



Written Testimony Supporting House File 1976
House Workforce, Labor, and Economic Development Committee

Chairperson and Committee Members, thank you for the opportunity to provide testimony supporting House File 1976, proposing to reform the Paid Family and Medical Leave program.

We are Refrigeration Heating, Inc., a 100% employee-owned company in North Dakota and Minnesota. To speak to our culture, we believe that to be successful, we must truly care about those we serve, including those we work beside. We demonstrate this level of care by offering a self-funded version of paid family and medical leave without state or federal requirements (**at 100% of the employee's pay**). So, we support paid family and medical leave programs even in small businesses.

Even so, as codified into law, Minnesota Statutes, Chapter 268B, is terrible for small businesses. It assumes money is the only barrier for small businesses considering a paid family and medical leave program. In reality, most small businesses, especially those in technical or specialized knowledge industries, cannot simply hire temporary help in a time of need. Below are a few barriers that Minnesota Statutes, Chapter 268B should have addressed:

- Availability of **qualified** temporary help. Most businesses struggle to recruit and retain the people they have. Touting a grant to help pay for temporary help is not a solution to this very real issue of qualified people shortages.
- Training capacity. Most small businesses run lean. They don't have training departments or a dedicated trainer to help ease the burden of training a temporary hire. A person already working full-time will likely be asked to take on the trainer role.
- Distance between locations and number of employees at a location. Even if a business has over 50 employees, is it practicable to share resources between locations for such an extended benefit length if they are more than 75 miles apart (taking guidance from FMLA)?

We support the House File 1976 primarily because it reduces the benefit length to six weeks for employees of employers with 50 employees or less. While still hard, this benefit length would be more manageable in small businesses. We must protect small business employees alike. Leave, while a benefit for a particular employee in a time of need, does come with a burden for those who must step up in their absence. A statute of this magnitude cannot be a one-size-fits-all solution except for a minor financial consideration for large and small businesses.

Sincerely,

A handwritten signature in black ink that reads 'Ashley Cossette'. The signature is written in a cursive style and is positioned above a horizontal line.

Ashley Cossette, CFO

March 11, 2025