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March 13, 2025

House File 1976 (Baker)

Chair Baker and House Workforce, Labor, and Economic Development Committee Members -

The National Federation of Independent Business (NFIB) represents over 10,000 small and independently owned businesses across Minnesota. Our mission is to promote and protect the rights of our members to own, operate, and grow their businesses. Thank you for the opportunity to provide comments on House File 1976.

NFIB supports several of the provisions in House File 1976 and we believe that some of these amendments to the PFML program are crucial to balance the needs of employees with the operational realities of small businesses across our state.

First, we support the provision that modifies the number of weeks available for leave each year. Small businesses are already struggling with workforce shortages and finding qualified workers is becoming increasingly difficult. For small employers, the prospect of being without key employees for up to 20 weeks adds to these concerns.

We think that the tiered approach provided for in this bill recognizes this concern and provides a more balanced approach that accounts for the operational needs of small businesses. This change would also align Minnesota more closely with how other states with similar programs have approached the maximum length of leave.

Second, we appreciate the proposed changes to the definition of seasonal employee, which recognizes that there are seasonal employers outside of the hospitality context. Small businesses who hire seasonal employees need those employees to be available to perform their work and often cannot afford to be under-staffed during these crucial periods. This proposal provides much needed flexibility to small employers who are engaged in primarily seasonal work.

Finally, we support modifying the maximum weekly benefit to provide for a consistent maximum weekly benefit across the board. This aligns more closely with the level of income replacement provided by short-term disability insurance benefits, and we think that it provides additional incentive to encourage employees to return to work when they are able, and to avoid taking a longer length of leave than is necessary.

In conclusion, we appreciate the efforts to make this program more workable for small employers. I want to thank Chair Baker for looking closely at these issues, and we look forward to continuing to work with members of the committee to address this. Thank you again for the opportunity to share our comments.

Sincerely,

Jon Boesche

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National Federation of Independent Business

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