



March 12, 2019

Members of the Judiciary Finance and Civil Law Division,

On behalf of our 833 member cities, we want to thank Rep. Halverson for the opportunity to continue to work with her on HF5, which would establish a statewide paid family and medical benefit insurance program. The League of Minnesota Cities has met with the author and testified in previous committee hearings on the legislation.

Due to limited committee time, the committee’s jurisdiction and in an effort to continue working on the bill, we have outlined some of our larger, remaining concerns below. We have provided suggestions for revisions that would make the law easier to administer for our member cities.

We would be more than happy to meet with members and staff to discuss and to offer further suggestions for language. If you have any questions, please contact League of Minnesota Cities Intergovernmental Relations Representative Ann Lindstrom at [alindstrom@lmc.org](mailto:alindstrom@lmc.org) or 651-281-1261.

Issue Description	Suggested Revision
<p><b><u>Opt-out provision</u></b> does not provide for a subgroup of city employees to opt out. Cities negotiate with multiple collective bargaining units and one unit may want to opt out while another may want to utilize the program and subsequently pay the full tax to do so.</p>	<p>Add language which allows a bargaining unit of employees to opt out of the program if their benefits meet the requirements of the bill.</p>
<p><b><u>Requirement to use employer-provided paid leave before applying to DEED.</u></b> An employee who uses the leave provided by this program could return to employment and immediately take additional paid leave or vacation, thereby extending beyond the 12 (or 24) weeks allowed by this proposal.</p>	<p>Add language which allows employers the option to require the use of all or most of an employee’s accrued paid leave before utilizing the state program.</p>
<p><b><u>Total paid leave should not exceed average weekly wage.</u></b> It is important that language be included to prohibit the ability to be paid more when utilizing state paid leave than an employee would earn when not on leave. This language appears to have been removed from the bill when the amendment was adopted.</p>	<p>Add back the language from the introduced version of the bill found on page 16, section 13, subd. 6 to prohibit an employee from earning more than their average weekly wage. Also, add language to clarify that employees are not able to take both paid family and medical leave and workers compensation leave at the same time.</p>

Issue Description	Suggested Revision
<p>The <b><u>penalty provisions</u></b> of this bill are severe considering the time and resources that will be required to implement the program and adjust current leave programs. Small cities have very few resources and will require time and support to effectively implement the program.</p>	<p>Amend penalty language to allow for reduced penalties during the first three years of implementation so that there is additional time to educate cities about the provisions of this bill and assist in implementation. Require attorney fees only when there is a willful violation of the law.</p>
<p><b><u>Job protections for probationary and seasonal employees.</u></b> The bill job provides protection language that may not make sense. For example, a seasonal worker who is hired for only six weeks would have job protection for twelve weeks.</p>	<p>Amend the bill to include language similar to the federal Family and Medical Leave Act which states that the law does not require an employer to return the employee to a job which has been eliminated for reasons other than the medical leave, such as a layoff.</p>
<p><b><u>Total of 24 weeks of paid leave.</u></b> The bill allows an employee to take both 12 weeks of medical leave and 12 weeks of paid parental leave in the same year. This may make it very difficult to provide essential city services by police and fire.</p>	<p>Amend the bill to allow an employer to deny leave in situations that create “undue hardship,” similar to the undue hardship standard in the American Disability Act when providing for “reasonable accommodations.”</p>
<p><b><u>Two week waiting period for notification from the DEED.</u></b> It will be very difficult for an employer to assist an employee needing to take leave and accommodate the leave if neither the employee nor employer know whether the application has been approved by DEED for two weeks after leave has been applied for.</p>	<p>Amend the bill to require DEED to respond within five working days to an application for paid leave.</p>