

2018 POLICIES

Labor-Management

PRESERVE PRIVATE-SECTOR FLEXIBILITY

Minnesota Chamber members provide employees with robust benefits to promote wellness, build high morale, and attract and retain the best talent in a competitive marketplace. In fact, Minnesota employers consistently receive national recognition for providing some of the best places to work. Nevertheless, policymakers in Minnesota continue to propose new mandates to control employers' relationships with their employees. These mandates disrupt existing benefits and interfere in the operations of the workplace. Employers must have the flexibility to provide benefits that are appropriate for their workplace. We support broadly sharing employers' best practices so all businesses in the state are aware of voluntary approaches to compete for and retain the best employees.

ENSURE CONSISTENT STATEWIDE LAWS

Minnesota has 853 cities and 87 counties. A patchwork of local laws is an administrative nightmare for employers and can lead to unintentional errors that could subject businesses to legal action. Local governments are right to control certain activities within their own borders, but enacting employee wage and benefit mandates on private employers is outside city authority and conflicts with state law. Accordingly, we support explicit statewide preemption of local government labor mandates.

OUR KEY PRIORITIES FOR THE 2018 SESSION INCLUDE:

- Preserve private-sector flexibility.
- Ensure consistent statewide laws.
- Pursue workers' compensation cost-savings.

PURSUE WORKERS' COMPENSATION COST-SAVINGS

Stakeholders should implement reforms to reduce the cost of the workers' compensation system, including adoption of a fee schedule for hospital outpatient and ambulatory surgical centers and reducing administrative costs arising from submission and payment of claims.

OPPOSE UNREASONABLE OCCUPATIONAL LICENSES

Reasonable regulation is essential to keep Minnesotans safe and healthy, but overregulation raises prices, thwarts competition, keeps people from earning a living, and harms our economy. For example, Minnesota's training and testing requirements for sprinkler fitters, barbers, and alarm-system installers are significantly more burdensome than in other states. We support reforms requiring the state to use the least restrictive regulation necessary—so that the law protects consumers while allowing new service providers to enter the market and grow local economies.

CONFORM PREVAILING WAGE TO FEDERAL LAW

Minnesota ideally would not have a prevailing wage law; the local labor market and competition are the best determinates of wage rates paid on state-funded construction projects. However, while Minnesota continues to have prevailing wage laws in place, we support two specific improvements so it conforms to federal law: (1) **Change the calculation:** Federal law defines the prevailing wage as the rate paid to the majority of those employed in a job classification. If there is not a majority paid at the same rate, then the average rate is used. State law should mimic this calculation. (2) **Change overtime trigger:** Current law requires payment of overtime for prevailing wage projects at more than eight hours a day of work or more than 40 hours per

week. Due to the nature of many prevailing wage jobs, it would be financially prudent to trigger overtime only at more than 40 hours per week. This allows four 10-hour days before requiring overtime pay, a common industry practice.

REMOVE AUTOMATIC INFLATOR FROM MINIMUM WAGE

Minnesota has the highest minimum wage rates in the Upper Midwest and one of highest in the United States. We support removing the automatic annual increase from the state's minimum wage law. No wage or tax should be on autopilot; rather, wage policy should require legislative debate and a vote. Furthermore, we oppose a city-by-city patchwork of minimum wages.

AMEND WHISTLEBLOWER LAW TO AVOID ABUSES

Historically, Minnesota employees seeking whistleblower protections had to “expose an illegality”—that is, bring wrongful conduct to light. A 2017 decision of the Minnesota Supreme Court, however, ruled that a 2013 amendment to Minnesota's whistleblower law had stripped away that requirement—even though advocates at the time said that was not their intent. To ensure that whistleblower law is not abused and continues to protect employees actually exposing illegal conduct, we support amending the law back to its long-settled status: that to enjoy whistleblower protections, an employee must expose an illegality. ■