



MINNESOTA GROCERS ASSOCIATION

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January 16, 2023

Chair Nelson, Ranking Minority Member McDonald, and Members of the House Labor and Industry Committee,

The Minnesota Grocers Association thanks you for the opportunity to express our concerns regarding HF19/SF34. While this proposal seems like a positive step, as an industry, we are concerned about the unintended consequences this proposal presents.

The Minnesota Grocers Association is the only state trade association representing the food industry of Minnesota from farm to fork. Minnesota has a unique culture of hundreds of hometown grocers and convenience stores, many of whom are independent, multi-generational, and locally owned. The MGA is their state trade association, with over 125 years of advancing industry. We have over 300 members with over 1,300 locations statewide, as well as food producers, manufacturers, brokers, and wholesaler members. Our industry provides over 150,000 jobs in the state – both union and non-union. The retail food industry is the backbone of Minnesota's prosperity, providing 1 out of every 20 jobs in our state.

As a highly regulated industry, it is critically important that we manage our operations to meet food code, best practices, and marketplace standards. We are highly committed to the well-being of our employees, and many of our members already provide sick time benefits. We work diligently to provide the flexibility to meet team member's needs, that flexibility is part of the appeal of our career opportunities. This is done without a government mandate, because it is our commitment to treat our team members with respect and dignity.

Many of our members do business within the cities of Minneapolis, St. Paul, Duluth, and Bloomington, which all have their own ordinances similar to HF19/SF34. This presents a concern as HF19/SF34 does not create a unified system, but continues the patchwork of regulations that makes operating under these mandates incredibly difficult. A statewide program which creates consistency is a missing component of this proposal.

Everyone remembers their first job, their first boss, and the pride of that first paycheck. Grocery and convenience stores provide many Minnesotans with those firsts. As an industry, we are incredibly proud to offer these important experiences that develop skills for a foundation of success. But, the language in this bill mandates these youth workers be afforded these benefits at a full rate. This creates many layers of complexity for staffing our businesses in an already incredibly difficult time to find labor solutions. As HF19/SF34 moves through the process we encourage lawmakers to address the different dynamics within the wide variety of workplaces.

Requiring all businesses to provide up to an accrued 80 hours of paid leave and retain this balance on their books following the separation from an employee adds unintended complexities. Tracking and maintaining records of thousands of part-time workers across the industry will significantly impact Minnesota's small businesses. This component of HF19/SF34 will add pressure on staff and operators as they attempt to keep products affordable and the shelves stocked.

On behalf of our membership, we thank you for the opportunity to voice our concerns. We ask that as this bill works through the process considerations are made for the variety of workers, workforces, and business sizes. We are here to be a resource and look forward to working to promote a strong economy that has positive outcomes for everyone.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jamie L. Pfuhl", with a large, stylized flourish at the end.

Jamie L. Pfuhl
President
Minnesota Grocers Association