



May 13, 2025

Dear Committee Chairs and Members:

On behalf of Explore Minnesota, I am writing in support of the Senate's position to fully fund Explore Minnesota in FY2026 and FY2027 as recommended by the Governor and Lieutenant Governor.

I want to extend my gratitude to the members of both the House and Senate committees for their work in crafting budgets and policy bills that best represent their assigned targets.

Explore Minnesota's mission is to support the growth of Minnesota's economy by managing the state's tourism, livability and economic opportunity, outdoor recreation, film, and other statewide promotion efforts as directed. We drive people worldwide to discover our great state, the Star of the North, and drive critical revenue growth.

Recognizing that tourism marketing generates an impressive \$24.2 billion in economic impact for Minnesota through strategic and targeted promotion to national and global visitors, it is crucial that we maintain the integrity of this budget as we approach FY2026-2027. The proposed funding cuts in the House's amended version of SF1832 pose serious challenges for Explore Minnesota in the upcoming biennium, jeopardizing our ability to effectively attract visitors and sustain this vital economic contribution.

- Due to one-time funding allocated in FY2024-2025, Explore Minnesota's actual base budget in FY2026-2027 will be reduced by more than \$1 million next year.
- The House proposal reduces the Explore Minnesota Film budget by \$650,000 per year and the Explore Minnesota base budget by an additional \$650,000, which may lead to reduced staffing in both areas.
- Explore Minnesota consistently drives powerful, revenue-generating programs that benefit the entire state. In 2023, tourism bolstered all 87 counties, raking in an impressive \$2.3 billion in state and local taxes and \$14.1 billion in visitor spending. Our efforts directly contributed to an additional \$967.9 million in visitor spending, equating to a remarkable savings of \$1,002 for every Minnesota household in state and local taxes. This impact means that Explore Minnesota generates more than 5,000% of its allocated budget in revenue each year.
- Explore Minnesota Film delivers not only a remarkable return on investment but also amplifies the visibility of our beautiful state. Just a single qualifying production can generate enough direct spending to offset the costs of the office, demonstrating the undeniable financial and promotional benefits of attracting film projects to Minnesota.

The proposed cut to the Explore Minnesota budget will lead to reductions in both positions and programs, amounting to a substantial 9.6% cut to our base budget. This will



undermine Minnesota's capacity to deliver essential services to communities across the state. These communities, each with their unique attractions and vital workforces, rely on the work of our office to prosper. Reducing funding will not only jeopardize their success but also diminish the vibrant fabric of our state's cultural and economic landscape.

Moreover, continuing to restrict funding and resources for Explore Minnesota would significantly challenge our state's growth, especially as we currently rank an alarming 8th out of 9 in our region for budget allocations. In contrast, our neighboring states are actively investing in their marketing initiatives, which places us at a clear competitive disadvantage. We recognize the state's budgetary constraints and are committed to being part of the solution. We value the opportunity to collaborate with conference committee chairs and members to preserve the essential, revenue-generating programs offered by Explore Minnesota.

We urge the committee to support the budget recommendation proposed by the Governor and Lieutenant Governor, as it is crucial for our state's prosperity and competitiveness.

Sincerely,

A handwritten signature in black ink, reading 'Lauren Bennett McGinty'.

Lauren Bennett McGinty
Executive Director, Explore Minnesota
lauren.bennett.mcginty@state.mn.us
651.757.1844

May 13, 2025

Dear Members of the Conference Committee on SF1832,

I am writing to provide the Department of Labor and Industry's comments on the labor provisions of the Omnibus Jobs, Labor, and Economic Development policy and appropriations bill, Senate File 1832.

First, I want to thank Senator McEwen, Representative Pinto and Representative Baker for including several of the Department's priorities in this bill. The Department appreciates and supports the following provisions which are included in both bills:

- Workers' Compensation operating adjustment, which will help combat inflationary costs and enable the Department to maintain the services Minnesotans expect.
- Extension of funding for the single-egress stairway apartment building report, which will allow sufficient time to complete the report.
- Temporary Restraining Orders, which will allow the Department to take swift action to help ensure workplace rights are provided.
- Worker misclassification report. While the Department supports analyzing the costs and impacts of worker misclassification, sufficient funding is necessary, especially to cover the upfront costs of producing the first report. We request that this be funded at \$460,000 in the first year and \$160,000 ongoing. It is also worth noting that the impact of investing in misclassification enforcement, as included in the Governor's budget and the House position, is the most essential investment in combating worker misclassification.

The Department supports the following provisions in the House bill:

- Funding misclassification enforcement, which will help protect workers' access to basic workplace protections such as overtime, minimum wage, workers' compensation, unemployment insurance, and more as well as level the playing field for law-abiding employers.
- Funding for teacher registered apprenticeship grants, which will create additional pathways into education and help address the teacher shortage. As drafted, with where the word "statewide" is placed on line 19.6, eligibility for a grant would be broad and extend to individual school districts to form registered teacher apprenticeship programs. DLI would prefer an approach that funds statewide or regional programs, specifically programs that have multiple participating school districts. We would prefer not to incentivize multiple, individual district by district programs.

The Department supports the following provisions in the Senate bill:

- General fund operating adjustment, which would help offset inflationary costs and enable the Department to maintain the services Minnesotans expect.
- Construction Codes and Licensing fee alignment proposal which would enable the Department to continue to provide timely and high-quality plan review and inspection services for electrical systems, elevators, plumbing, boilers, and manufactured structures. Including the Construction Codes and Licensing Fee Alignment proposal in the conference committee report is especially important. The Construction Codes and Licensing Division at DLI operates on a fee for service basis, and most units in the Department's proposal have not seen fee increases since 2007. Leaving fees at current levels would result in significant staffing cuts and increased wait times for

critical services like electrical inspections, plumbing inspections, plumbing plan review, boiler inspections, elevator inspections, and inspections of new manufactured homes upon installation. Some of the worst impacts would include:

- Plumbing plan review wait times would increase to a minimum of 15 weeks resulting in significant construction project delays across the state.
 - Electrical inspections are currently provided within two days of a request, but without these fee increases staffing cuts would result in delays of two weeks across much of the state and limited availability of virtual inspections.
 - Boiler installation and annual safety inspections for in-service boilers, pressure vessels, and boats for hire would face extended delays.
 - DLI's administration of HUD manufactured homes program would need to be turned back to the federal government.
- Strengthening mandatory break laws, which creates clear obligations for employers and rights for workers to 15 minutes of rest break time for every four hours worked and a 30-minute meal break for every six hours worked.

The Department has concerns with the following provision in the House bill—the inclusion of language on lines 105.22-105.27 exempting well contractors from plumbing plan review and inspections. The Plumbing Board discussed this language at their meeting on May 12 and voted to issue a letter opposing the language as currently written. The Plumbing Board also voted to include a note in their letter that they would support a version of this language that gave DLI and the Minnesota Department of Health (MDH) the authority to enter into a delegation agreement, wherein MDH would have clear responsibility for enforcing the plumbing code on this work. DLI is working on a version of this language that conforms to the Plumbing Board recommendation and looks forward to working toward acceptable language.

I would also like to note that, while the Department appreciates several priorities being included by either the House, the Senate, or both, we are concerned about the absence of funding for grants to certified worker organizations to help them carry out their duty to inform nursing home workers of their rights under the Nursing Home Workforce Standards Board law from both bills.

Thank you for the opportunity to comment on Senate File 1832. I look forward to working with members of the conference committee.

Sincerely,



Nicole Blissenbach
Commissioner

Dear Committee,

Attached are testimonies from providers and recipients of VRS. We are submitting these as a coalition of more than 30 small, medium, and large Community Rehabilitation Providers (CRPs) across the state of Minnesota working with the State of Minnesota Department of Employment and Economic Development (DEED) in Vocational Rehabilitation Services (VRS). We are submitting the testimonies to ask VRS be funded as recommended in the Governor's budget. As you will read, VRS provides important job training, placement, and stability for Minnesotans with Disabilities. The loss of this funding would be detrimental to the progress towards independence of the people we serve as well as the health and sustainability of CRPs. Please consider funding this important program.

Camie Mary Prom's Response:

- Parent/Guardian
 - Name of person served: Nathan Prom
 - Age of person served: 18
- What did you or the person you served gain from services paid for by VRS?
- Response "Nathan is diagnosed with autism without intellectual impairment. He takes college classes and participates in his high school's after graduation program to continue to learn independent living skills. Nathan would like to get a college degree and have a meaningful career. Nathan will be able to that with the help from his vocational rehab services. Nathan is learning not only job skills, but the social skills needed to be a good employee and a good co-worker. The Goodwill job training program has offered a variety of opportunities for Nathan, and gives our family the support we need to assist Nathan in learning these lifelong skills. If Nathan were to enter the workforce now, he would likely face setbacks, and frustration would be felt by both he and his employer. The Goodwill programs allow for "scaffolding", which is building onto existing success. This type of learning allows for the most positive long-term outcome for Nathan to be a good employee and a contributing member of our community."

Lisa Velasco's response:

- Who is completing the form: Person served
 - Lisa Velasco
 - Age: 65
- What did you or the person you served gain from services paid for by VRS?
- Response: "How to utilize valuable resources for employment. Networking with other organizations; which is vital to compete in the employment sector."

