



April 24, 2023

Dear Members of the House Ways and Means Committee:

On behalf of the Minnesota Chamber of Commerce, thank you for the opportunity to share our continued opposition to HF 2 (Rep. Richardson), legislation seeking to impose a new unfunded paid leave mandate on Minnesota's employers. The Minnesota Chamber is a statewide organization representing more than 6,300 businesses and more than half a million employees throughout Minnesota, and a majority of our members are small to mid-sized businesses. Over 80% of our members offer paid leave in some form already.

This is an important topic that warrants significant and sincere discussion by all stakeholders. It is also important that we get it right. The business community in Minnesota is keenly aware of, and also acutely impacted by, not only the underlying set of issues being discussed, but public policy proposals related to them.

While we appreciate the ongoing work to improve the bill throughout the committee process, respectfully, this bill still includes a number of concerning, foundational elements that do not work for our members. As the fiscal note reveals, it is still too expansive and expensive and subject to significant vulnerabilities in its design that bring into question its solvency. Here's why:

#### **Expansive**

The bill creates a mechanism for an employee to be away from their job for up to 24 weeks or more each year. That's a considerable new standard. While it's possible not every employee will take off the entire time allowed, experience shows that when provided, employees will access this benefit and the bill as drafted almost guarantees more time will be taken – when combined with the still broad definition of family member, the expanded list of qualifying events, the enhanced wage replacement rate, and the stackability of the leaves. When further combined with HF 19 (legislation passed by the House mandating up-to-80 hours of paid sick and safe time), these proposals will place considerable strain on our workforce and employers.

We have also have a well-documented workforce shortage already in Minnesota, and it is expected to get critically worse within the upcoming decade. Alarmingly, the states that have enacted paid leave programs are among those with the largest net domestic migration losses last year. In certain workplaces, such as hospitals or manufacturing facilities that run 24/7, or in daycares or schools or care facilities, where staffing ratios are carefully calibrated and monitored, we already do not have enough workers ready to fill in.

Having such a specific and extended leave mandate will unintentionally exacerbate problems related to our workforce challenge and disrupt existing benefits packages.

#### **Expensive**

Minnesota already imposes a higher cost of doing business than many other states. As it stands now, Minnesota ranks 45th – nearly the last - in business tax climate. So, we have less ability to raise taxes than many other states- even compared to the few states that have enacted paid leave programs already.

We are highly critical of imposing a new payroll tax on every employer that will collectively cost Minnesota's business community nearly \$1.5 billion annually, based on a payroll tax rate that is subject to increase significantly, in order to create and finance a broad new state-run insurance program that takes over an existing insurance market and thwarts an emerging one.

In addition to the direct cost on employers, the proposal will take years of development and over 400 state FTEs to start, implement, and administrate. Once the program is up and running, the proposal assumes that roughly seven percent of the taxes collected annually will be needed to pay to run and staff the state bureaucracy program.

To that point, we are extremely concerned that an outside actuarial analysis has not been conducted yet. Based on preliminary review of the fiscal note, without modifications to its initial scope and design, we expect the program to exceed projections and run into solvency issues. This will result in higher payroll tax on small employers and employees. Not to mention the guaranteed property tax increase in order to cover the public sector employers such as cities, counties, and schools.

Businesses, particularly small businesses, already struggle to endure the costs associated with missed productivity of their workers. The cost to find temporary workers to fulfill their responsibilities in their absence is a double tax on these employers.

This is a big, complex proposal and we have significant concerns with the way it is drafted and structured in terms of workability. This is why only 11 states and Washington DC have gone down this path so far. There are different approaches, and we encourage policymakers to keep working with all stakeholders to find a more targeted and sustainable solution.

Increased costs further limit resources available for employee compensation, job growth, and expansion in Minnesota. In its current form, HF 2 would impede Minnesota's competitiveness and economic growth, we respectfully encourage a "no" vote on HF 2 and hope that legislators will continue to work on the proposal in order to address issues relating to its cost, its size and scope, its solvency and sustainability, and the workability of its construction.

We appreciate the opportunity to share our opposition with the committee.

