

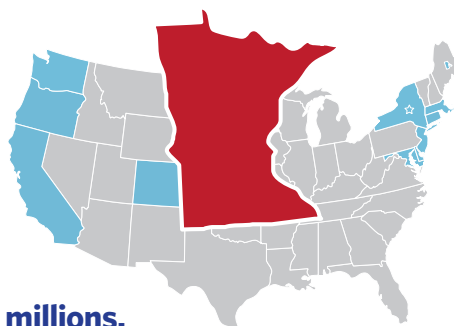
Mandating paid leave benefits: Costly for employers, employees

Employers are in the best position to design benefit packages that serve the distinct needs of their businesses and their employees. Minnesota employers compete for workers every day and consistently receive national recognition for providing some of the best places to work. If the state mandates expansive new benefits without regard for their relevance to the employer and its workforce, its industry or market, costs will go up. The results are reduced staff and job opportunities, hours or both – hurting workers and their families.

A “do no harm” approach is critically important so that additional cost burdens and mandates are not placed on employers who are doing their best to keep their doors open and people employed.

As introduced, HF2/SF2 create an expansive state-administered paid leave insurance program. Financed through a new tax on employers, the program will fund partial wage replacement benefits for 12 weeks of paid parental and family leave and 12 weeks of paid medical leave. This is different, and in addition to, a separate proposal mandating that employers provide up to 80 hours of paid sick leave for routine or minor illnesses (HF19/SF34).

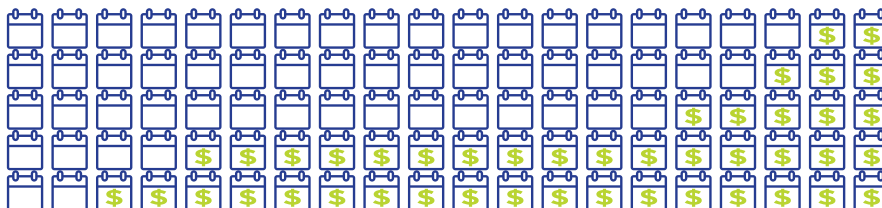
If fully enacted, Minnesota would have the most expansive and expensive mandates in terms of eligibility, qualifying events, benefits and employer obligation.



New leave mandates create needless bureaucracy and cost millions.

- New mandates hurt employers and employees with a worker shortage already reaching a crisis. Employers use benefit packages to attract and retain quality employees - even without the state telling them to do so.
- Creating an expansive statewide mandate on employers to provide 12 weeks of paid parental and family leave and 12 weeks of paid medical leave (SF2/HF2) would mean an employee could miss 24 weeks of work. That’s 44 percent of workdays in a year.
- Many Minnesotans – both employers and employees – across the state do not want to pay increased taxes for a new state-run bureaucracy like MNLARS or MNSure – but cannot opt out under the proposal. The state would need to hire over 300 new FTEs alone to run their massive new paid leave insurance system.
- Mandating paid sick and safe time requires that employers offer fully paid time off in a specific format, for an expanded set of familial persons, for an expanded list of qualifying events (HF19/SF34) – and is different than paid sick and safe time ordinances adopted in Minneapolis, St. Paul, and Duluth.
- Businesses, particularly small businesses, already struggle to endure the costs associated with missed productivity of their workers. The cost to find temporary workers to fulfill their responsibilities in their absence is a double – or triple in some cases – tax on our job-creators.
- 1.2 million Minnesotans – almost half the state’s workforce – work for small businesses.
- If enacted, Minnesota would have the most expansive and expensive mandates in terms of eligibility, qualifying events, benefits and employer obligation. Due to cost and complexity, only eleven other states – CA, CO, CT, NY, NJ, DE, RI, MA, WA, MD, OR and Washington, D.C. – have enacted versions of paid leave mandates.

**COSTS
MATTER**



The Legislature must act

- Ensure changes proposed through Minnesota state agencies consider impacts on employers.
- Oppose one-size-fits-all mandates on employee benefits that would constrain employers’ ability to conduct business.
- Preserve private-sector flexibility on wage, benefit and scheduling decisions.



