



BASSFORD REMELE

The Work Week with Bassford Remele

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Welcome to another edition of *The Work Week with Bassford Remele*. Each Monday morning, we will publish and send a new article to your inbox to hopefully assist you in jumpstarting your work week.

Bassford Remele Employment Practice Group

Legislative Update

Winter isn't slowing down and neither is the Minnesota Legislature. During the current legislative session, Minnesota lawmakers are actively working on proposed bills, many of which will have a significant impact on employers. This legislative update will summarize the employment-related bills that Bassford Remele is closely following. (Note: the title of each act contains a hyperlink to the most recent draft of the legislation.)

The CROWN Act:

Governor Walz signed the CROWN Act into Law on January 31, 2023. The CROWN Act broadens the definition of "race" under the Minnesota Human Rights Act to include "hair texture and hair styles such as braids, locs and twists." As a result, Minnesotans are protected from discrimination based on race-based hair styles or hair textures. As this law is already in effect, employers should consider providing updated training on workplace discrimination to ensure hair texture and hair styles are included. Employers should also update their policies and handbooks to ensure that any personal-appearance/dress-code standards are facially neutral.

Paid Family and Medical Leave:

As mentioned in last week's edition of *The Work Week*, The Minnesota Paid Family and Medical Leave Act grants employees the ability to take up to twelve weeks of paid medical leave per year, and twelve weeks of paid family leave per year. Employees would be entitled to use paid family leave in a more expansive way than leave under the federal Family Medical Leave Act; paid leave will be provided to care for someone an employee has a close relationship with, even if that individual is not a relative. This expansive program would be made possible by a 0.7% payroll tax, 50% of which employers can pass on to employees. The bill is currently in committee with the House and has seen a number of revisions over the past two months. If passed, many employers will need to substantially overhaul their leave processes to comply with these new requirements and educate employees if they elect to pass the 0.35% of the payroll tax onto their employees.

Earned Sick and Safe Time:

The Minnesota Earned Sick and Safe Time program expands existing law related to paid time off for fultime and part-time employees. Under the proposed legislation, employees would accrue one hour of "sick and safe time" for every thirty hours worked, for a maximum of forty-eight hours per year. Employees could use this paid time off for physical and mental ailments that they, or someone they care for, are experiencing. This bill was passed by the House in February and awaits a vote by the Senate. Employers should review their current paid time off policies and ensure they understand the necessary changes if the bill becomes law.

Ban of Noncompete Agreements:

This bill significantly limits the applicability of noncompete agreements in Minnesota. Under this bill, covenants not to compete would be "void and unenforceable" unless entered into as part of a sale or dissolution of a business. Notably, the initial bill only applied to employees who earned below a certain income threshold. That limitation has been removed from the second version of the bill, which would now apply to all employees in Minnesota. The second version of the bill is currently before the Senate Finance Committee. If passed, the ban would apply only to non-compete agreements entered into after the date of enactment and not retroactively, unlike the nation-wide ban currently being considered by the Federal Trade Commission.

Prohibition Against Requiring Employees to Attend Political or Religious Events:

This act would prohibit employers from requiring employees to attend political or religious meetings or listen to political or religious speech. If an employer requires an employee to participate in these activities, the aggrieved employee may bring a civil claim against their employer. The House bill has been introduced, and the companion bill currently sits with the Senate Labor Committee. If passed, employers should pay close attention to whether any employer-sponsored activities contain religious or political content. If so, employees should be given an opportunity to opt-out and should not be penalized in any manner if they exercise that right.

Greater Wage Protection for Construction Workers:

This legislation would provide stronger wage-protection laws for construction workers and allow them to bring civil actions for unpaid wages and overtime. Additionally, it would grant the Minnesota Department of Labor and Industry the power to inspect employment records related to construction wages. The bill is currently pending with the House Ways and Means Committee and the Senate Finance Committee. If passed, construction employers will face greater consequences for wage theft, even if unintentional.

This has been a historically active legislative session for employment law. Our team will continue to monitor these developments to assist our clients in complying with new legislation.

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