



## MINNESOTA GROCERS ASSOCIATION

533 St. Clair Ave. ♦ St. Paul, MN 55102 ♦ TEL: 651-228-0973 ♦ 1-800-966-8352 ♦ FAX: 651-228-1949 ♦ [mga@mngrocers.com](mailto:mga@mngrocers.com)

May 26, 2016

Minneapolis Committee of the Whole  
350 S. 5<sup>th</sup> St., Room 307  
Minneapolis, MN 55415

Dear Council Members,

On behalf of the Minnesota Grocers Association, we would like to voice our strong concerns on the Minneapolis paid sick and safe time ordinance being debated by the City Council.

The MGA is a state trade association representing the food industry since 1897. We have over 200 retail members with nearly 1,100 stores statewide, as well as approximately 115 distributors and manufacturers. Our member companies employ over 125,000 union and non-union Minnesotans. The food industry is the backbone Minnesota's economy, providing one out of every twenty jobs in our state.

Our members are more than just a retail outlet, they offer outstanding careers for many Minnesotans. Additionally, we have unique employment opportunities such as young people looking for a first time job, seniors looking for some additional spending income in their retirement and developmentally challenged individuals looking for an opportunity. Our members value their employees, and know how important they are to their day-to-day success. We are a customer service industry, and the wellness, attitude, and relationships of our employees are key to our viability. Our industry prides itself in providing a flexible work environment, making each employee's needs a priority.

As the state trade association for the food industry, we are alarmed that the City of Minneapolis is considering adopting completely unprecedented local labor mandates on private employers. With 852 cities in Minnesota, this type of action drives an unmanageable patchwork of policy, expending resources to ensure compliance, hurting the much valued reinvestment in our communities. Currently, we follow labor regulations at the federal and state level. Adding a third layer at the local level will create a myriad of complications for both employees and employers.

The MGA has a number of concerns with the proposed ordinance. The ordinance does not take into account previously negotiated benefits through union collective bargaining agreements. Businesses located within the city would be at a direct and significant competitive disadvantage, hurting job creation and economic growth. Additionally, it creates a burdensome and confusing standard for businesses that have locations in neighboring cities that typically shift workforce from city to city.

It is imperative that Minneapolis reconsiders its agenda on mandating private employers with new labor regulations. At the end of the day, we are all Minnesotans and we all succeed together. These discussions need to occur at the state legislature and not at city council meetings across the state. As an industry invested in our communities, we support an agenda that empowers employers and employees with the flexibility to ensure fairness throughout Minnesota.

We appreciate the opportunity to again voice our opposition to these labor mandates, and look forward to being included in any future discussions. If we can provide any additional information, please do not hesitate to contact us.

Sincerely,

Jamie Pfuhl  
President

Minnesota Grocers Association



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MINNEAPOLIS, MINN  
2016 MAY 17 AM 8:40  
CITY CLERK  
DEPARTMENT

Minneapolis City Council  
c/o: Office of City Clerk  
City Hall, Room 304  
350 South 5<sup>th</sup> St.  
Minneapolis, MN 55415  
councilcomment@minneapolismn.gov

SENT VIA EMAIL & REGULAR MAIL

May 13, 2016

RE: **Paid Sick and Safe Time Draft Ordinance File Number 16-00390**

Minneapolis City Council:

Fraser is pleased to offer comments on the Draft Paid Sick and Safe time Ordinance as recommended by the Workplace Partnership Group (WPG). Fraser is a 501(c)(3) nonprofit mental health care and disability service provider. Fraser's offerings include early childhood services for those of all abilities, autism evaluations and services, mental health services, neuropsychology, case management, housing, in-home services, transition and employment services, and other resources for those with special needs.

Fraser's number 1 priority is client safety and believes it is important for employees to periodically take time off both for personal reasons as well as the public health concerns associated with illness and therefore offers a competitive paid time off (PTO) policy for all eligible employees. Fraser offers employees who work 30 hours a week or more, as well as part-time salaried employees, PTO to be used for any reason including closed business days, sick days, vacation, emergencies, and other personal reasons, and can bank up to 208 hours or more (depending on seniority). PTO is earned on a working basis at an accrual rate of 0.1 hours earned per hour worked.

### Services in Minneapolis

Within Minneapolis, Fraser provides autism evaluations and services, mental health services, pediatric therapy, and other day treatment at our Minneapolis Clinic. Fraser also provides contracted case management through Hennepin County with a number of case management clients residing in Minneapolis. As well, Fraser provides in home care to families who reside in Minneapolis. Lastly, certain administrative functions of Fraser are performed within Minneapolis.

### Concerns About Draft Ordinance



### Administrative Concerns

Fraser employs about 1,000 people across all divisions and operates 1 Fraser owned facility within Minneapolis, however, due to the nature of our services through contracted case management, in-home services, and other clinical work many employees work for a period of time within Minneapolis and also for periods of time outside of the city limits. Fraser has concern with the Draft language of section 40.270 (d), requiring an employer to track those hours of employees occasionally performing work within the city limits. Given the varied schedule of those employees who perform in-home work the requirement to track those hours worked within the City will create an exceptional administrative burden.