Nicolaus Petlewski's response:

- Age: 50
- Person served
- What did you or the person you served gain from services paid for by VRS?
- Response "Job Training"

JM's response:

- Age: 25
- What did you or the person you served gain from services paid for by VRS?

- Response “College student needed help with Biology, and laboratory coursework. His career goal: Laboratory Technician. He gained the assistance and knowledge needed to pass his grades which ultimately resulted in employment with a company 10 minutes from his home.”

Nicole Lee Drury response:

- Age: 49
What did you or the person you served gain from services paid for by VRS?
- Response “The comfort of extra help and guidance for my job, me gaining knowledge and the confidence I need to be successful during job interviews and/or maintaining my current job...it also helps my high anxiety so I'm less anxious, and helps while maintaining balance in my mental health.”

Lucy Edwardson response:

- Parent/Guardian
- Age of person served: 21
What did you or the person you served gain from services paid for by VRS?
- Response “Lucy had an advocate to keep her focused on not only getting a job, but everything in between. Social skills; manners; communication; clarifying when Lucy was out of line very respectfully. Alyssa showed up weekly; modeled what a responsible worker looks and acts like.”
- Una Edwardson filled the form

Curtis Seelen's response

- Person served
- Age: 44
What did you or the person you served gain from services paid for by VRS?
- Response “I had a great experience with GESMN's Disability Placement program that I was placed in through VRS. Alyssa, the career navigator I was placed with, was instrumental in helping me to find a job as a person with a disability. From working on refining my resume to helping me hone my job search, Alyssa was there every step of the way to provide guidance, assistance and encouragement. Having to find a job during COVID is bad enough, but having to do it as a person with a disability, is even more difficult. Alyssa was able to be flexible in meeting with me, whether via Zoom or phone call. When I needed extra assistance after having a couple difficult interviews, she made time to listen to me and discuss the issues that I was encountering.
When I finally found the job that was perfect for me, Alyssa helped me in the

application process, including the intimidating job portal with all its questions and associated documents to upload. The services paid for by VRS have had a huge impact on my life. If it wasn't for the regular check-ins and constant support, I don't believe that I would have had such a positive outcome and having a career navigator, like Alyssa, that listened to my needs and supported me through the whole process was invaluable during my job search."

Bill Reh fuss's response:

- Bill response is for "multiple students over the past five years"
 - They are all between the ages 18-22
- What did you or the person you served gain from services paid for by VRS?
- Response "Job training in a supported environment with positive feedback was provided. For most of these students, all of whom are diagnosed with mild to moderate disabilities, this was their first job experience, and it was often the catalyst for them to apply for future jobs in a competitive environment. I can't count the number of students who expressed "too much anxiety" to attempt working that later became independent in their adult search for employment as a result of the services provided by the Goodwill in conjunction with VRS. A winning partnership for all involved."

Heidi Michnowski's response:

- Person Served
 - Age: 20
- What did you or the person you served gain from services paid for by VRS?
- Response "I learned having a steady/set pace gets things done faster, interpersonal skills at work. conflict resolution, sharing of information, and relationship skills on the job."

C.H. Response:

- provider responding for a person served
- age: 24

What did you or the person you served gain from services paid for by VRS?

Response "I received work training that helped my resume."

P.R. response:

- provider responding for a person served

Age: 19

What did you or the person you served gain from services paid for by VRS?

Response “Being able to gain work experience to make it easier to get used to a job before fully invested. Makes it a lot easier to apply for jobs otherwise it would be a lot more frustrating.”

Alex Paul’s Response:

- Age: 27

- Person served

What did you or the person you served gain from services paid for by VRS?

- “It wasn't for Goodwill and all the people there who've helped me, I wouldn't have the skills that have made a great job possible. The coaching and support I get every week make a big difference in how I feel about my work and myself. I've had a job I really like with people I really like for over 5 years now and also get good reviews. Thank you!”

AB response:

- Person served

- Age: 32

What did you or the person you served gain from services paid for by VRS?

- “Because of the help I received from Goodwill Easter Seals, I am working a job that I am comfortable with. And with this job that I am working, I am making a positive impact on my community, and that positive impact would've never happened if not for Goodwill Easter Seals.”

Blake Douglas Allen Kelly response:

- Person served

- Age: 22

What did you or the person you served gain from services paid for by VRS?

- “I gained stability, someone to work with often, who made the daunting prospect of Job searching seem far more manageable. Someone to meet with and discuss job opportunities and eventually workplace day-to-day.”

Mary Cromey’s response:

- Is the parent/guardian

- S.C. is person served

- Age: 52

What did you or the person you served gain from services paid for by VRS?

- “Apply for jobs. Fill out forms. Understanding client and their needs”
- Is going to testify

Darby’s response:

- Parent/Guardian filled out the form
- Age: 19

What did you or the person you served gain from services paid for by VRS?

- “My daughter learned so much about workplace relationships and soft skills. She also gained a lot of confidence and developed a willingness to try new things, which is very scary for people with ASD.”

March 18, 2025

The Honorable Dave Baker
Chair
House Workforce, Labor & Economic
Development Finance & Policy
75 Rev Dr. Martin Luther King Jr. Blvd
St. Paul, MN 55155

The Honorable Shane Mekeland
Vice Chair
House Workforce, Labor & Economic
Development Finance & Policy
75 Rev Dr. Martin Luther King Jr. Blvd
St. Paul, MN 55155

RE: Opposition of House File 1768, Additional circumstances under which a covenant not to compete is valid and enforceable provided.

Dear Chair Baker, Vice Chair Mekeland, and Members of the Committee:

As a representative of Minnesota's small businesses, Small Business Majority writes today in opposition of HF 1768, which amends the Minnesota Statutes of 2024 by rolling back components of Minnesota's noncompete bans. If passed, this bill would make it increasingly difficult for small businesses to hire skilled employees in an already struggling labor market.

Small Business Majority is a small business organization that empowers diverse entrepreneurs to build a thriving and equitable economy. We engage our network of more than 85,000 small businesses and 1,500 business and community organizations to advocate for public policy solutions and deliver resources to entrepreneurs that promote equitable small business growth.

Small Business Majority's [research](#) revealed that more than 33 percent of small business owners were prevented from hiring an employee due to a non-compete agreement. HF 1768 would create additional exemptions and focus on higher wage earners, which would in turn harm small businesses looking to hire individuals that meet those criteria. The bill would rollback important components of Minnesota's non-compete ban, which we strongly oppose. Restricting individuals from pursuing opportunities for upward mobility and greater earning power harms the state and its small business ecosystem.

Small businesses support banning non-compete agreements because they are antithetical to the free, fair and open competition that is essential to a thriving and equitable economy. Because of non-competes, prospective entrepreneurs are prevented from leveraging their skills and knowledge to contribute to our nation's economic growth and innovation. Our research also found that nearly half (46%) of small business owners have been the subject of a non-compete agreement that prevented them from starting or expanding their business.

When entrepreneurs have new, innovative business ideas, non-competes stop them from finding the skilled employees they need. We urge you to oppose HF 1768 so that entrepreneurs can start their businesses and hire employees without restriction.

Sincerely,

Awesta Sarkash
Public Policy Director
Small Business Majority

May 16, 2025

Dear Members of the Workforce Labor and Jobs Conference Committee,

On behalf of the undersigned, we appreciate the opportunity to express our strong support for necessary modifications to Minnesota's existing prohibition on noncompete agreements. The language in HF1768 strikes a balance between fostering innovation and investments that drive our state's economic success and protecting worker mobility.

Minnesota is home to a diverse and dynamic economy, with innovative homegrown businesses leading the way in industries such as medical device manufacturing, optics, machinery, electrical equipment, aerospace, and more. For Minnesota businesses to continue developing cutting-edge products and technologies, they must have the necessary tools to protect their proprietary information.

A well-crafted, reasonable noncompete agreement will provide a critical safeguard allowing companies to protect their confidential research, trade secrets, and competitive advantages. HF1768 introduces reasonable wage thresholds that protect lower wage employees, a widely accepted approach used by many other states, ensuring that these agreements apply only to highly compensated employees in roles directly involved in research, development, and trade secret management. Specifically, the bill permits noncompete agreements for employees earning over \$120,000 in budgeted compensation who work in R&D or handle confidential information, as well as for any employee earning \$500,000 or more. These thresholds align with, or are even lower than, those found in most states that regulate noncompete agreements.

Currently, only three states - California, North Dakota, and Oklahoma - impose a blanket ban on noncompete agreements, and all of those bans were implemented in the mid to late 1800's. Every other state that regulates noncompete agreements does so through targeted industry restrictions or wage thresholds, recognizing the importance of balancing worker mobility with the need to protect business investments.

Under HF1768, Minnesota can continue to be a national leader in R&D and innovation while ensuring that businesses investing in groundbreaking advancements can protect their intellectual property. With the state already making significant investments in R&D, protecting the returns on that investment is both a practical and an essential step for sustaining Minnesota's economic growth.

We strongly encourage the conference committee to align the language in SF1832 with that of HF1768. We look forward to collaborating to ensure Minnesota remains a leader in innovation.



GROWING MINNESOTA



mntech
Minnesota Technology Association



Manufacturers'
Council
Minnesota Chamber of Commerce



Midwest Food Products Association, Inc.