Sincerely,

**Lauryn Schothorst**

Director, Workplace Management and Workforce Development Policy

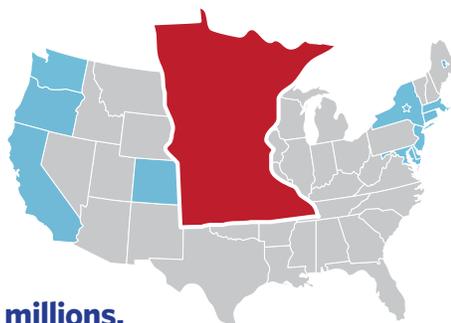
# Mandating paid leave benefits: Costly for employers, employees

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

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

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

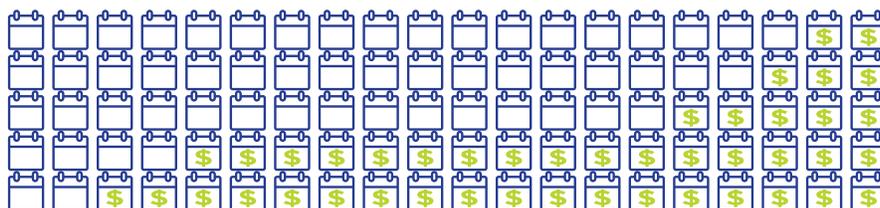
**If fully enacted, Minnesota would have the most expansive and expensive mandates in terms of eligibility, qualifying events, benefits and employer obligation.**



## New leave mandates create needless bureaucracy and cost millions.

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

**COSTS  
MATTER**



## The Legislature must act

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



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

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



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



# ST PAUL

## AREA CHAMBER

401 N Robert Street, Suite 150  
St. Paul, MN 55101

MAKING CONNECTIONS THAT COUNT

April 21, 2023

Representative Liz Olson, Chair, House Ways and Means Committee  
479 State Office Building  
St. Paul, MN 55155

Dear Chair Olson and Committee Members:

On behalf of the 1700+ members and affiliates of the St. Paul Area Chamber, who together represent more than 3 million employees and their families, thank you for the opportunity to comment on H.F. 2 (Paid Family and Medical Leave).

While we fully agree that employees deserve paid leave to care for family or recover from injury and illness, we have concerns with the structure of this legislation. First is the "mandate" rather than "incentive" approach. In this time of worker shortages, businesses understand that leave policies are important to attract and retain employees. Employers are in the best position to design benefits packages that serve the distinct needs of their employees. Yet, unless a company's leave policies exactly mirror the state's framework, that company would not be able to "opt out" of the state program.

Second are the tails. The long-term implications of this proposal to budgets - government and businesses alike - need more disciplined consideration. Using one-time surplus money to initiate programs with ongoing budgetary commitments is a dangerous game at best, especially at a time when business is bracing for an economic slowdown. Further, we do not yet have an adequate picture of how much it will cost cities, counties, and school districts to participate in this mandated program, or the corresponding impact on local property taxes.

While I understand the energy and activism behind this legislation, it is equally important to "get it right." I urge the committee to look at the broader scope of implications this legislation will have on the state budget, businesses, and their employees.

Respectfully,



B Kyle  
President & CEO  
St. Paul Area Chamber



St. Paul Area Chamber



@SPACC #connectingstp



@stpaulchamber



St. Paul Area Chamber





April 21, 2023

Representative Liz Olson  
Chair, Ways and Means Committee  
200 State Office Building  
Saint Paul, MN 55155

Dear Chair Olson and Members of the Committee:

Minnesota's Prenatal to Three Coalition (PN-3) is excited to support Paid Family & Medical Leave, HF 2, as a significant investment in Minnesota's youngest children, their families, their employers, and communities in general. We believe public investments aimed at supporting healthy attachment, growth, development, and learning will positively position children and families for stability and a lifetime of prosperity.

Paid Family Leave is a win/win for parents, children and businesses because it improves maternal health and parental bonding. Paid leave provides parents with the opportunity to bond with newborns and newly adopted children, secure attachment between parents and their children, and adjust to caring for their newest family member. Longer leave, which is more likely if paid, following the birth of a child results in increased rates of breastfeeding, improved maternal physical and mental health, and improved health and access to health care for their baby. When parents don't have access to paid leave, they need to choose their health and/or the health of their child over their financial health.

Paid Family & Medical Leave improves worker recruitment, retention and productivity, saving employers money through reduced turnover costs. Paid leave allows smaller businesses to compete better with larger businesses and increases the likelihood parents will return to work after the birth or adoption of a child. The PN-3 Coalition believes the time is right to spend surplus resources to establish this fund and make it available to Minnesota families. Please join us in supporting HF 2 to help families get back on track and move forward with a strong, stable start in life.

