



April 28, 2020

Dear Members of the Minnesota Senate Committee on Commerce and Consumer Protection Finance and Policy:

The Minnesota Chamber of Commerce, which represents more than 6,300 businesses and half a million employees, urges you to support SF 4352 (Sen. Johnson, M.) – legislation allowing insurers to offer paid family leave insurance benefit policies for employers to purchase in Minnesota.

To start, our members share the goal of giving Minnesotans access to time needed to take care of themselves and loved ones. The question, then, is how we achieve that goal, in a way that enables a healthy Minnesota economy for all Minnesotans. It is through those lens that our members have considered the policy proposal set forth before you today and why we support this approach.

Over this past legislative session, our organization and many others have shared examples of how companies across the state provide innovative benefits to attract and retain employees while ensuring their particular businesses can perform, stay viable, or even grow. Our members, over time, have developed practices and benefits specifically tailored to account for economic and workforce issues in a way that works for their operations and, importantly, takes care of their employees.

This is especially important to emphasize that due to the pandemic crisis and economic impacts, a voluntary approach based on individual economic circumstances is the best approach. A state-dictated benefit – an approach that has also been contemplated this legislative session and will likely be discussed before this committee today - takes away this flexibility, and comes with paperwork and reporting compliance mechanisms that add-on additional costs, legal exposure, and challenges to their operations.

We want to reiterate to the committee that employers consider their workforce one of the most essential and valuable parts of operating their business. This is why they work so hard to provide benefits and flexibility to retain trained, skilled employees. If the state mandates expansive new benefits without regard for their relevance to the employer and its workforce, its industry, or market, costs will go up and other benefits will go down. The results are reduced staff and job opportunities, hours, or benefits – hurting workers and their families. Balancing employer and employee needs, program scope, and costs are really important in achieving that components of the conversation we're having today.

For some employers, offering a paid leave benefit has not been an affordable or accessible option. By supporting SF 4352, the legislature gives these employers another option to provide paid leave in an affordable manner with a policy that has been developed in the market, ultimately to how the employer



wants to tailor the policy to fit their workforce, and has the benefit of scale without imposing an unworkable “one size fits all” paid leave mandates on all employers in the state.

The Minnesota Chamber’s vision is for a future for business that improves the lives of all Minnesotans. For these reasons, we respectfully encourage a “yes” vote on SF 4352 and a “no” vote on attempts to amend the legislation to impose a new paid leave mandate on employers in Minnesota.

Thank you for your consideration.

Sincerely,

**Lauryn Schothorst**

Director, Workplace Management and Workforce Development Policy  
Minnesota Chamber of Commerce