MINNESOTA BANKERS ASSOCIATION
THE CHAMPION FOR MINNESOTA BANKERS



driving innovation, succeeding together



AGRIGROWTH
Advancing Agriculture and Food

MINNESOTA BUSINESS PARTNERSHIP



MedicalAlley

May 15, 2025

Dear Members of the Conference Committee:

I am a Senior Fellow at the American Economic Liberties Project, a non-partisan non-profit dedicated to challenging monopolies' dominance over markets and society. Until recently, I served as the Director of the Federal Trade Commission's Office of Policy Planning, where I led the agency's work on non-competes.

I am writing in regard to SF 1832. Provisions in the House version of the bill would create new exceptions to Minnesota's ban on non-competes. I urge you to oppose those changes.

Last year, the FTC banned non-competes across the board—without regard to income—based on a comprehensive review of the empirical literature on non-competes, its own expert economic analysis, and extensive review of public input. That review found that by preventing workers from matching with the best job for their skills or launching their own business, non-competes reduce new business formation, reduce innovation, suppress wages, and can raise prices.

The FTC's ban is in legal limbo thanks to ongoing litigation by big corporate interest groups, making state-level bans like Minnesota's more crucial than ever. I urge you to resist corporate special interests' attempts to roll back progress in Minnesota, too.

The proposed carve-outs appear to be based on a misconception that only low- or middle-income non-competes are harmful. In fact, the FTC found that non-competes with higher-income workers like senior executives are likely *even more* damaging to the economy than non-competes with lower-income workers, due to the negative externalities they impose on the efficient functioning of markets.¹ In particular, highly paid, skilled professionals are the workers who are most likely to have the financial capital, skills, and networks to launch new competing businesses.²

By blocking or delaying such new business formation and by preventing efficient matching between firms and skilled professionals, non-competes reduce innovation, reduce firm productivity, and can raise prices.³ Moreover, incumbent firms can use non-competes to strategically lock up talent, so that other companies are cut off from hiring the skilled professionals needed to break into the market and compete.

¹ Non-Compete Clause Rule, 89 Fed. Reg. 38342, 38407 (May 7, 2024), <https://www.federalregister.gov/documents/2024/05/07/2024-09171/non-compete-clause-rule#p-1218>.

² *Id.* at 38707-38409 (discussing economic literature).

³ *Id.*

For example, an engineer from Minnesota explained to the FTC that “Non-compete agreements negative impact innovation, because engineers are prevent from moving to new teams within their industry working on new technology to displace existing technologies owned by large corporations.”⁴ Similarly, a Stanford geneticist told the FTC that he wanted to found a biotech startup to discover new cancer immunotherapies, but he couldn’t hire the most talented geneticists, immunologists, and cancer biologists because non-competes had locked them into jobs at Big Pharma companies.⁵ Imagine the pathbreaking inventions and cures we are all missing out on because a non-compete prevented someone with the next great idea from pursuing it.

Non-competes harm the economy in this manner even where the individual is compensated for their non-compete. That is, the public suffers negative externalities of non-competes even if the firm and individual agree to the non-compete. In particular, the FTC explained the findings of economist Liyan Shi:

Shi explains that firms and executives jointly create market power by entering into non-competes and excluding rivals from hiring experienced labor in a competitive labor market. The existence of a non-compete forces rivals to make an inefficiently high buyout payment, where the inefficiency arises due to the market power of the incumbent firm created by the non-compete. Rival firms must either make these payments, which therefore lead to deadweight economic loss, or forgo the payment—and, consequently, the ability to hire a talented executive (and perhaps the ability to enter the market at all, for potential new firms). New and small businesses in particular might be unable to afford these buyouts. By calibrating this theoretical model to data on executive non-competes and executive compensation, the study shows that banning non-competes [for all workers] would result in nearly optimal social welfare gains.⁶

The proposed carve-outs also appear to be based on the belief that employers need non-competes to prophylactically protect their trade secrets. However, the FTC found “that trade secret law provides employers with a viable, well-established means of protecting investments in trade secrets, without the need to resort to the use of non-competes with their attendant harms to competition.”⁷ Specifically, the Commission explained that all states protect trade secrets, and federal law provides both a civil cause of action for trade secret misappropriation and criminal liability.⁸ These and other intellectual property protections are specifically designed to protect businesses’ legitimate interests. Employers may like to use non-compete prophylactically to sidestep these built-for-purpose laws, but it is exactly this overbreadth of non-competes that hurts competition and the economy.

⁴ Comment from Cole Maxwell, <https://www.regulations.gov/comment/FTC-2023-0007-1713>.

⁵ Comment from Connor Duffy, <https://www.regulations.gov/comment/FTC-2023-0007-0198>.

⁶ *Id.* at 38408 (discussing Liyan Shi, *Optimal Regulation of Noncompete Contracts*, 91 *Econometrica* 425, 447 (2023)).

⁷ *Id.* at 38425, <https://www.federalregister.gov/d/2024-09171/p-1478>.

⁸ *Id.*

California, North Dakota, and Oklahoma have banned non-competes for all workers regardless of income or role since the 1800s. In each of these states, industries highly dependent on intellectual property and confidential or proprietary information have thrived—namely, the tech and energy industries.

Finally, it is worth noting that an across-the-board ban on non-competes is very popular. When the FTC sought public comment on non-competes, 97% of commenters from Minnesota supported a comprehensive ban. For a fact sheet about what Minnesotans told the FTC about their non-competes, please visit https://www.ftc.gov/system/files/ftc_gov/pdf/Noncompete-Rule-Minnesota-Constituent-Support.pdf.

Sincerely,

A handwritten signature in black ink, appearing to read 'Hannah Garden-Monheit'.

Hannah Garden-Monheit
Senior Fellow
American Economic Liberties Project



May 8, 2025

VIA ELECTRONIC MAIL

Minnesota House of Representatives
568 State Official Building
St. Paul, MN 55155

Re: Minnesota House: Letter in Opposition to HF 1768

Dear House Members:

The Minnesota Chapter of the National Employment Lawyers' Association (MN-NELA) represents and advocates on behalf of workers across the State of Minnesota. In our practices, we represent workers in all manner of employment disputes. They, and thus we, have a significant and personal interest in all legislation related to workers' rights. We write regarding proposed changes that roll back the ban on noncompetition agreements in SF 1832 and the A9 Amendment. We appreciate the opportunity to offer our reasons for opposing these proposed changes to Minnesota law.

As a general matter, it has long been established beyond any serious dispute that restrictive covenants, and non-compete agreements in particular, hurt workers and harm competition. Indeed, as the Federal Trade Commission noted in recently proposing a rule to ban non-compete clauses, such agreements afford employers "the power to suppress wages" and also "reduce the wages of workers who aren't subject to noncompetes by preventing jobs from opening in their industry."¹ Moreover, existing evidence confirms that restrictive covenants decrease competition, contribute to racial and gender wage gaps, hinder innovation, stifle entrepreneurship, curtail economic liberty, and worsen working conditions.²

Take an example of a person I represented prior to the 2023 law banning noncompetition agreements. He worked in director level role in finance, earning over \$500,000 in total compensation. He was great at his job by all accounts. But he was told by leadership that

¹ www.ftc.gov/system/files/ftc_gov/pdf/noncompete_nprm_fact_sheet.pdf

² *Id.*

he would not be promoted for several years to a Vice President level job because they did not have an opening. He received a job offer from a competitor to be a Vice President. The competitive offer was approximately \$200,000 more with earning capacity that would increase based on his performance. It was exactly what he wanted: a rewarding job in his field allowing him to earn more for his family. It was exactly what the prospective employer wanted: top talent to improve the company for which it was willing to pay.

I was hired to look over the paperwork, and I had to inform him that he could not accept the better job because it violated his noncompetition agreement. That meant he needed to stay in the lower paying job despite having a much better offer to work elsewhere for no reason other than the noncompetition agreement. The State of Minnesota banned him, by law, from taking his talents to, and earning more income for, another Minnesota company that wanted to compete for his talent in the market. This is bad policy. It is bad for the economy. It is bad for the free market. It is bad for morale. It has many downsides and no upsides. The legislature made the right call when it banned non-compete agreements in 2023.

With that general backdrop, there are several strong reasons why the A9 Amendment is bad for Minnesota. First, the proposed amendments to Minnesota's ban on noncompetition agreements claims to be a solution—but the problem it claims to solve does not exist. Proponents of the bill, and opponents to noncompetition agreements generally, claim that noncompete agreements are necessary to prevent widespread theft of proprietary trade secrets. But this claim lacks actual evidence. There is simply no evidence that a ban on noncompetition agreements leads to an increase in trade secret theft. I understand that lawmakers and reporters have consistently asked the proponents to this bill for such evidence. But no evidence has been provided that this is an actual problem.³

On the contrary, Minnesota has strong and effective laws prohibiting trade secret theft. Federal law does as well. If an employee steals a company's property (intellectual or otherwise), the company has ample ability to pursue remedies for the theft. This is not an uncommon tool used by companies that are intent on depressing worker mobility and wages. The FTC debunking the argument that banning noncompete agreements leads to increased trade secret violations in its rulemaking process. If, as proponents of this bill

³ See "Ramstad: Effort to change the ban on noncompetes emerges in the Legislature," Star Tribune (May 2, 2025) (<https://www.startribune.com/ramstad-effort-to-change-the-ban-on-noncompetes-emerges-in-the-legislature/601335748>) ("I'm hearing that the ban is leading some Minnesota companies to move cutting-edge research and development (R&D) outside the state. I asked several companies to speak about this on the record, but none did. ... Rep. Emma Greenman, a Minneapolis Democrat who helped write the ban two years ago, told me she's open to modifying it if Minnesota companies are indeed being hurt. No one has stepped before the Legislature with a tale of such loss, however.").

suggest, trade secret laws are flawed, then the solution is to revise trade secret laws, not enact overly restrictive and unrelated laws banning fair competition.

