



March 10, 2021

Dear Members of the House Labor, Industry, Veterans and Military Affairs Finance and Policy Committee:

On behalf of the Minnesota Chamber of Commerce, a statewide organization representing more than 6,300 businesses and more than half a million employees throughout Minnesota, thank you for the opportunity to share our opposition to both HF 984 (Lislegard), broad legislation requiring outside contractors working at “high-hazard facilities” to have apprenticeship-level training, and the DE1 Author’s Amendment limiting the bill to just oil refineries in Minnesota.

At the outset, it is important for the committee to note that our members across all industries are committed to safety. Not only is this commitment grounded in good business sense, our members are highly regulated under very strong federal and state safety regulations. High asset facilities in particular, such as those contemplated in the scope of both HF 984 and the DE1 Author’s Amendment, utilize and prioritize experience, training, and safety records in their hiring process. There is no specific safety incident or issue that this legislation is seeking to resolve. Nor is it clear where exactly Minnesota’s laws and standards are deficient. From what we can tell, this bill is seeking to have the legislature step in and influence a labor contract negotiation.

At the same time, it is also unclear why the original bill has been amended to apply to just oil refineries. While the scope of the original language in HF 984 was alarmingly broad, the bill author made clear that safety at “high hazard facilities” was of utmost importance. If the bill was amended in an attempt to resolve a current, public, and ongoing labor dispute between a particular facility and its workforce, then this bill does not belong at the legislature and should be resolved through those contract negotiations.

It is also important to point out that our members utilize and employ both union and non-union workforces. Ultimately, a company’s workforce decisions are based a variety of factors such as needs: site specific needs, location, employee qualifications, special skill sets, safety requirements, and technological capabilities, among others. Businesses must be able to continue to have that discretion. We are opposed to the idea that the state would mandate a private sector business to use one particular workforce over the other. Furthermore, this bill would change how these businesses work with their contractors who currently, and for decades, have operated safely and effectively in Minnesota. We support various apprenticeship programs that offer an important pathway for training skilled workers, but recognize that those programs are not the only pathway to job safety and skills. Restricting the labor force makes it harder to hire workers and could potentially discount workers with the highest safety records. If enacted, this bill could seriously jeopardize the very thing this bill seeks: the safety of workers at these facilities.

Finally, in addition to our fundamental and principled opposition to a bill of this kind, the bill as amended by the DE1 Author’s Amendment is unworkable. There are a number of technical issues with how the amendment is drafted and its effective date resulting in a number of unintended consequences. There are problems with how a “skilled and trained workforce” is defined to which classes of jobs are subject to these requirements. It does not include provisions to address where there is currently a lack of an apprenticeship program, if a union cannot meet the employment needs of these facilities, and whether the bill will abrogate existing contracts. These issues, and others, make the penalties and civil actions laid out in subdivisions 3 and 4 of the DE1 Author’s Amendment all the more egregious.

**For these reasons, we respectfully encourage a “no” vote on HF 984 and the DE1 Author’s Amendment and appreciate the opportunity to share our opposition with the committee.**

Sincerely,

**Lauryn Schothorst**

Director, Workplace Management and Workforce Development Policy