

Letters for HF2567 (Greenman)



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March 11, 2026

House File 2567 (Greenman)

Chair Pinto, Chair Baker, and House Workforce Committee Members -

The National Federation of Independent Business (NFIB) represents over 10,000 small businesses across Minnesota. Our mission is to promote and protect the rights of our members to own, operate, and grow their businesses.

NFIB is opposed to House File 2567, which would prohibit employees and employers from entering into written agreements in which an employer offers discretionary benefits to an employee in exchange for a commitment to remain employed for a specific length of time. This is a broad prohibition that essentially penalizes employers for making a good faith investment in workforce training and professional development.

From a small business perspective, we are concerned that this blanket prohibition will have a chilling effect on mutually beneficial agreements that are made in good faith, and that it will disincentivize employers from offering common retention tools including sign-on bonuses, retention bonuses, and other investments in their workforce. This is especially true for small businesses, who will now be subject to thousands of dollars of penalties for merely presenting an employee or prospective employee with one of the agreements.

As such, we respectfully request that the committee oppose House File 2567. Thank you for the opportunity to provide comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Boesche".

Jon Boesche
Minnesota State Director
National Federation of Independent Business



THE CHAMBER
FARGO MOORHEAD WEST FARGO

Monday, March 9, 2026

Co-Chair Pinto and Co-Chair Baker,

My name is Cale Dunwoody, and I have the pleasure of serving as the Vice President of Public Policy for the Fargo Moorhead West Fargo Chamber of Commerce. On behalf of our more than 1,600 members, I respectfully submit this letter in opposition to House File 2567.

Minnesota employers are operating in an increasingly competitive labor market defined by workforce shortages, rising costs, and evolving employee development needs. Many employers — particularly in healthcare, skilled trades, agriculture equipment, transportation, manufacturing, and technology — make substantial investments in skill-development, training, certifications, licensing, relocation assistance, and employer-funded education. H.F. 2567 imposes a broad prohibition that penalizes employers who make good-faith investments in workforce training and professional development.

H.F. 2567 would stifle innovative workforce pathways that are critical to addressing talent shortages. Employers across our region are developing creative solutions such as student sponsorship programs, loan repayment assistance, tuition support, and industry-specific career advancement opportunities. These tools are especially important in high-need sectors where workforce gaps are acute and long-term workforce sustainability depends on shared investment between employers and employees. Restricting these arrangements would limit employers' ability to partner with students and workers in ways that expand access to opportunity while meeting urgent workforce needs.

Additionally, we are particularly concerned that H.F. 2567 would disproportionately impact industries in border communities like ours, where employers compete directly with neighboring states for talent. Policies that disincentivize employer-led investments further erode Minnesota's economic competitiveness and undermine long-term talent development and regional prosperity.

Given the reasons above, we respectfully urge you to oppose House File 2567.

Thank you for your attention to this matter and your continued commitment to Minnesota's business community.

Sincerely,

Cale Dunwoody
Vice President of Public Policy
Fargo Moorhead West Fargo Chamber of Commerce

MEMORANDUM

TO: Chairs Pinto and Baker and members of the House Workforce, Labor, and Economic Development Committee

FROM: Minnesota Employment Law Council

DATE: March 10, 2026

RE: H.F. 2567 – Prohibition on “stay-or-pay” provisions

The Minnesota Employment Law Council (“MELC”) writes to respectfully state its opposition to H.F. 2567 which would prohibit so-called “stay-or-pay” provisions in employment agreements. As drafted, this bill would have serious unintended negative consequences for both Minnesota employers *and* employees.

Based on the one illustration provided in the bill language, H.F.2567 appears to be intended to prevent employers from negotiating with employees to provide specialized training in exchange for an agreed-upon term of service. Why this situation requires a legislative prohibition is unclear. Certainly, some guardrails may be appropriate to prevent abuse, but there is nothing inherently wrongful about an employer investing resources to provide valuable training to an employee, and the employee agreeing to allow the employer to protect that investment by an agreed-upon term of service or an agreement to repay the cost of training.