This raises a second problem with A9 Amendment. Even if there were a problem with trade secret theft, noncompetition agreements are not a proper solution. Proponents of noncompetition agreements argue that because some employees *might* steal trade secrets, all employees should be banned from leaving their employer to work for another company for a year (or some other restricted time frame). But it is not difficult to see the profound flaw in this argument. It is like banning the driving of cars because some drivers *might* speed. The limit on a person's ability to earn a living, to develop a trade or profession, and to work to earn more even if that means leaving for a competitor willing to offer more compensation, are all bedrock elements of our free, private markets. They are cornerstone pieces of what it means to be Minnesotan. They should not be trampled without very strong reasons that are utterly lacking in the proposed changes.

This is the third point. The A9 Amendment's proposed limits on job category and income are as arbitrary as they are problematic. The bill proposes an income limit of \$200,000 for workers in an unclearly defined sub-group engaging with trade secrets (whatever that means—and lawyers will cost great sums of money litigating those definitions for years), and \$500,000 for all workers. But why? Why should a worker who earns \$499,000 not be subject to a noncompete agreement, but one who earns \$501,000 should be? The fact that a worker earns \$500,000, or \$200,000, should not mean that an employer can then ban them from leaving to take a better job elsewhere. Recall the example above of the finance director and would-be Vice President who earned more than \$500,000. There is no sound policy reason to prevent him from earning a better living any more than there is to prevent someone earning half as much as him. There is no evidence that he, or anyone like him, is doing something *wrong* by simply taking a more competitive job offer. So why use the state's immense power to prohibit this?

One of the virtues of the 2023 ban on non-competes is that it left little doubt about the status of proposed non-compete agreements. In almost every case, they are invalid, which gives both employees and employers the certainty they need to make decisions without weighing the risk of potential litigation. Adding arbitrary financial thresholds and undefined job descriptions to the law banning non-competes will invite legal wrangling and chicanery. This serves only to incentivize costly and inefficient legal battles, create uncertainty in the job market, and stifle the individual ambition and entrepreneurship that drive our economy.

Finally, noncompetition agreements foster and increase discrimination, harassment, and retaliation. As illustrated above, such agreements allow companies to stifle worker pay and prohibit workers from competing in the open market. This has an especially harmful effect on women, who historically are paid less than men for doing the same work. And this is particularly problematic in science and technology fields. For example, a 2023

Pew Research Center study found that women in STEM earn about 84 cents for every dollar earned by men in similar roles.⁴ By creating artificial barriers to job market mobility, noncompetition agreements further perpetuate the gender pay gap, especially in STEM jobs, which these changes specifically target.

Even worse, noncompetition agreements can make it very difficult and financially disastrous to quit or move jobs. This is especially problematic for workers experiencing sexual harassment, or other forms of illegal discrimination, retaliation, and hostility. Minnesota NELA members consistently see Minnesotans who want to leave their jobs due to illegal discrimination, harassment, or retaliation but who fear being unemployed for 12 months or longer as a result of a noncompetition agreement.

Minnesota's non-compete ban is not in need of drastic modifications like The A9 Amendment. We respectfully ask that you vote no on this language and to support the A12 Amendment which will maintain Minnesota's current law protecting workers and ensuring a competitive, free, and fair labor market. Maintain the simple, commonsense, fair policy enacted in 2023 banning all noncompetition agreements, with the limited and appropriate exceptions already contained in that initial law.

Best regards,

/s/ Brian T. Rochel

Brian T. Rochel, Member
Legislative Committee
Minnesota Chapter of NELA

⁴ <https://www.pewresearch.org/social-trends/2023/03/01/the-enduring-grip-of-the-gender-pay-gap/>



May 13, 2025

Dear Chairs Champion and Pinto and Members of the Conference Committee on Jobs, Labor, and Economic Development

The Arrowhead Economic Opportunity Agency (AEOA) is writing to encourage the conference committee to adopt the House language clarifying the funding appropriated to AEOA in 2024 for the creation of a regional hub.

In the 2024 Omnibus Workforce bill, a one-time appropriation of \$500,000 was included for AEOA to expand workforce development opportunities. The language in this year's House Jobs bill clarifies the intended use of these funds, supporting AEOA with the development of a regional hub in northeastern Minnesota, and extends the deadline to expend the funds to June 30, 2026.

AEOA currently leases space in Hibbing, but our growing operations, and the region's increasing needs, have outgrown these facilities. Losing access to either space would significantly impact on the people and communities we serve. In 2023 alone, AEOA provided nearly 379,000 meals across 7 counties in northeastern and central Minnesota, including 187,000 meals delivered to homebound seniors. We also distributed more than 36,000 frozen meals.

To ensure long-term stability and continued service, AEOA is proposing the development of a regional hub that would house our expanding Housing and Senior & Nutrition Services Programs. Our Housing team currently includes 43 staff members and is growing to approximately 80 to meet rising demand. The hub would also serve as a home for our YouthBuild program, a community-based pre-apprenticeship program providing job training and education for at-risk youth, and a ReStore, where clients can access essential household items as they transition into stable housing, while also serving as a local donation center.

The House language does not provide additional funding beyond what was passed in 2024. It simply clarifies that AEOA may use the funds to support the regional hub project. We respectfully ask the conference committee to include this clarification in the final conference report.

AEOA is a well-established and well-respected nonprofit Community Action Agency that has served northeastern and central Minnesota for more than 59 years. Our service area includes 12 primarily rural counties: Aitkin, Carlton, Cass, Chisago, Cook, Crow Wing, Isanti, Itasca, Koochiching, Lake, Pine, and St. Louis. In 2023, we reached over 38,000 individuals facing economic and social challenges.

Thank you for your service to the people of Minnesota and for your continued support.

Sincerely,
Scott Zahorik
AEOA Executive Director

The logo of the Coalition of Asian American Leaders is located in the top left corner. It features a stylized, circular emblem with geometric patterns in shades of blue and yellow, resembling a traditional Asian motif.

Coalition of Asian American Leaders

RE: Inclusion of the Coalition of Asian American Leaders in the Jobs and Labor Finance and Policy Bill

May 15, 2025

Dear Chair Champion, Co-Chair Baker, Co-Chair Pinto and Members of the Jobs and Labor Finance and Policy Conference Committee,

On behalf of our network of 5,800 Asian Minnesotan leaders across the state, we are writing to urge the inclusion of the Coalition of Asian American Leaders (CAAL) appropriation to support Asian Minnesotan entrepreneurs and small businesses in the Jobs and Labor Finance and Policy conference committee report.

We are grateful this strategic investment is included in the Senate Jobs and Economic Development omnibus bill. The appropriation will enable CAAL to scale its high-demand small business program launched in 2022, and supported for the first time with state investments last session. The investment will provide cohorts of approximately 30 Asian Minnesotan small business owners training, technical assistance, and microgrants to grow their enterprise.

CAAL's work in this area is in response to community demand for business support to navigate language barriers, financial institutions, state and local regulations, and an uncertain economic environment. These targeted investments make a significant impact for helping families get out of poverty, build generational wealth, and stimulate local economies.

CAAL offers tailored, 1:1, culturally-appropriate support, particularly for Asian Minnesotan women entrepreneurs and microbusinesses that are not being reached by other organizations. Through our statewide network, CAAL conducts outreach and trainings for entrepreneurs who are not connected to financial institutions, CDFIs, or government programs. Businesses include food and restaurants, bakeries, grocery stores, laundromats, beauty and more.

We have technical expertise serving diverse Asian American ethnicities and managing a time-intensive grant program tailored to serve Minnesotans with limited English proficiency from multiple ethnic backgrounds and in multiple languages. Last year, business applicants included Hmong, Sri Lankan, Cambodian, Korean, Lao, Vietnamese, Filipino entrepreneurs and more.



Coalition of Asian American Leaders

We are deeply concerned about cuts to economic development in the House Labor, Workforce, and Economic Development omnibus bill and move away from direct appropriations to small organizations like CAAL that are effectively responding to barriers facing entrepreneurs.

Like many organizations that support economic development for diverse communities and provide culturally-appropriate services, **we are also concerned about the House's position to replace direct appropriations with competitive grants through the Department of Employment and Economic Development (DEED).** Legislative appropriations are the most transparent and accessible type of state grant in this area and make it possible for smaller organizations like ours to respond to community needs.

State lawmakers are connected to the community, understand the issues Minnesotans face, and are able to appropriate funding to organizations like ours that are meeting needs not covered by any other public or private institution. This process opens the door for smaller and newer programs, while still requiring a substantial grantmaking, oversight, and reimbursement process through DEED.