Albert Lea-Freeborn County Chamber of Commerce
 Alexandria Lakes Area Chamber of Commerce
 Anoka Area Chamber of Commerce
 Apple Valley Chamber of Commerce
 Associated Builders and Contractors
 Associated General Contractors of Minnesota
 Austin Area Chamber of Commerce
 Bemidji Area Chamber of Commerce
 Brainerd Lakes Area Chamber of Commerce
 Builders Association of Minnesota
 Builders Association of the Twin Cities
 Building Owners & Managers Association (BOMA) St. Paul
 Burnsville Chamber of Commerce
 Cloquet Area Chamber of Commerce
 Cuyuna Lakes Chamber of Commerce
 Dakota County Regional Chamber of Commerce
 Duluth Area Chamber of Commerce
 Eden Prairie Chamber of Commerce
 Elk River Area Chamber and Commerce
 Faribault Area Chamber of Commerce & Tourism Bureau
 Fargo Moorhead West Fargo Chamber of Commerce
 Fergus Falls Area Chamber of Commerce
 Glenwood Lakes Chamber of Commerce
 Grand Rapids Area Chamber of Commerce
 Greater Minneapolis Building Owners and Managers Association
 Greater Stillwater Chamber of Commerce
 Greater St. Paul Building Owners and Managers
 Hastings Area Chamber of Commerce & Tourism Bureau
 Hermantown Area Chamber of Commerce
 Hibbing Area Chamber of Commerce
 Hospitality Minnesota
 Housing First
 Hutchinson Area Chamber of Commerce
 Insurance Federation of Minnesota
 International Falls Area Chamber of Commerce
 Iron Mining Association of MN
 Lake City Area Chamber of Commerce
 Lake County Chamber of Commerce
 Lakeville Area Chamber of Commerce & CVB
 Laurentian Chamber of Commerce
 Litchfield Chamber of Commerce
 Marshall Area Chamber of Commerce
 Medical Alley Association
 Metalcasters of Minnesota
 MetroNorth Chamber of Commerce
 Midwest Food Processors Association
 Minnesota AgriGrowth Council
 Minnesota Association of Public Accountants
 Minnesota Auto Dealers
 Minnesota Bankers Association
 Minnesota Beverage Association
 Minnesota Broadcasters Association
 Minnesota Business Partnership

Minnesota Chamber of Commerce
 Minnesota Chamber of Commerce Executives
 Minnesota Child Care Association
 Minnesota Contractors of the National Electrical
 Contractors Association
 Minnesota Drywall & Plaster Association
 Minnesota Environmental Contractors Association
 Minnesota Floorcovering Contractors Association
 Minnesota Forest Industries
 Minnesota Grocers Association
 Minnesota High Tech Association
 Minnesota Mechanical Contractors
 Minnesota Milk Producers Association
 Minnesota Nursery & Landscape Association
 Minnesota Painting and Wallcovering Employers Association
 Minnesota Pork Producers Association
 Minnesota REALTORS
 Minnesota Recruiting and Staffing Association
 Minnesota Retailers Association
 Minnesota Service Stations and Convenience Stores
 Minnesota Shopping Center Association
 Minnesota Ski Areas Association
 Minnesota Society of CPAs
 Minnesota Subcontractors Association
 Minnesota Telecom Alliance
 Minnesota Trucking Association
 Minnesota Utilities Contractors Association
 Minnesota Utility Investors
 Minnesota Mechanical Contractors Association
 Minnesota Precision Manufacturing Association
 NAIOP Minnesota
 National Federation of Independent Business
 National Shooting Sports Foundation
 New Ulm Area Chamber of Commerce
 Northfield Area chamber of Commerce
 Owatonna Area Chamber of Commerce & Tourism
 Pipestone Area Chamber of Commerce & CVB
 River Heights Chamber of Commerce
 Rochester Area Chamber of Commerce
 Shakopee Chamber & Visitors Bureau
 SouthWest Metro Chamber of Commerce
 St. Cloud Area Chamber of Commerce
 St. Paul Area Chamber
 The Chamber Grand Forks & East Grand Forks
 Thermal Insulation Contractors Association
 Tri-State Manufacturers' Association
 Twin Cities North Chamber of Commerce
 Waconia Chamber of Commerce
 Waseca Chamber of Commerce
 White Bear Area Chamber of Commerce
 Willmar Lakes Area Chamber of Commerce
 Winona Area Chamber of Commerce
 Woodbury Area Chamber of Commerce
 Worthington Area Chamber of Commerce



380 St Peter St Suite 1050, St Paul, MN 55102
 800.821.2230 • 651.292.4650
www.unitedforjobsmn.com

Use the QR code for
 a list of United for
 Jobs coalition members.

