

March 7, 2023

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RE: HF 23 & SF 207: A bill for an act relating to labor; providing safe workplaces for meat and poultry processing workers; requiring a report; appropriating money.

Dear Chair Representative Becker-Finn and Senator Putnam as well as members of the Committee,

We are writing to share feedback and recommendations on HF 23 and SF 207, a bill under consideration in the state legislature that would require additional regulatory conditions on businesses as it relates to labor and workplace safety in the poultry and meatpacking industry.

As a small meat processor located in Cannon Falls, MN, we handle worker safety and extended employee leave from work with great care and attention. Maintaining an employee base sufficient to run our operation is extraordinarily difficult generally and only exacerbated with the Covid–19 pandemic. If we do not treat our workers with respect and provide appropriate accommodations and training on federal and state workplace safety, we risk our ability to service farmers and the brands that rely on us to market meat and meat products.

While we appreciate the intention of HR 23/ SF 207, our review leaves us to conclude the bill is excessively onerous for small meat processors, burdening them with prescriptive measures and penalties intended to correct workplaces that do not resemble a processor with less than 500 employees. The bill's

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705 Cannon Industrial Blvd. Cannon Falls, MN 55009 (507) 263-3618 (507) 263-8219 (fax) www.lorentzmeats.com authors have not shown how small processors (under 500 employees) have the work environments and practices they intend to address. Further, the burdensome practice requirements, unreasonable and unclear sick leave expectations, and excessive and duplicative reporting mandates in the bill are not proven to improve worker safety. The legislative text is overly prescriptive and provides no resources or guidance to industry participants. Required measures are vague; definitions are lacking; and applications are redundant. Finally, the 50-employee exemption threshold will create barriers of entry to meat processing in Minnesota at the precise time other state and federal efforts are working to diversify the meat industry, specifically supporting the growth of small processors

A more measured approach would be to enable the Department of Labor to gather public input, survey industry stakeholders, and develop a legislative findings report that might outline a state program or pilot program as well as offer best practices and guidance resources for stakeholders. We would recommend the development of a multi-stakeholder advisory group to support the Department in carrying out this objective.

As it stands now, this legislation creates a one-size-fits-all approach whether you are an operation with 51 employees or 5,000. A facility with under 500 employees is a much different landscape than a facility with over 500. We feel it is vital for the state legislature to research and appreciate the complexities and differences in scale and approach in the meatpacking industry in order to be adequately equipped to outline the details of a state program that truly balances the needs of workers and meatpacking businesses. Following are examples of how differences of scale functionally matter especially when considering the two main focuses of the bill: musculoskeletal disorders and pandemic measures.

Smaller plants do not require employees to perform the same repetitive motions as larger plants. Employees may rotate duties throughout the day or week at a smaller plant; in a larger plant, an employee may stand in one place making the same motion for 8 hours every day. For us, specializing in small-run production, our 120 production employees fill three distinct business silos: slaughter and fabrication; sausage making; and specialty packaging. These two factors—small areas and small runs—mean that our employees are constantly changing some aspect of their work throughout the day, either job tasks or product type, greatly reducing the ergonomic hazards targeted by this bill.

As for the pandemic measures, throughout the two-year Covid-19 pandemic, we had no internal spread. Employees who were exposed to or contracted Covid outside of our workplace were honored with standard sick leave and we maintained strict protocols on worker reentry to protect our workforce, among many other measures taken. Our size was a big factor in being able to monitor and control internal spread. Other small plants similarly had few to no issues with Covid.

The pandemic provisions laid out in the bill would place large additional administrative and cost burdens on a facility our size and smaller without bringing additional benefit. The extended paid sick time to care for grandparents, grandchildren, siblings or "any other individual related by blood or affinity..." sets up a scenario that requires a patrolling by employers (without the ability to confirm the veracity of the illness (removed in Section 7(r))), and not a situation where employers and workers find joint accountability to support the people who rely on each other. Other requirements, such as the ventilation systems, are not defined well enough to determine when a facility would be compliant or not. Finally, the measures are meant to apply during declared pandemic periods only, with no time frame to become compliant and no guidance.

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705 Cannon Industrial Blvd. Cannon Falls, MN 55009 (507) 263-3618 (507) 263-8219 (fax) www.lorentzmeats.com Our primary suggestion, as stated previously, is to enable the Department of Labor, with support from the Department of Agriculture, to carry forward a comprehensive research and input agenda followed by a report and findings prior to state program development. We feel some of the requirements are a reasonable extension of current MN OSHA requirements, applying to all industries, as it is not just meat processors who have these long-term issues, such as the musculoskeletal disorders.

If the legislature is unwilling to take this approach, we urge a modification to right size the audience subjected to the bill requirements. The Small Business Administration and USDA Food Safety and Inspection Services defines a "small" meat processor as a business with under 500 employees. While bill authors may want the regulations to cover a broader size of businesses, the current exemption of under 50 employees is arbitrary and discriminatory, showing very little awareness of the small businesses that support Minnesota farmers and consumers. We would suggest applying a simple 50% of the SBA/FSIS definition for small, meaning the bill would not apply to operations under 250 employees.

The elements of this bill replicate existing regulations, industry practice, or other proposed legislation. Safety committees already consider ergonomic factors; large plants already have occupational therapists on staff; sick-time pay is being considered for all industries. It is unclear if this bill, as written, will have any of the positive effects it intends; it is very clear that it will have a large effect on small businesses (as defined by SBA and USDA/FSIS) in Minnesota. These small businesses will be taking the brunt of the burden, missing the target of the problem. Without a study, a simple compromise is to raise the employee threshold exemption.

We appreciate the state legislature's interest in the meatpacking industry and concern for our workers. We are concerned for them as well and hope a more collaborative approach can be found to achieve the common goal of a healthy, honored, skilled and productive meat processor worker and industry.

Sincerely,

Rob Lorentz COO/Owner

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CC Sam Akers, Corporate Manager (sakers@lorentzmeats.com)