We urge lawmakers to work together to invest in the needs of our communities and small businesses. Community-based organizations like CAAL are essential for helping meet the needs of Asian Minnesotan entrepreneurs and are uniquely positioned with established infrastructure and expertise in re-granting funds to help businesses thrive.

Our state and our economy is the strongest when we leverage the full impact of our public sector, nonprofits, workforce, and small businesses. **Please include CAAL in the final Conference Committee report.**

Thank you for all of your work this legislative session and for your consideration.

Sincerely,

ThaoMee Xiong, Executive & Network Director
Coalition of Asian American Leaders



GOODWILL-EASTER SEALS MINNESOTA
553 Fairview Ave. N., St. Paul, MN 55104

May 13, 2025

Dear Chair Champion, Chair Baker, Chair Pinto and Members of the Workforce, Labor and Economic Development Conference Committee:

As the Conference Committee enters its deliberations, we want to call out the importance of supporting fathers in the lives of their children and the truly unique and impactful resource to support dads we have cultivated in Minnesota: the FATHER Project. The FATHER Project helps low-income dads secure jobs, train for advancement, and move into careers as they become positive, productive workers and nurturing parents. We also provide guidance for dads who are managing legal and criminal justice obligations.

As trusted community partners, Goodwill-Easter Seals Minnesota and Family Service Rochester have a solid track record of meeting the needs of families and communities and being highly responsible and accountable stewards of the state's resources. A continued investment in the FATHER Project will mean an additional 600 dads and their children will be served across the state.

Together, we have created and consistently delivered impactful programming to fathers throughout Minnesota, not just in the metro but also in St. Cloud, Rochester and surrounding communities. In each community we have forged strong partnerships with local employers, as well as key service agencies to create solutions to help low-income fathers support their children financially and connect with them emotionally, creating long-term economic impact and stability for families. Research on our program's impact shows a \$3.41 Return on Investment, and our engagement of employer partners and employment outcomes remain strong.

We urge you to accept the Senate position and include funding for the FATHER Project in your final agreement. Men in the program do not generally receive supports elsewhere so this program is a lifeline to dads who want to build economic stability for their children and families. We ask that you continue to include \$2 million for fatherhood programming so that we can meet the needs of dads across the state. This vital set of services for fathers, a crucial and powerful economic force in our State, simply does not exist elsewhere. Now is the time for Minnesota to provide dedicated support to fathers, particularly low-income, non-custodial fathers served at the FATHER Project; men who continue to face substantial and systematic barriers to their ability to support their children. The FATHER Project can be part of the solution, but only with the critical resources needed to serve.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Wirth-Davis".

Michael Wirth-Davis, D.P.A.
President and CEO
Goodwill-Easter Seals Minnesota

A handwritten signature in black ink, appearing to read "Scott Maloney".

Scott Maloney
Executive Director
Family Service Rochester



May 12, 2025

Representative Dave Baker
2nd Floor Centennial Office Building
St. Paul, MN 55155

Senator Bobby Jo Champion
95 University Avenue West
Minnesota Senate Building, Room 3401
St. Paul, MN 55155

Representative Dave Pinto
5th Floor Centennial Office Building
St. Paul, MN 55155

RE: Support for FATHER Project direct appropriation

Dear Chair Champion, Chair Baker, Chair Pinto, and Members of the Jobs, Labor, and Economic Development Conference Committee:

On behalf of Olmsted County, I am writing to support the FATHER Project's request for a direct appropriation to continue to advance their work across St. Paul, Minneapolis, St. Cloud, and Rochester.

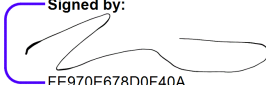
Olmsted County has been a longstanding partner of the FATHER Project, working closely through referrals, services, and collaborative support. This program is instrumental in helping low-income fathers secure stable employment, advance their careers, and successfully navigate legal and criminal justice obligations. Few, if any, other initiatives offer such a comprehensive approach to strengthening fatherhood and family well-being.

The FATHER Project is a unique, multi-service initiative in Olmsted County that provides critical support to fathers, helping them build economic stability while fostering meaningful connections with their children. Through child support assistance, legal guidance, career training, and parenting programs, the FATHER Project empowers dads to become engaged, nurturing parents and productive members of the workforce—benefiting families and communities alike.

As the conference committee deliberates and finalizes the conference report, we strongly urge the inclusion of funding for the FATHER Project. A direct appropriation will ensure that fathers continue to receive the essential support needed to provide financial and emotional stability for their children, creating lasting positive outcomes for families and communities.

Thank you for your hard work on behalf of Minnesotans and please do not hesitate to reach out to me with any questions.

Sincerely,

Signed by:

FE970E678D0F40A...

Mark Thein, Chair

Olmsted County Board of Commissioners

mark.thein@olmstedcounty.gov

5/12/2025 | 2:02 PM CDT



OFFICE OF THE RAMSEY COUNTY ATTORNEY
JOHN J. CHOI, COUNTY ATTORNEY

May 9, 2025

Dear Chair Champion, Chair Baker, Chair Pinto and Members of the Workforce Conference Committee,

I am writing to support the FATHER Project's request for a direct appropriation to continue to advance their work across St. Paul, Minneapolis, St. Cloud and Rochester.

The FATHER Project is a unique program crossing several different service areas within Ramsey County. From child support and legal assistance to career training and parenting groups, the FATHER Project helps dads create a foundation of economic stability and connect with their children in a comprehensive way that benefits the whole family.

Ramsey County Child Support is a long-time partner with the FATHER Project especially through referrals, services and child support collaboration, which includes our team providing workshops and one on one case support at the FATHER Project location on a weekly basis. Together, this partnership allows us to offer workforce development services with integrated child support solutions to promote long-term economic stability for families.

The FATHER Project helps low-income fathers secure jobs, train for advancement, and move into careers as they become positive, productive workers and nurturing parents. They also provide guidance for dads who are managing legal and criminal justice obligations. Few, if any, other programs offer this type of comprehensive support to fathers to strengthen their families.

As the committee finalizes the conference report, we ask that you include funding for the FATHER Project because of its unique place in our workforce ecosystem. A direct appropriation will ensure that dads can continue to receive the support they need to provide the necessary financial and emotional stability for their children.

Sincerely,

Trish Skophammer
Division Director
651-272-8442
trish.skophammer@co.ramsey.mn.us

Dear Workforce Conference Committee,

Please include the father project in a final budget agreement.

This program has been nothing but helpful & important in my life, from Parenting Support, coping skills, unity, legal support, advocacy, career support & most of all, helping me better my relationships with my children.

The impact that the father project has, had on me, helped myself become a better father to my children, a better man to my family & community & a better human being to myself.

I want to thank the father project for supporting dads & families across Minnesota.

Sincerely,

Quantez Devine

Minneapolis, Minnesota

Dear Chair Champion, Chair Baker, Chair Pinto and members of the Workforce Conference Committee:

Please include the FATHER Project in a final budget agreement. This program is so important to me because not only did it help me be better able to support myself and family it's giving me the opportunity and funding for an educational program that I'm highly interested in. It's also helped me obtain transportation needs and repairs as well as insurance to get to all the places that I need to be in order to provide for my family. All of the staff at the father project have been extremely helpful in pointing me in the direction of resources that are much needed. The impact that this program has had on my family is enormous and I cannot thank you enough for supporting dads and their families across Minnesota.

Sincerely,

Aaron Ballinger, St. Paul MN

Dear Chair Champion, Chair Baker, Chair Pinto, and members of the Workforce Conference Committee,

I am writing to respectfully request the inclusion of the FATHER Project in the final budget agreement. This program has played a crucial role in my life, significantly contributing to my economic stability by assisting me in securing stable housing.

The positive Impact on my family and me has been profound. The assurance of stable housing not only provides essential security but has also allowed me to concentrate on my training for the Cisco CCNA certification. This qualification will be vital in securing stable employment and ultimately improving my family's quality of life.

Thank you for your consideration and for your ongoing support of fathers and their families across Minnesota.

Sincerely,

De Juan Washington

Dear Chair Champion, Chair Baker, Chair Pinto and members of the Workforce Conference Committee:

My name is Yasir Farhan, and I am writing this letter to share how deeply the FATHER Project has impacted my life.

Please include the FATHER Project in a final budget agreement. This program is important to me because it has provided critical parenting support, emotional guidance, legal understanding, and a community of fathers who are striving to grow. It has helped me strengthen my relationship with my children, navigate custody challenges, and become more stable as a provider and parent.

Since joining the program, I have grown not only as a father, but as a man. The support, education, and encouragement I've received through this program have helped me navigate some of the most difficult challenges in my journey as a parent. I've learned how to be more patient, present, and intentional with my children. I've also found a community of fathers who understand my struggles and stand beside me with compassion and guidance.

The FATHER Project is more than a program — it is a lifeline. It has given me tools to improve my relationship with my children, stay strong through legal and emotional challenges, and never lose sight of the father I strive to be.

Please continue supporting and funding this vital work. It is transforming lives — mine included.

