

April 10, 2023

House Commerce Finance and Policy Committee
Chair Zach Stephenson



Dear Chair Stephenson and committee members,

On behalf of Minnesota's 333 public school districts' school boards, who are responsible for the governance of their local school district, please accept this letter as testimony for the committee hearing on Tuesday April 11, 2023.

First, we would like to state that our membership does support the concept of a paid family and medical leave insurance program. We understand the benefits it brings to staff, families, and students. In fact, our Delegate Assembly passed a resolution in December 2022 in support of Paid Family Medical Leave *if* it was paid for by the state.

Our concern lies in the funding and implementation of such a program.

We expect this bill, if passed, to have a significant impact on the operational and educational delivery side managing school districts, we expect the bill to have a budgetary impact. In its current form, we expect the bill will have a total estimated annual price tag of \$60 million and with the employer contribution of at least 50%, our districts would be responsible for approximately \$30 million. Without a fiscal note or a local impact note we can only estimate these numbers. This is yet another reason legislators need to understand the fiscal impact to our districts. As you know, school districts are not able to levy for these funds, therefore the employer cost will need to come out of the general fund – our classrooms. We contend this is the transparency needed for legislators and school board members.

Another complexity is our schools are continually challenged with workforce shortages in all areas that directly and indirectly impact the educational services we provide for students and families. In a recent report compiled by the Minnesota Professional Licensing and Standards Board (PELSB), nearly 9 of 10 (84 percent) of our school districts report being "somewhat significantly" or "very significantly" impacted by the teacher shortage. According to the report, that number is up from 70 percent in 2021. Additional leave benefits through the Paid Family Medical Leave Act, on top of locally negotiated leave benefits and the existing Federal Family Medical Leave Act (FMLA), may significantly compromise our school districts' ability to deliver high-quality learning opportunities for our public school students. This comes at a time when our communities, state, and nation are demanding improved public schools and student academic performance.

To further our concern, the House Education Finance Committee has not heard this bill. We have been asking for the Education Finance Committee members to hear the bill to understand the financial impact of implementation, especially as they work on the Education Finance Omnibus bills. The committee members should be able to fully understand the impact on our public school districts.

We respectfully ask the House Education Finance committee hear the bill before its final committee stop.