

April 25, 2023

Senator John Marty 3235 Minnesota Senate Building St. Paul, MN 55155

RE: Opposition to Paid Family and Medical Leave Mandate - SF 2

Dear Senator Marty:

The Midwest Food Products Association (MWFPA) was founded in 1905 and represents the vegetable processing industry in Illinois, Minnesota, and Wisconsin. The Midwest produces and processes more fruits and vegetables than any other area in the country, as Wisconsin and Minnesota rank second and third (respectively) in producing the highest value of vegetables in the nation. Minnesota leads the nation in sweet corn and dark red kidney bean production and ranks second in peas.

MWFPA would like to express our opposition to Senate File 2 as presented to the Finance Committee for the reasons stated below.

Scope of Proposed Leave Benefit

As proposed in SF 2, the leave can be stacked to provide a total of 24 weeks. This state benefit may be in addition to existing unpaid federal Family and Medical Leave Act requirements; the local Sick and Safe Time ordinances already adopted in Bloomington, Duluth, Minneapolis, and St. Paul; and the up-to-80 hours paid sick and safe time mandate in HF 19, already approved by the House.

Tax Increase

We are opposed to the creation of a new 0.7% payroll tax to fund the paid leave program. The payroll tax has no cap, so if costs exceed collections, the state will raise the tax higher. Employers may "charge back" employees for up to 50% of the payroll tax under wage, contract, and proportion requirements.

Employee Reinstatement Rights

Many of the harvests of individual crops in our seasonal industry last weeks. It will be problematic to grant reinstatement rights to hold employees' positions open until their return from extended leave.

For these reasons, we ask you to oppose SF 2. Thank you for your consideration of these comments.

Sincerely

Jason Culotta

President, MWFPA