With gratitude,
Yasir Farhan

10 May 2025

Yasir Farhan

Dear Chair Champion, Chair Baker, Chair Pinto
and members of the Workforce Conference
Committee;

I ask that you please include the FATHER Project
in a final budget agreement. This program is
important to me because (economic stability, parenting
support, job training and career support, child
support, legal support, helping build a better
relationship with my son and lastly, helping me
become a better version of myself.

The impact on myself and my family has been /
will be the safe environment FATHER Project
has provided and continues to provide for fathers
like myself. The ability to come to our group
sessions and speak freely, share experiences /
stories, share resources, and our feelings is
the best feeling in the world. Without this
organization I would feel lost.

Thank you so much for supporting dads and their
families across the great state of Minnesota.

Sincerely,

Taylor A. Scott
Minneapolis, MN

From: Boniface Njoroge <boniface.njoroge@olmstedcounty.gov>

Sent: Tuesday, May 13, 2025 7:59 AM

To: Kristina Ramaker <kristina.ramaker@olmstedcounty.gov>; Ian Phillips <ian.phillips@olmstedcounty.gov>

Subject: RE: Participant Letter Request

Dear Chair Champion, Chair Baker, Chair Pinto, and members of the Workforce Conference Committee:

Please include the FATHER Project in a final budget agreement. This program is important to me because it helped me find direction at a critical point in my life. Through their job training and parenting support, I've been able to work steadily, better support my family, and stay present in my child's life both emotionally and financially.

The impact on myself and my family has been life-changing. I now feel more stable, confident, and capable as a father—and that makes a difference for my child every single day.

Thanks for supporting dads and their families across Minnesota.

Sincerely,
Solomon Bass V
Rochester, MN

Dear Chair Champion, Chair Baker, Chair Pinto and members of the Workforce Conference Committee:

Please include the FATHER Project in a final budget agreement. I am 39 years old and have 2 amazing boys. I started the father's project in the beginning of March 2025. I was referred to father's project by my counselor in outpatient treatment as for I am an addict of 20 years and am in recovery. My sober date is December 16th of 2024. I attended in patient treatment and graduated with honors and attended outpatient which I graduated from as well. I live in sober living here in St cloud Minnesota and am currently in rebuild mode. I have been looking for work consistently and am trying to take all necessary steps to acquire a stable and safe environment to get visitation with my youngest son. Tried co-parenting and all was well for a good while but, for some reason I'm not sure of, that fell by the wayside and have not been able to see my youngest for 1 1/2 years. I felt like I was running into a dead end with being able to see my son until I heard about father's project and the fact that they advocate for single dads in situations like my own. Father's project has brought a new life and hope to my situation and have a much more positive outlook on being able to see my son. The groups are great every Wednesday and look forward to them every week. A lot of the knowledge and understanding of everything comes a lot from listening to my peers' different circumstances brought to the table. Father's project is also a really great place to learn about different resources for someone like me trying to get back on their feet. It brings comfort in knowing people are starting to realize how much we can struggle as single dads and all we really want is to be with our children. Thank you, father project, for all you do and I hope that other father's learn of this amazing program. I know I will be a walking billboard if I ever run into another father struggling.

Thanks for supporting dads and their families across Minnesota.

Sincerely,

Jesse Sovereign

St Cloud MN

Dear Chair Champion, Chair Baker, Chair Pinto and members of the Workforce Conference Committee:

Please include the FATHER Project in a final budget agreement.

I have found that the people that operate the father's project are extremely helpful and willing to assist me so that I can be successful. They have provided me with an abundance of resources that have given me the ability to regain my personal confidence and also improved the relationship with my children. They have been extremely supportive when trying to assist me in re entering the workforce after being injured as a police officer in twenty seventeen I only wish I would have known about them earlier as I feel like they are an integral part in the rebuilding of my future. They have been able to provide me with numerous resources, including financial assistance and a multifunctional touch screen. Laptop that has allowed me the opportunity to work from home while gaining my physical strength. Through the father's project as an injured police officer, I have been able to connect and

work with multiple other participants in the program and help them in other aspects of their life, such as navigating, the legal system, etc. I have also had the opportunity to build lasting friendships with the other participants of the program. And although I'm fairly new to the program. I think That the program is an invaluable resource for fathers that are in need of assistance in navigating the terrain of late living as a single father. There are very few programs that I have found value in as much as this one. And I think that this is an extraordinarily excellent program for as many people as we can involve.

Thanks for supporting dads and their families across Minnesota.

Sincerely,

JT Starkovich

St Cloud MN

Dear Chair Champion, Chair Baker, Chair Pinto and members of the Workforce Conference Committee:

Please include the FATHER Project in a final budget agreement. I am writing today as a father of three incredible children—to express my deep appreciation and wholehearted support for the FATHER Project and the impact it has had on my life.

When I first became involved with the program in St. Cloud, I was navigating the difficult emotional terrain of separation from my children's mother, along with the challenges that come with co-parenting and healing from strained relationships. I had lost a sense of dignity, respect, and belonging—not only in my role as a father but in my identity as a man striving to do right by his children.

The FATHER Project has been a lifeline for me.

Through meetings that focus on topics like communication, emotional regulation, and fatherhood education, I found more than just information—I found understanding, community, and hope. Sitting in a room with other fathers who've faced similar struggles allowed me to share my experiences without judgment, and to receive insight and support that made me feel seen and heard for the first time in a long while.

This program doesn't just offer advice—it restores belief. I have watched it breathe life back into men who had lost faith in ever having a healthy relationship with their children. I count myself among them. The knowledge I've gained has not only made me a more grounded and compassionate father, but has given me tools I will continue to pass on to my kids and, hopefully, others who walk this path.

I cannot speak highly enough of the staff who lead these groups. Their kindness, insight, and encouragement have been a guiding force. They cultivate a space that is safe, empowering, and filled with the kind of accountability and support that many fathers have never had.

It would be a profound loss if this program were ever to lack the funding it needs to continue its mission. The FATHER Project is not simply a service—it's a community that transforms lives. I look forward to continuing to grow through it and to share the lessons I've learned with others.

Thank you for your time and your continued support of programs that uplift families and honor the role of fathers. Thanks for supporting dads and their families across Minnesota.

Sincerely,

Travis Borresch

St Joesph MN



May 7, 2025

Dear Co-Chair Baker, Co-Chair Pinto, and Committee members,

On behalf of the Minnesota Association of Workforce Boards (MAWB), we appreciate the opportunity to provide feedback on HF2440. We would like to share our gratitude for you and your committee's work on ongoing investments in workforce development in HF2240 and are particularly thankful for the investments in Pathways to Prosperity, Youth at Work, and Support Services grant programs *especially given the very challenging budget target and constraints*. These programs are evidence-based, effective, and make crucial investments in developing Minnesota's workforce and supporting jobseekers and employers across the state. Thank you!

We also want to thank you for protecting the base funding for the Minnesota Youth Program, Youthbuild, and other grant programs. MAWB appreciated the opportunity and time to present our bill to sustain increased funding for the Minnesota Youth Program to the Committee earlier this spring. As a core program that provides services to youth in every region of Minnesota, increased funding levels this biennium made it possible for local boards to serve nearly double the number of youth across the entire state. We hope that as the process continues, additional funding for the Minnesota Youth Program can continue to be a part of conversations.

We also write to express concern about the \$1 million decrease, a 50% cut, in funding for the Rural Career Counseling Coordinators (RC3) program which will affect services for rural youth. RC3 creates connection between schools and our workforce system, provides career advising services that students would otherwise not have access to, and connects students to local work-based learning opportunities in their communities. It helps address serious issues for our schools and communities by:

- **Filling the career counselor gap** - This funding is vital for filling the career counselor gap in Minnesota's rural schools—many have no career counselor or only limited availability. In 2021, the ratio of school counselors to students in MN was 1:570, the fourth highest ratio in the US.
- **Keeping Minnesota's youth in Minnesota** - In addition, the RC3 funding exposes youth to local employers and promotes worker retention of Minnesota students within the state. For example, in a study done by the Center of Rural Policy and Development, they found that 1/3 of youth from southwest Minnesota are not working in Minnesota 10 years after they graduate from high school. This outmigration is not just a southwest Minnesota issue. Our work-based learning opportunities expose youth to the great employers in our region while building their skill set for the future.

A loss of 50% of the funding will have a significant impact on every region's ability to reach out to all the schools in need of services in our regions. For example, northwest Minnesota would need to prioritize schools that are less expensive to serve and eliminate services for 9 schools due to transportation and

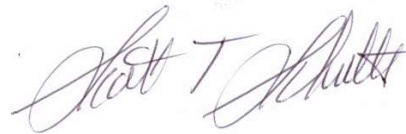
staffing costs that they cannot cover. In Northeast Minnesota, RC3 drove an effort called the 218Trades Initiative, which allowed them to implement and expand an awareness campaign that aimed to increase interest and participation in skilled construction trade careers. 218Trades is now a well-known, well-established initiative that employers, unions, schools, Chambers, and community-based organizations recognize and lean on for exposing and connecting people to careers in the trades. With a 50% cut, they may have to scale down 90-100% of these efforts, leaving the projects to stagnate without funding. As conversations continue, we hope that the Committee will consider maintaining base funding for the Rural Career Counseling Coordinators program at \$2 million per biennium.

