

Workforce, Labor, and Economic Development Finance and Policy Committee Members –

Our company, Bank Forward, has three offices in the state of Minnesota. We are in full support of Bill HF 1976 that proposes the following reforms to the Paid Family and Medical Leave program:

- **Collective Bargaining:** Exempts from the paid leave program any employees covered by a collective bargaining agreement as of January 1, 2026, until a successor collective bargaining agreement both (1) becomes effective, and (2) specifically says that everyone covered by the agreement will be covered by paid leave. Requires these employees and employers to bargain over whether to participate in the state’s paid leave program at their next contract negotiation (summer 2027 for teachers, within three years for all other public employees, according to contract for private employees) and decide collectively whether to opt in or not and how that will affect any existing leave benefits.
- **Definition of Family Member:** Deletes leave benefits to care for “an individual who has a personal relationship with the applicant that creates an expectation and reliance that the applicant care for the individual” by narrowing the definition of “family member.”
- **Definition of Seasonal Employee:** Increases the length of time an employee can work while still remaining exempt from the paid leave program as a seasonal employee from 150 days to 180 days, by changing the definition of “seasonal employee.”
- **Private Program Administration:** Allows the commissioner of labor and industry to contract with a private company to fulfill specific duties assigned to the commissioner by the paid leave law, including:
  - processing benefit applications, determining eligibility for benefits, and calculating benefit amounts;
  - making payments to applicants;
  - handling elections of coverage from self-employed individuals and independent contractors; and
  - withholding tax and child support from benefits.
  - Leaves all other duties of the commissioner, such as rulemaking, handling appeals, approving private plans, collecting wage reports, setting premiums, enforcement, and grantmaking, with the department.

- **Modifies Benefit Amount Calculation:** Replaces the tiered calculation of weekly benefit amount with a straight 67% of an applicant's average weekly wage during the high quarter of the base period, subject to the maximum benefit limit (currently \$1,372 per week).
- **Reduces Benefit Length:** Reduces the maximum number of weeks benefits can be taken in a single year, for any reason, from 20 weeks (in certain circumstances) to:
  - for employees of employers with more than 50 employees, 12 weeks; and
  - for employees of employers with 50 employees or less, six weeks.
- **Reconfigures Small Employer Premium Rate:** Changes the threshold to qualify for the small employer premium rate reduction from 30 employees or fewer to 50 employees or fewer, so more employers will qualify for the 25% rate reduction. Requires qualifying employers to split that rate reduction evenly with their employees, to reflect the reduced leave benefits available to employees of small employers under this bill.

Thank you for your time and your consideration on reforming this program.



**Jennifer Luebke**

***HUMAN RESOURCES | VP | BANK FORWARD***

[jennifer.luebke@bankforward.com](mailto:jennifer.luebke@bankforward.com) | **D** 701.893.2764 | **C**  
701.306.9252

**P** 701.532.2265 | **F** 701.293.3338

5651 38<sup>th</sup> Ave S. | PO Box 7070 | Fargo, ND 58106-7070

[bankforward.com](http://bankforward.com)