



May 11, 2023

Chair Mann, Chair Richardson, and Members of the conference committee for HF 2,

On behalf of the League of Minnesota Cities, Association of Minnesota Counties, and Minnesota-Inter County Association, organizations collectively representing Minnesota's cities and counties, we write to members regarding HF 2, a bill to establish a statewide paid family and medical leave program.

As public employers, counties and cities are proud of our commitment to providing quality compensation and benefit packages that include an assortment of health, retirement, and ancillary benefits including education, sick and paid leave banks, professional training reimbursements, and more. As public employers, we also note that the mandatory new state program and employer premiums will provide a benefit that most collective bargaining agreements already seek to accommodate through generous leave balance carry-forward policies and other leave benefits.

Throughout this session, our organizations have called attention to how this bill impacts existing bargaining agreements and the framework that local governments currently operate under as it relates to paid leave. Our associations support the Senate position included on page R52 of the side-by-side, lines 45.16-45.25 to clarify that the cost of the premium is to be split 50-50 between employers and employees. Public employers will not have discretion over the new mandated state benefit, and the premium costs likewise should not be subject to collective bargaining. We also support the Senate language on page R38 lines 30.5-30.16 regarding intermittent leave. Strengthened coordination is necessary to ensure that essential public services are consistently staffed while guaranteeing any necessary leave for an employee based on their medical needs.

Our organization's primary concern of honoring existing collective bargaining agreements as it related to accrued leave, however, is currently not included in either bill. **Local governments have requested that the bill acknowledge the extensive benefits that many local governments already provide by authorizing employers to require a partial use of accrued leave before accessing the state's benefit.** Many local governments allow storage of sick time over 1,000 hours, which provides 25 weeks of leave. The current bill does not acknowledge the history and intent of collective bargaining or robust sick/leave/PTO banks already in existence and will cost significant taxpayer resources while providing duplicative benefits. The bill provides a new benefit that supersedes the collective bargaining process without any recognition of the existing agreements that represent years of collective negotiations over benefit structures. Several other states that offer paid family and medical leave programs (most notably Connecticut and Washington) either require some type of accrued leave use or exempt entities with active collective bargaining agreements. Minnesota cities and counties request similar and reasonable accommodations.

In lieu of requesting that employers that collectively bargain be exempted from this state program, as several other states with this benefit have done, our organizations ask that the legislature acknowledge these pre-negotiated benefits that already provide this benefit and will remain ongoing financial liabilities for taxpayer funded public employers.

We appreciate your consideration of this letter and hope to work with members of the conference committee throughout the discussion of this bill.

Sincerely,

Alex Hassel, League of Minnesota Cities
Matt Hilgart, Association of Minnesota Counties
Matt Massman, Minnesota Inter-County Association