levy can account for increased costs.

We welcome the opportunity to discuss these items further and work with the bill author as it moves forward.

Sincerely,

A handwritten signature in black ink that reads 'Alex Hassel'.

Alex Hassel
Intergovernmental Relations Representative
League of Minnesota Cities

A handwritten signature in black ink that reads 'Matt Hilgart'.

Matt Hilgart
Government Relations Manager
Association of Minnesota Counties