Thank you,

Nancy Jost,  
West Central Initiative  
Co-Chair

Laura LaCroix-Dalluhn,  
Prenatal to Three (PN-3) Coalition,  
Coalition Coordinator

Deb Fitzpatrick,  
Children's Defense Fund MN  
Co-Chair

April 21<sup>st</sup>, 2023

Chair, Representative Liz Olson  
200 State Office Building  
St. Paul, MN 55155

RE: Minnesota House File 2 – Rochester Area Coalition Letter, 4/21/2023 Edition

Members of the House Ways and Means Committee,

The Rochester Area Chamber of Commerce along with a coalition of Rochester area businesses remain opposed to House File 2 as it is currently written. While there have been attempts to amend the legislation, work still needs to be done to ensure that the bill will not harm the business community. We message you today to emphasize our continued opposition to the Paid Family and Medical Leave legislation and to communicate the challenge it will present to the business community and workforce.

Over 80% of our 1,100 members, nearly 880 members, are classified as a small business, meaning they have under 20 employees. This legislation, if enacted, will disproportionality impact the small business community. As a business organization, the Rochester Chamber and the undersigned companies are opposed to House File 2 as it is currently written due to the adverse effects they will have on the business community. This concern can be addressed by exempting small businesses from this mandate, avoiding a one-size-fits-all approach.

This legislation would mandate a one-size-fits all, state administered program, of up to 12 weeks of paid family leave and up to 12 weeks of paid medical leave on the business community. In addition, these two paid leaves can be stacked, resulting in an employee missing up to a potential 24 weeks, nearly half a year, of work. The current workforce environment is strained, with talent attraction being a key struggle for employers. By passing this bill, businesses would be left with a temporary position to fill. With the state of labor market, this task would be nearly impossible to achieve, exacerbating employers who are already operating short staffed. Coupled with the paid sick and safe time act (HF19/SF34), the impact of the mandate will only be exacerbated. To address this issue, we call upon the legislature to review the existing legislation and cap the program at a maximum of 12 weeks.

Amidst increased inflation, under House File 2, Minnesota would impose yet another tax on the business community, which is still recovering from the COVID-19 pandemic, to fund this mandate. Employers would see a .7% increase to the payroll tax and employees may cover up to 50% of that tax. While other states work to address the workforce shortage through talent attraction and retention, Minnesota instead is adding yet another tax, reducing opportunities for staff and stifling business growth plans.

While not opposed to the idea, the legislation as it currently stands will harm both businesses and employees in the state of Minnesota. A one-size-fits-all approach without an opt-out is not in the best interest of the business community, especially our small businesses. Additional work must be done to amend this legislation to accommodate Minnesota's diverse business community.

We ask that the legislature consider these concerns of the business community. To address these issues, we recommend the following amendments to the legislation:

- Cap the program at a maximum of 12 weeks paid leave
- Match the definition of a “family member” to the existing definition in the federal Family and Medical Leave Act
- Amend the legislation to avoid a one-size fits all mandate

Given the implications of this bill amidst the challenges that our businesses currently face, we respectfully urge you to OPPOSE House File 2 as it is currently written.

Sincerely,

**Rochester Area Chamber of Commerce**

**American Waterworks**

**Benike Construction**

**Bigelow Homes**

**Broadway Plaza**

**Carpet One of Rochester**

**Charlie’s Eatery & Pub**

**Custom Alarm**

**EPIC Endeavors Academy**

**Five West – Kitchen & Bar**

**Gauthier Industries**

**Great Planes Aviation**

**Hanny’s of Rochester**

**House Chevrolet Co.**

**Joe’s Auto & Tire**

**Meadow View Veterinary Clinic**

**Nuss Truck & Equipment**

**ONB Bank**

**Pace International**

**Paramark Real Estate Services**

**Powers Ventures**

**Renning’s Flowers**

**River Valley Power & Sport**

**Rochester Motor Cars**

**SMOAK BBQ**

**Sorellina’s Italian**

**Spa by Casey**

**Stewartville Animal Clinic**

**The Tap House**

**Titan Development & Investments**

**Victoria’s Ristorante & Wine Bar**

**Weller Brothers Landscaping**

**Wendland Utz**



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April 24, 2023

**TO:** Chair Olson and Members of the House Ways and Means Committee

**FROM:** Cathy McLeer, AARP State Director

**Re: HF0002** Paid Family and Medical Leave Act  
**HF0782** The Minnesota Secure Choice Program  
**HF2680** Prescription Drug Affordability Board & RX Price Gouging

On behalf of AARP's 620,000 members and all older Minnesotans, we are writing in strong support of several bills before your committee. These include **House File 2, the Paid Family Medical Leave Act, HF 782, the Minnesota Secure Choice Program, and provisions in Article 2 of HF2680**, the Omnibus Commerce Bill prohibiting price gouging of prescription drugs and the creation of the Prescription Drug Affordability Board.