As partners in delivering employment and training services to address the needs of Minnesota's jobseekers and employers, we thank you for the deeply important investments made in HF2440 and your tireless work in supporting Minnesota's jobseekers, youth, and employers in the face of significant financial constraints. Please do not hesitate to reach out with any questions or if we can provide any additional information at (651)789-4323.

Thank you for your time and consideration,



Cate Duin, Executive Director
Minnesota Association of Workforce Boards (MAWB)



Commissioner Scott Schulte, MAWB Board Chair
Anoka County Commissioner

May 15, 2025

Dear Chair Champion, Chair Baker, Chair Pinto and members of Jobs & Labor Conference Committee:

WorkWell MN is a coalition of 20+ workforce development nonprofit organizations committed to solving some of Minnesota's biggest employment challenges and creating solutions for both jobseekers and employers. Together, we bring workforce programs to more than 30,000 Minnesotans each year.

As you deliberate and find compromise between the House and Senate budget positions, we urge you to consider the important role nonprofits play in meeting community needs and preparing the state's untapped talent pool. The economic uncertainty facing our state and nation means that the time to invest in our workforce is now. Minnesota nonprofit organizations are an essential part of the state's workforce system and divesting could have a significant impact on underserved communities and the preparedness of jobseekers across Minnesota.

Both agency competitive grants and legislatively named appropriations serve important purposes in the state's workforce training system and, in combination, achieve the greatest flexibility and capacity statewide to address our looming workforce shortage. The same accountability measures are in place for direct appropriations as they are for competitive government grants including monthly reimbursable grant structure, DEED financial monitoring, and an annual third-party audit. An elimination of direct appropriations will create an immediate crisis for many workforce development organizations, causing cuts to programs and the significant reduction of offerings for job seekers.

We urge you to take the Senate Jobs position and utilize the Workforce Development Fund to solve our state's workforce needs. There is currently no better time to invest in Minnesota's workforce training services. We welcome the opportunity to discuss this issue in person and answer any questions you may have.

Sincerely,

ACER

American Indian OIC

Avivo

Build Wealth MN

CAPi USA

Central Minnesota Jobs & Training Services, Inc.

CLUES Comunidades Latinas Unidas en Servicio

EMERGE

Goodwill-Easter Seals Minnesota

HAP

Hired

International Institute of Minnesota

JFCS

MN Teamsters Service Bureau

NorthPoint Health and Wellness Center, Inc.

Project for Pride in Living

Summit Academy OIC

30,000 Feet

Twin Cities RISE

Urban League Twin Cities

Vietnamese Social Services





165 Western Ave. North
Suite 8, Office 100
St. Paul, MN 55102
WomenVenture.org
612.224.9540

May 15, 2025

Chair Champion, Chair Baker, Chair Pinto, and Members of the Omnibus Jobs, Labor, Economic Development Conference Committee:

As the conference committee begins the important work developing a biennial budget, I am writing to urge support for the **Senate position** for a direct appropriation of \$1 million to WomenVenture.

While we recognize the vital role of state agencies play in many grants, all of Minnesota's needs and geographies are not completely served through existing programs alone.

Long-time state partners such as WomenVenture and other Community Development Financial Institutions (CDFIs) with extensive existing regulatory oversight play a key role in effectively and efficiently deploying capital into the community.

In 2023, WomenVenture was awarded \$2 million for the biennium, and the impact of the previous funding has been significant:

- Served nearly **800 clients** (97% of goal)
- Delivered more than **3,400 service hours** (99% of goal)
- Created or sustained **over 2,200 jobs** (394% of goal)
- Established **50+ new businesses** (177% of goal)
- Helped **700+ businesses remain operational** (237% of goal)
- Deployed **over \$440,000 in grants** (100% of goal)
- Provided **\$725,000 in loan capital** (85% of goal)

We continue to see strong demand for our services, particularly from child care and food/agriculture sectors, which are facing significant challenges. We are appreciative for previous funding the legislature has awarded and stand ready to effectively deploy any additional funds the committee is able to provide.

The Senate has included \$1 million in direct funding to WomenVenture in its Jobs and Economic Development committee bill, and we hope that you will be supportive of this position as conversations progress.

Thank you again for your support and for considering this request. We look forward to continuing our partnership to drive economic growth and stability in Minnesota.

Sincerely,

LeeAnn Rasachak, CEO of WomenVenture



8150 Barbara Avenue
Inver Grove Heights
Minnesota 55077
651-450-2500
www.ighmn.gov

May 9, 2025

RE: Funding for Host Community Economic Development Grant Program

Dear Jobs, Workforce, and Economic Development Conferees,

On behalf of the City of Inver Grove Heights, I am reaching out to encourage you to adopt the House position regarding the Host Community Economic Development Grant program and oppose the cuts to this important funding that are contained in the Senate's bill. As home to Pine Bend Landfill, one of the largest mixed municipal solid waste landfills in Minnesota, the City of Inver Grove Heights is one of two communities in the metropolitan area eligible for this grant program.

A little over three months ago, on January 27, 2025, the Inver Grove Heights City Council authorized a sizable vertical expansion of Pine Bend Landfill and approved its continued operation through 2042. For 17 years, the City and Pine Bend Landfill had a legally binding agreement that the landfill would close no later than December 31, 2030, but now the City has agreed to its continued operation for an additional 12 years. In doing so, Inver Grove Heights will continue accepting mixed municipal solid waste from across the metro region and beyond, assuming the significant environmental and community impacts associated with being a landfill host community.

The more than 200 acres of valuable industrial land occupied by Pine Bend Landfill could be home to numerous other industries or uses more beneficial to our community, but instead is the final destination for approximately 350,000 tons of household solid waste per year. No community wants to be home to a large landfill, and we can all look forward to the day when improved waste management techniques and technologies will make landfills obsolete, but for the foreseeable future they are a necessary part of a functioning region.

For more than 10 years, through the ups and downs of numerous state budget forecasts, the Host Community Economic Development Grant Program has been one modest way the State of Minnesota and its residents recognize and partially compensate the cities of Inver Grove Heights and Burnsville and their residents for being host to these essential facilities. For the state to cut the Host Community Economic Development Grant Program now, just as Inver Grove Heights has stepped up to the plate as a state and regional partner in solid waste management, is particularly troublesome.

Rather than reduce the available funding, Inver Grove Heights would recommend revisions to the existing program to improve access to and utilization of these state allocated funds for their intended purpose. There are numerous ways in which this grant program is administered differently than other economic development funding tools, and these constraints have sometimes hampered the City's ability to

successfully utilize available funding in the past. We would welcome the opportunity to discuss ideas for improving the program and its effectiveness moving forward.

On behalf of the City of Inver Grove Heights, I urge the Conference Committee to adopt the House position and provide stable funding for the Host Community Economic Development Grant program, thereby continuing the state's recognition of the essential role played by landfill host communities.

Sincerely,

A handwritten signature in black ink that reads "Kristine Lyndon Wilson". The script is cursive and fluid.

Kris Wilson
City Administrator

cc: Senator Matt Klein
Representative Rick Hansen
Representative Mary Frances Clardy

May 8, 2025

Members of the House and Senate Jobs, Workforce and Labor Conference Committee

Women's Foundation of Minnesota Appreciates Exclusion of Paid Leave Delay in Final Omnibus Bill

As the President and CEO of the Women's Foundation of Minnesota, I am writing to express our appreciation for excluding a delay or amendment that weakens paid leave in the final omnibus bill. We were part of the coalition that supported paid leave and we're opposed to any language that would prevent on-time implementation of this policy as-written.

We know from our research in our Status of Women & Girls in Minnesota report, and from listening to communities, that family and medical leave is key to long-term success for both individuals and for the greater economy as it actually leads to increased productivity and labor force participation.

Economic studies show that access to paid family leave increases the likelihood that workers will return to their jobs instead of dropping out of the labor force entirely. Mothers with access to leave can also have a positive impact on their children's health and development.

Our data also shows: Women are concentrated in low-wage occupations, like service industries, where benefits are scarce, work is hard, and pay is low and women of color dominate these fields. Many of Minnesota's mothers are the primary breadwinner in the family: 58% of Black mothers, and 46% of Native American mothers, 41% of Latina mothers are the heads of their households, and yet their work is not only poorly compensated, but it also lacks basic benefits.

To achieve economic security and a fair economic playing field, we must value the labor and the roles that women provide by compensating, at minimum, their right to take a leave and return to the workplace without financial penalty or loss of opportunity. Investing in women now, benefits children, families, and the entire community in the long term.

Women in Minnesota are ready for paid leave and have waited long enough. We do not support pushing back the launch date or changing the already passed language. We must support our workers in the labor force and our state's economic growth now by not delaying or diluting these benefits. We urge you to exclude any language that would do so from the final omnibus bill.



Gloria Perez
President & CEO

Funding transformative futures
for women and girls+

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FOR MORE INFORMATION:

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H.F. 2332 (P. Johnson) / S.F. 2545 (Jasinski)

Rethos has requested \$680,000 annually for FY26 and FY27 to strengthen and expand participation in Main Street America, a national program for which Rethos is the designated coordinator in Minnesota. Currently, 21 local community programs participate in Minnesota Main Streets, and approximately 10 communities are actively engaged in steps to join this impactful program. Rethos cannot provide the services requested by these community members without increased financial support.