However, the language of H.F. 2567 is not so limited. The bill defines a “stay or pay provision” as:

[A] written agreement or contract provision that requires an employee to pay the employer or the employer's agent or assignee a sum of money if the employee leaves the employment before passage of a stated period of time, including but not limited to a written agreement or contract provision stating payment of money constitutes reimbursement for training provided to the employee by the employer or by a third party, recruitment and training costs for replacement employees, lost revenue, or liquidated damages.

(emphasis added).

Good employers often provide discretionary benefits to employees in exchange for an agreement that the employee will provide an agreed-upon term of service, or repay all or part of the value of the benefits provided to the employee. Examples include:

- ✓ Sign-on bonuses. As a recruiting tool, an employer agrees to provide a special recruiting bonus to an employee in exchange for an agreement that the employee will continue to work for the employer for a period of time in order to protect the employer’s investment in the employee. Nothing prevents the employee from resigning early, but if the employee does so, they are required to repay all or part of the special signing bonus.
- ✓ Retention bonuses. An employer agrees to provide a special bonus to key employees specifically to ensure that the employee provides ongoing services during a critical time to the business. Nothing prevents the employee from resigning early, but if the employee does so, they are required to repay all or part of the special retention bonus.

- ✓ Tuition reimbursement. An employer agrees to pay for all or part of an employee's college education or certification costs in exchange for an agreement that the employee will continue to work for the employer for a period of time in order to protect the employer's investment in the employee. Again, nothing prevents the employee from resigning early, but if the employee does so, they are required to repay all or part of the tuition costs paid by the employer for the benefit of the employee.
- ✓ Immigration assistance. An employer agrees to pay for all or part of an employee's expenses to obtain legal status, for themselves and/or the employee's family, in exchange for an agreement that the employee will continue to work for the employer for a period of time in order to protect the employer's investment in the employee. Again, nothing prevents the employee from resigning early, but if the employee does so, they are required to repay all or part of the legal costs paid by the employer for the benefit of the employee.
- ✓ Relocation agreements. An employer agrees to pay for an employee's move to Minnesota, in exchange for an agreement that the employee will continue to work for the employer for a period of time in order to protect the employer's investment in the employee. Again, nothing prevents the employee from resigning early, but if the employee does so, they are required to repay all or part of the moving costs paid by the employer for the benefit of the employee.
- ✓ Employee loans. An employer agrees to provide a loan to an employee in need of financial assistance and agrees to forgive all or part of the loan if the employee continues to work for the employer for a period of time. Again, nothing prevents the employee from resigning early, but if the employee does so, they are required to repay all or part of the loan provided by the employer for the benefit of the employee.

These opportunities may be made available to employees at all levels, including both exempt and non-exempt employees, from rank-and-file workers to executives. Respectfully, this bill would disincentivize Minnesota employers from providing these valuable benefits to employees at all levels, if employers cannot reasonably protect their investments in employees with an agreement that the employee will provide services for an agreed-upon period of time or, simply, repay all or part of the value provided to the employees. That would harm Minnesota employees and employers alike.

MELC respectfully submits that is not good public policy for employees, employers or the State of Minnesota.

MELC respectfully opposes H.F. 2567 and looks forward to working with the bill author and others, in the event this issue proceeds.

Thank you for your consideration.

Molly Sigel
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Cell: 612.414.0123

Ryan Mick
mick.ryan@dorsey.com
Office: 612.492.6613
Cell: 651.442.2862

March 10, 2026

Chair Pinto, Chair Baker and Members of the House Workforce, Labor, and Economic Development Finance and Policy Committee:

I appreciate the opportunity to provide written testimony outlining the concerns of Minnesota Realtors® (MNR) regarding Rep. Greenman's HF 2567, which would prohibit stay-or-pay provisions, rendering them unenforceable and contrary to public policy.

MNR is a statewide business trade association representing more than 21,500 members, including independent contractor Realtors®.