Together these bills can work to provide much-needed support and financial security for family caregivers, address the retirement savings crisis for workers who lack access to a retirement plan on the job, and help lower the costs of prescription drugs for all Minnesotans.

### **PAID FAMILY MEDICAL LEAVE**

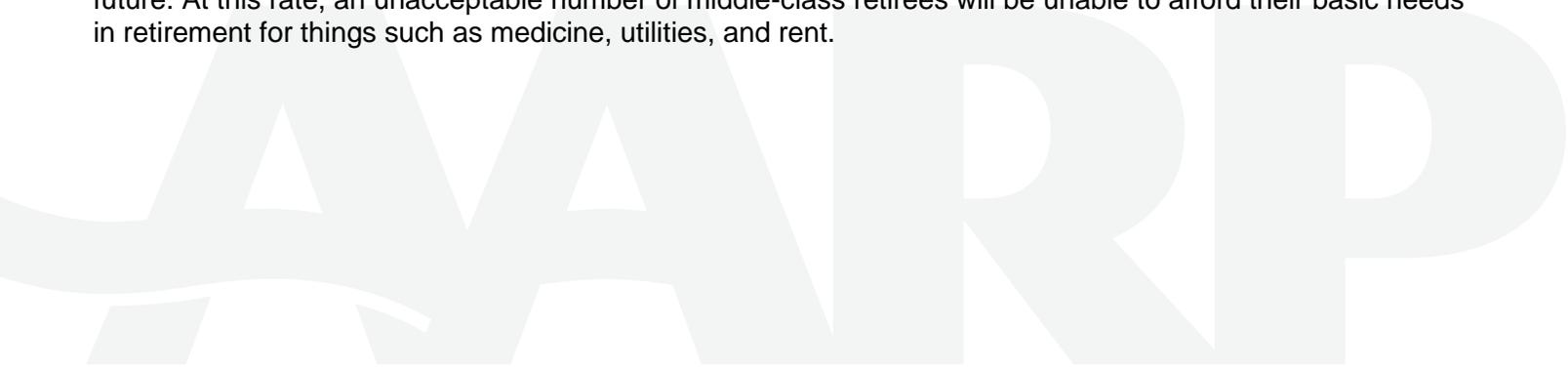
Paid leave benefits would help thousands of Minnesotans support their loved ones while also protecting their financial security. AARP has repeatedly called for state lawmakers to support working family caregivers and urge you to seize the opportunity to pass a paid leave program this year. Without the option to take paid leave, caregivers have to cut back on their work hours or drop out of the workforce entirely.

Minnesota's family caregivers are the backbone of our long-term care system and play an essential role in caring for their loved ones and delaying expensive nursing home care. A Paid Family Medical Leave Bill will:

- Allow older Minnesotans to age in the comfort of their homes and communities
- Retains women's participation in the workforce
- Reduces reliance on nursing homes which are often paid for by taxpayers
- Benefits businesses by reducing turnover, boosting productivity, and enhancing morale

### **SECURE CHOICE**

Minnesota faces a significant retirement savings gap, with far too many workers needing to save more for their future. At this rate, an unacceptable number of middle-class retirees will be unable to afford their basic needs in retirement for things such as medicine, utilities, and rent.



Yet, Minnesota can get ahead of the crisis by passing the secure choice program, which allows workers to set aside wages on the job through an easily accessible state-facilitated auto-IRA plan.

AARP survey data shows that small business owners want to offer retirement savings options, and employees want to save, but the problem is a need for more access. Rebuilding the promise of financial security in retirement must include modern, expanded options, which is what the Secure Choice plan aims to do.

### **PRESCRIPTION DRUG AFFORDABILITY BOARD**

AARP supports the provisions in HF 2680, which establish a **drug affordability review board and prohibits price gouging by drug manufacturers** (Art 2 Sec 23-39). The high drug costs hurt everyone, not only those who rely on prescription drugs for their health but all of us who are paying higher premiums and out-of-pocket costs, as well as the taxpayers who help fund our public programs. Americans have seen their prescription drug prices skyrocket. And they are sick and tired of paying the highest drug prices in the world for critically needed medication.

Under this bill, the Board can review drug prices that pose an affordability challenge and set upper payment limits that apply throughout the healthcare system to protect consumers, state and local governments, providers, and all stakeholders. Prohibiting price gouging will protect consumers from sudden and unreasonable spikes in generic drug prices.

Thank you for your support of these bills. If you have questions or wish to discuss this matter further, please contact AARP Advocacy's Director, Mary Jo George, at [mgeorge@aarp.org](mailto:mgeorge@aarp.org) or 651-271-6586.