Existing Funding

Minnesota Main Streets currently receives a small grant (\$125,000) from the Minnesota Historical Society, provided by Legacy funds. Rethos provides the remaining funding, with programs costs totaling approximately \$320,000 last year. In recent years, these dollars have been drawn from our reserves, but this is unsustainable for our organization. We risk having to curtail services and scale back this program without additional funding support.

Funding Request Breakdown

The requested amount of **\$680,000 per year** represents a thoughtful and strategic investment in the continued success and equitable growth of the Minnesota Main Streets program. This level of funding would provide the following:

- \$232,000 in direct technical assistance grants for participating communities
- \$80,000 to cover participation fees for existing and new communities
- \$40,000 for community design services
- \$128,000 to grow outreach services and enhanced program-wide training
- \$200,000 to address this program's ongoing operating deficit

Although not ideal, it would be possible to scale this request to fit within state budget constraints.

- **\$425,000 annually** would be sufficient to support moderate, short-term growth of the Main Streets program while providing additional direct community support through expanded training and technical assistance.
- **\$295,000 annually** would allow Rethos to meet immediate demonstrated needs: welcoming several new local community programs, offering expanded services, and strengthening the statewide network that participates in Main Street America.

To: Conference Committee on S.F. 1832

From: Sam Peak, Policy Manager, Economic Innovation Group

Subject: Testimony opposing the adoption of R79

Date: May 16, 2025

Introduction

Members of this conference committee, thank you for accepting testimony concerning S.F. 1832. The Economic Innovation Group (EIG) is a bipartisan organization devoted to forging a more dynamic, entrepreneurial, and inclusive U.S. economy.

EIG strongly opposes R79, the House provision that would allow employers to enact covenants not to compete for employees earning at least \$200,000 whose primary duties involve trade secrets and \$500,000 for employees regardless of their duties.

EIG believes that subjecting top earning individuals to noncompete clauses is particularly harmful to Minnesota and would reverse much of the progress from the state's ban on noncompetes enacted in 2023. These high earning knowledge workers are among the most likely to launch new businesses, create jobs, and develop patents after leaving their employer. The economic research is also clear that noncompete agreements are unnecessary for protecting trade secrets and other proprietary information.

Subjecting top earners to noncompetes deters job creation and entrepreneurship

Exempting highly compensated professionals from Minnesota's noncompete ban would greatly delay and diminish their ability to carry out their ideas after leaving their employer. Research from EIG found that when Hawaii banned noncompetes for tech workers, new businesses formed in the state spiked by over 10 percent. Oregon, on the other hand, exempted high earning individuals from their noncompete ban and experienced no significant increase in entrepreneurship.¹

Other research finds that an average sized increase in noncompete enforceability reduced patenting by 16-19 percent in a ten-year period, an amount comparable to a 10 percent increase in the tax price of R&D.² When states make noncompetes easier to enforce,

¹ Ben Glasner, "The Effect of Noncompete Reforms on Business Formation: Evidence from Hawaii and Oregon." Economic Innovation Group, 2023. <https://eig.org/noncompetes-research-note/>

² Matthew Johnson, Michael Lipsitz, and Alison Pei, "The Enforceability of Noncompete Agreements and Innovation: Evidence from State Law Changes." 2023 <https://www.nber.org/papers/w31487>

inventors are 67 percent more likely to leave their industries of expertise, where they are 30 percent less productive based on their innovative output.³

These findings attest to the losses that would occur were the committee to include R79 in the omnibus. It is vital that these highly specialized knowledge workers remain free from noncompete clauses so that Minnesotans can reap the benefits from the new jobs, goods, and services they will create.

Noncompete clauses are an improper tool for protecting trade secrets

Provision R79 contains language subjecting noncompete clauses to employees earning at least \$200,000 if their duties involve “the creation, analysis, or modification of trade secret information” or who manages a project, team, or department that has responsibilities concerning trade secret information. EIG believes that other employer tools, such as trade secret law, patents, and nondisclosure agreements already protect proprietary information and noncompete agreements do not meaningfully strengthen these protections.

Recent economic research has found that employees who are subjected to both noncompete agreements and nondisclosure agreements are no less likely to leak proprietary information than employees who are bound solely by a nondisclosure agreement. Despite reducing job mobility for employees by 30-57 percent, noncompete agreements were found to be ineffective at providing additional protection that nondisclosure agreements did not already provide.⁴ This is because employees who are inclined to violate a nondisclosure agreement are also inclined to violate a noncompete agreement.

Because noncompete agreements are ineffective at providing additional protection for trade secrets, it follows that many employers use noncompetes because they are effective at preventing workers from working for or starting a competing business. These findings align with a 2023 report from the Government Accountability Office, which found that two-thirds of employers admit to using noncompete agreements to ward off recruitment of their workers.⁵

Conclusion

If adopted by this conference committee, R79 would greatly inhibit the ability for Minnesota’s most experienced and specialized professionals to switch employers, launch

³ Clemens Mueller, “How Reduced Labor Mobility Can Lead to Inefficient Reallocation of Human Capital,” 2022. https://conference.iza.org/conference_files/LaborMarkets_2022/mueller_c32517.pdf

⁴ Bo Cowgill, Brandon Freiberg, and Evan Starr, “Clause and Effect: Theory and Experimental Evidence on Noncompete Clauses,” 2025. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5012370

⁵ Benjamin Glasner and Kenan Fikri, “GAO Report Underscores Excessive Use of Non-compete,” 2023, Economic Innovation Group. <https://eig.org/gao-noncompetes/>

new ventures, and create new jobs. EIG appreciates the opportunity to provide testimony on this issue. We hope that the conference committee refuses to adopt this language so that state residents can fully reap the benefits of Minnesota's 2023 full ban on noncompetes.



May 15, 2025

Re: Workforce, Jobs, Labor, and Economic Development Omnibus Bill SF1832

Dear Chairs Baker, Champion, Pinto and Conference Committee Members,

On behalf of the Minnesota Association of Workforce Boards (MAWB), we write to provide input on SF1832, the Workforce, Jobs, Labor, and Economic Development omnibus bill. **MAWB appreciates Senate and House positions' focus on maintaining base funding and continued crucial investments employment and training programs that benefit both jobseekers and employers across the state of Minnesota.** Together, we face ongoing workforce shortages and Minnesota's 16 local workforce boards are poised to provide services to workers and businesses in every corner of the state.

As you take up the provisions in SF1832, MAWB would like to highlight a few priority items in the workforce, jobs, and labor omnibus budget bills. Thank you to both Senate and House committees for choosing to make investments into grant programs that provide important workforce training including Pathways to Prosperity and Youth at Work grants. These investments provide opportunities for local boards and organizations to meet the workforce needs of our communities.

MAWB appreciated the opportunity and time to present our bill to sustain increased funding for the Minnesota Youth Program to the Committee earlier this spring. As a core program that provides services to youth in every region of Minnesota, increased funding levels this biennium made it possible for local boards to serve nearly double the number of youth across the entire state. We hope that as the process continues, additional funding for the Minnesota Youth Program can continue to be a part of conversations.

With recognition of the difficult budget constraints, we also write to express concern about the \$1 million decrease, a 50% cut, in the House position for funding for the Rural Career Counseling Coordinators (RC3) program which will affect services for rural youth. RC3 creates connection between schools and our workforce system, provides career advising services that students would otherwise not have access to, and connects students to local work-based learning opportunities in their communities. It helps address serious issues for our schools and communities by:

- **Filling the career counselor gap** - This funding is vital for filling the career counselor gap in Minnesota's rural schools—many have no career counselor or only limited availability. In 2021, the ratio of school counselors to students in MN was 1:570, the fourth highest ratio in the US.
- **Keeping Minnesota's youth in Minnesota** - In addition, the RC3 funding exposes youth to local employers and promotes worker retention of Minnesota students within the state. For example,

in a study done by the Center of Rural Policy and Development, they found that 1/3 of youth from southwest Minnesota are not working in Minnesota 10 years after they graduate from high school. This outmigration is not just a southwest Minnesota issue. Our work-based learning opportunities expose youth to the great employers in our region while building their skill set for the future.

A loss of 50% of the funding will have a significant impact on every region's ability to reach out to all the youth and schools in need of services in our regions – a total of 317 K-12 institutions and over 28,000 youth across rural Minnesota. For example, northwest Minnesota would need to prioritize schools that are less expensive to serve and likely eliminate services for numerous schools due to transportation and staffing costs that they cannot cover. In Northeast Minnesota, RC3 drove an effort called the 218Trades Initiative, which allowed them to implement and expand an awareness campaign that aimed to increase interest and participation in skilled construction trade careers. With a 50% cut, they may have to scale down 90-100% of these efforts, leaving the projects to stagnate without funding. As conversations continue, we hope that the Committee will consider taking the Senate position for the Rural Career Counseling Coordinators program at \$2 million per biennium.

As partners in delivering employment and training services to address the needs of Minnesota's jobseekers and employers, we thank you for the deeply important investments made in SF1832 and your tireless work in supporting Minnesota's jobseekers, youth, and employers in the face of significant financial constraints. Please do not hesitate to reach out with any questions or if we can provide any additional information at (651)789-4323.

Thank you for your time and consideration,



Cate Duin, Executive Director
Minnesota Association of Workforce Boards (MAWB)