MNR respectfully expresses our concerns regarding HF 2567, specifically the inclusion of independent contractors within its scope.

HF 2567 would broadly prohibit "stay-or-pay" provisions in employment contracts by declaring them void and against public policy. We are concerned that applying this new ban to independent contractors as if they were employees will have unintended negative consequences for Realtor® independent contractors who comprise the overwhelming majority of Minnesota's real estate professionals.

Independent contractors operate differently from traditional employees, often as small business owners in their own right. Independent contractor Realtors® are entrepreneurs who have flexibility in how they conduct business, pay expenses, and manage their time. This benefits our independent contract Realtors®, brokers, and ultimately consumers, by fostering innovation and personal initiative in the housing market.

Including such independent contractors in the blanket prohibitions of HF 2567 blurs the line between employment relationships and independent business-to-business relationships and would impose a one-size-fits-all mandate that does not account for the varied realities of independent contracting. Particularly in real estate, where independent contractors successfully build their businesses under flexible arrangements, this approach risks undermining a well-functioning system and eliminating mutually beneficial business opportunities for both independent contractor Realtors® and brokers.

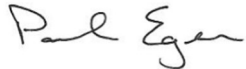
In summary, MNR respectfully urges the Committee to reconsider the inclusion of independent contractors in HF 2567. Excluding independent contractors from this bill's scope would avoid unintended harm to Minnesota's independent entrepreneurs,

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including thousands of Realtors® who rely on the flexibility of the independent contractor model.

Thank you for your consideration of MNR's concerns with HF 2567.

Sincerely,



Paul Eger
Senior Vice President, Governmental Affairs
Minnesota Realtors®



March 11, 2026

House Workforce, Labor, and Economic Development Finance & Policy Committee
St. Paul, MN 55155

Dear Co-Chairs Pinto, Baker, & Members of the Committee:

On behalf of the Minnesota State Council of the Society for Human Resource Management (MNSHRM), we write in respectful opposition to HF 2567, authored by Rep. Emma Greenman. The legislation would prohibit so-called “stay-or-pay” provisions in employment agreements. As drafted, the legislation would limit flexibility for employers and employees and exacerbate Minnesota’s already-significant workforce challenges.

Minnesota employers of all sizes already struggle to attract and retain the workforces they need to succeed. Every day, our H.R. professionals help employers craft and tailor compensation and benefit packages that attract and retain needed workers. These benefits could include relocation assistance, tuition reimbursement, retention or sign-on bonuses, or help upskilling employees that need training. To offer these benefits, employers can reasonably ensure workers will remain in their positions for an agreed-upon period of time.

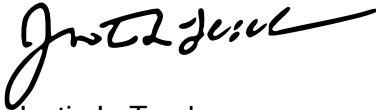
HF 2567 would disincentivize employers from offering exactly these sorts of benefits. Given the consent-based nature of employment relationships, employers will be reluctant to make investments in needed workers if the benefits provided can simply be taken to another firm. If employers are unable to secure a portion of the benefit of the upgrade to productivity, they will simply stop making some of these investments. The end result will be fewer workers able to benefit from tuition or training reimbursement programs, and more employers struggling to attract workers and design compensation packages to meet their needs.

Employers regularly evaluate their benefits and compensation offerings, and many are always looking for opportunities to attract, retain, or upskill workers. This process is both good for workers and healthy for Minnesota’s economy as a whole. Employer investments in needed trainings or education improves the state’s productivity. Our H.R. professionals encourage employers to offer benefits like relocation assistance, tuition reimbursement or training assistance – provided the benefit of these investments can be shared by both the employer and the employee.

Employment relationships are diverse and symbiotic, and our rules and regulations should seek to maximize flexibility for employers to offer needed benefits while protecting the rights of

workers. This bill will make finding a job harder for workers, make retaining workers harder for employers, and limit our labor force's dynamism as we confront the workforce challenges of the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin L. Terch". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Justin L. Terch
State Director
Minnesota State Council of SHRM