April 24, 2023

Dear Members of the House Ways and Means Committee:

On behalf of the Eden Prairie Chamber of Commerce, thank you for the opportunity to share our continued opposition to HF 2 (Rep. Richardson), legislation seeking to impose a new unfunded paid leave mandate on Minnesota's employers. The Eden Prairie Chamber represents more than 325 area businesses in the southwest metro area that employ more than 35,000 area employees. Our membership represents all types of businesses from the sole proprietor to the Fortune 500's – with the majority of our members in the 1-25 employee range.

This is an important topic that warrants significant and sincere discussion by all stakeholders. Our members have reached out and shared their opposition to this bill – for some it is unnecessary and is asking employers to pay fees on top of the benefits they offer, others have shared their concerns for the increased cost, the amount of paid time off employees would be able to take and how they would manage workloads during that time. As you know, employers struggle to find employees now and to have an employee out for 12-24 weeks will place huge burdens on our small employers who will not be able to manage the workloads. In addition, many have shared that their employees have specialties or are trained for their specific work and that it would take weeks, and in some cases more than 12 weeks to even get someone certified to do the job for the employee that is out. Others question would anyone take a job while someone is out knowing that the employee will be coming back after their leave and will get that position back.

While we appreciate the ongoing work to improve the bill throughout the committee process, respectfully, this bill still is not supported by our organization as it is still too burdensome, and we would question the cost of the bill and program to run it once implemented.

Minnesota already imposes a higher cost of doing business than many other states. As it stands now, Minnesota ranks 45th – nearly the last - in business tax climate. So, we have less ability to raise taxes than many other states- even compared to the few states that have enacted paid leave programs already. We are highly critical of imposing a new payroll tax on every employer that will collectively cost Minnesota's business community nearly \$1.5 billion annually, based on a payroll tax rate that is subject to increase significantly, in order to create and finance a broad new state-run insurance program that takes over an existing insurance market and thwarts an emerging one.

In its current form, HF 2 would impede Minnesota's competitiveness and economic growth, we respectfully encourage a "no" vote on HF 2. We appreciate the opportunity to share our opposition with the committee.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Pat MulQueeney', is written over a horizontal line.

Pat MulQueeney, IOM  
President



**THE CHAMBER**  
FARGO MOORHEAD WEST FARGO

**FMWF Chamber Opposition to House File 2**

April 24<sup>th</sup>, 2023

Chair Olson, Vice Chair Edelson, and members of the Minnesota House Ways and Means Committee,

For the record, my name is Shannon Full and I have the pleasure of serving as President and CEO of the Fargo Moorhead West Fargo (FMWF) Chamber of Commerce. The Chamber's mission is to be a catalyst for economic growth and prosperity for businesses, members, and the greater community. On behalf of our over 1,900 members, I respectfully offer testimony in opposition to House File 2.

Minnesota businesses, both large and small, are fighting to keep their doors open. Whether they are trying to remain financially stable during record-setting inflation, attract employees in a national workforce shortage, or locate materials during supply scarcity, the last thing Minnesota businesses need is a mandatory one-size-fits-all Paid Family and Medical Leave program.

In a time of budget surpluses and workforce shortages, our state needs to be looking for creative solutions to becoming more competitive, not less. While other states look to cut taxes, this bill would raise taxes on every employee and employer across the state. While every state is looking to address the workforce crisis and incentivize individuals to join the workforce, this bill would leave employers with even fewer employees. While other states are looking to reduce burdensome regulations to spur economic growth, this bill would implement further regulations and increase costs to Minnesotans.

The mandatory paid leave and sick and safe leave bills are neither equitable nor sustainable, costing taxpayers billions of dollars and decreasing Minnesota's ability to attract and retain business. As you know, border communities, like our region, face a unique set of challenges given our proximity to North Dakota. If enacted, small and medium-sized businesses across the greater Moorhead area will ultimately be forced to close their doors or relocate to a state that is more business-friendly. These bills are bad for business and bad for Minnesota.

We recognize the priority which surrounds this bill but given its implications, the substantial challenges the business community is facing, and the draconian nature of this proposal, we respectfully urge this committee to oppose House File 2 to keep Minnesota open for business.

On behalf of our members and business throughout out Minnesota, I would like to thank this committee for considering this critical manner and for your dedication to the State of Minnesota.

Sincerely,

Shannon Full  
President/ CEO  
FMWF Chamber of Commerce  
[sfull@fmwfhchamber.com](mailto:sfull@fmwfhchamber.com)