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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

# Special Session Delivers Small but Notable Changes to Employment Laws <u>Beth L. LaCanne</u>

Although several high-profile proposals were introduced during Minnesota's 2025 regular legislative session—including efforts to postpone the start of the Minnesota Paid Leave Law and to reinstate certain noncompete agreements—none of these sweeping changes ultimately passed. Nor were any new employment laws passed. Instead, during a special session, the legislature passed a handful of more targeted amendments to existing employment laws—including the Minnesota Paid Leave Law and Earned Sick and Safe Time. The fairly quiet session provides a welcome opportunity for employers to focus on implementing and adapting to the significant changes from previous years, not the least of which is the launch of Minnesota's Paid Leave Law on January 1, 2026.

In a previous edition of the Work Week, we <u>discussed amendments to Minnesota's wage theft and</u> <u>whistleblower laws</u>. This week, we will cover the amendments that came out of the special session, and an amendment related to medical cannabis that has been in effect since March 1, 2025.

#### Amendments to Paid Leave and Earned Sick and Safe Time

During a special session, the legislature passed amendments to the Minnesota Paid Leave Law and Earned Sick and Safe Time ("ESST"). Governor Walz signed the bill on June 14, 2025, and the amendments became law. The amendments are effective January 1, 2026.

The only substantive change to the Paid Leave Law is a reduction in the maximum premium levied by DEED from 1.2% of taxable wages to 1.1%.

The amendments to ESST include,

- Allowing an employer to require notice regarding usage of ESST as "reasonably required by the employer." Currently, notice is "as soon as practicable."
- Allowing an employer to require documentation that supports the ESST usage is for an authorized purpose when ESST has been used for two or more consecutive scheduled workdays. Currently, the documentation requirement is permitted if ESST is used for three or more consecutive scheduled workdays.
- Clarifying that employees may voluntarily seek and trade shifts with a replacement worker to cover ESST hours used.
- Allowing employers to advance prorated ESST hours based on the employee's projected work hours for the remaining portion of the accrual year.

The amendments to ESST may necessitate updates to your employee policies and procedures.

### **Meal and Rest Breaks**

Effective January 1, 2026, for each four consecutive hours an employee works, they must be given a fifteen-minute break or enough time to use the nearest convenient restroom, whichever is longer. Also, effective January 1, 2026, the length of a shift an employee must work to receive a thirty-minute meal break reduces from eight or more hours to six or more consecutive hours.

Under the amended statutes, new remedy provisions were added. An employer who does not give required rest or meal breaks is liable to the employee for double the amount of the rest break or meal break time that should have been allowed, paid at the employee's regular rate.

### **Medical Cannabis Law Amendments**

The amendments to the medical cannabis law address protections for employees enrolled in a cannabis registry program or a Tribal medical cannabis program ("cannabis programs"). Employers are prohibited from discriminating against a person in employment decisions such as hiring, termination, or any term or condition of employment if the discrimination is based on the person's enrollment in a cannabis program. This includes taking adverse actions if the employee tests positive for cannabis components or metabolites, unless the employee used, possessed, sold, transported, or was impaired on the work premises during working hours or while using an employer's vehicle, equipment, or machinery. The only exception is where compliance would violate federal or state laws or regulations or result in an employer losing a monetary or licensing-related benefit under federal law or regulations.

In addition, at least fourteen days before taking adverse employment action premised on either the federal law or regulation, or the funding or licensing exceptions, an employer must notify the employee of the specific federal law or regulation on which the employer intends to rely for the adverse employment action. The employer is also prohibited from retaliating against employees who assert their rights related to their enrollment in a cannabis program. Employees may also seek injunctive relief related to potential or actual violations of the statutory protections related to their enrollment in a cannabis program. Finally, the penalty for violations increased to \$1,000.

Fortunately, the amendments to employment-related laws during the 2025 legislative session were relatively minor. Notwithstanding, the amendments, while modest in scope, carry important compliance considerations for employers across the state. Employers should review their policies and procedures to ensure continued alignment with current requirements, including preparing for the start of Minnesota Paid Leave Law on January 1, 2026.

At Bassford Remele, we monitor legislative activity to identify new laws or amendments to existing law that may impact employers, and advise on employers' policies and procedures to ensure compliance with state and federal laws.

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