

February 12, 2025

House Workforce, Labor, and Economic Development Finance and Policy Committee 75 Rev. Dr. Martin Luther King Jr. Blvd. St. Paul, MN 55155

RE: Chamber Support for House File 11, Paid Family Medical Leave Implementation Delayed by One Year

Chair Baker and Members of the House Workforce, Labor, and Economic Development Finance and Policy Committee,

Over the past biennium, the state legislature has enacted significant mandates impacting the business community. As we engaged with our members to shape our 2025 legislative agenda, one recurring concern emerged, the substantial challenges businesses anticipate due to the implementation of new mandates such as Paid Family Medical Leave (PFML).

For many businesses, especially small businesses, which make up 80% of our over 1,200 members, the effects of Paid Family Medical Leave mandate will be crippling. The current workforce environment is already strained, with talent attraction posing a significant challenge for employers. Under the law as it stands, businesses would face the difficulty of filling temporary positions in a labor market where such replacements are increasingly difficult to secure. In light of these challenges, it is imperative that PFML is delayed one year to provide businesses adequate time to prepare for program implementation

To better understand these challenges, the Rochester Area Chamber of Commerce partnered with the Paid Family and Medical Leave division of the Department of Employment and Economic Development to host an informational session. During this session, legal experts, HR professionals, and business leaders raised numerous concerns and unanswered questions regarding the law's implementation and practical application.

House File 11 proposes a one-year delay in the rollout of PFML to January 1, 2027. This additional time is critical to addressing outstanding concerns, refining program implementation, and ensuring businesses have the necessary resources and guidance to comply effectively. A well-planned rollout will benefit both employers and employees alike.

The delay proposed in House File 11 is a positive step toward modifying PFML to better accommodate Minnesota's diverse business community. The Rochester Area Chamber of Commerce urges you to support House File 11 to delay the implementation of PFML by one year and continue to evaluate opportunities to make the program a better fit for the business community.

Respectfully,

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Ryan Parsons, President Rochester Area Chamber of Commerce