Further, Fraser would seek clarification of the posting requirement in section 40.250 (b) which requires posting the employee notice at any “job site where any employee works” specifically for those employees who work in client’s homes within Minneapolis. Also, Fraser would seek clarification on the ordinance’s application to those employees who virtual office, e.g. work remotely at their homes within Minneapolis.

### Funding Concerns

Many of the services Fraser provides are funded via federal and/or state reimbursement. Given our heavy reliance upon government reimbursement, the effect of a new administrative cost like paid sick time for those benefit ineligible employees would be an unfunded mandate. Fraser is unlike other businesses that have the ability to shift an input cost, such as paid sick time for every employee including part-time employees, on to the consumer. Any unfunded mandate, including a paid sick time requirement, would require a different section of the budget to be reduced in order to account for the added cost, which could have a multitude of unintended consequences including reduced staffing, a reduction in other staff benefits, potential service disruptions, among other consequences. If there were an earned sick time requirement Fraser would need to reassess the services we provide in order to ensure the impact on clients is minimal while determining how best to shift costs in order to account for this unfunded mandate.

### Equity Concerns

The Draft ordinance expressly exempts the County from the definition of employee. Fraser provides contracted case management for Hennepin County, if County employees were exempt from compliance with the earned sick time it would create an inequity between part-time County case management employees and part-time contracted case management employees like those at Fraser who perform work within Minneapolis. This inequity would create an unfair disincentive for part-time contracted case management employees to work at Fraser.

## **Recommendations**

### Section 40.40

Fraser recommends that the City Council take into account the nature of Fraser’s concerns, including our sources of funding when voting on the Draft sick and safe leave ordinance. Specifically Fraser recommends that the definition of “employee” in section 40.40 be amended to include a subsection “(e)” and “(f)” with the following language “(e) Non-profit health

services provider that derives a majority of its revenue stream from Medical Assistance reimbursements.” “(f) employees that work remotely within their residence in Minneapolis and their employer’s office is not located with Minneapolis.”

#### Section 40.270

Fraser recommends that section 40.270 subsection (d) be amended to include the following language. “An employer with employees who occasionally perform work in the city must reasonably track hours worked in the city by each employee performing work in the city if there is substantial reason to believe that the employee will work at least 80 hours a calendar year in the City of Minneapolis.”

#### Section 40.250

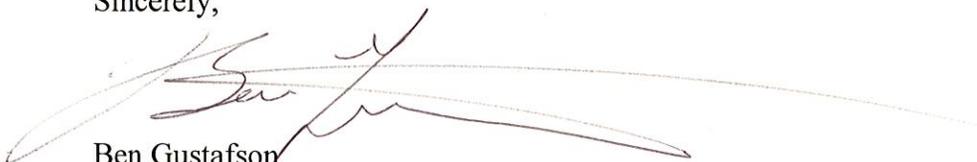
Fraser recommends that section 40.250 (b) be amended to include the following language. “Every employer shall post, in a conspicuous place at any workplace or job site where any employee works, excluding those job sites not owned or not under the control of the employer, the notices required by subsection (a).”

### **Conclusion**

Client safety and wellbeing are Fraser’s top priorities, and we recognize that earned sick time is a public health concern. We would never want to put our clients in risk of contracting an illness from a sick employee; we also recognize the need to take time off for personal reasons, ensuring our staff are mentally competent to perform their job to the best of their ability. Fraser offers a very competitive PTO policy to about 70% of our workforce, while the other 30% includes on call or part-time employees who more than likely have other PTO eligible jobs and have thus chosen to be in a flexible position, instead of working at Fraser in another PTO eligible position. Fraser is heavily reliant upon government funding and therefore any added administrative expense would in effect be an unfunded mandate that Fraser is unable to pass on to the consumer. We urge the City Council to consider the unintended consequences of requiring an entity such as Fraser to provide additional overhead costs in their decision on passing this ordinance, and to take into consideration Fraser’s recommendations.

Fraser appreciates the opportunity to comment on the Minneapolis Paid Sick and Safe Time draft ordinance and would be pleased to answer any questions about this submission the Council members may have.

Sincerely,



Ben Gustafson  
Compliance & Public Policy Liaison  
612-767-7568  
Ben.gustafson@fraser.org

**From:** [Hanson, Jackie A.](#)  
**To:** [Armstrong, Diana L](#)  
**Subject:** FW: Detailed Amendments to Safe & Sick -- We can do better, Minneapolis  
**Date:** Thursday, May 19, 2016 5:03:08 PM  
**Attachments:** [Mpls Safe Sick Amendments 5-19-16.docx](#)

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Fyi.

**From:** hhatchsurisook@gmail.com [mailto:hhatchsurisook@gmail.com] **On Behalf Of** Holly Hatch-Surisook  
**Sent:** Thursday, May 19, 2016 4:54 PM  
**To:** Gordon, Cam A.; Frey, Jacob; Johnson, Barbara A. - City Council; Hodges, Betsy A.; Yang, Blong; Warsame, Abdi; Goodman, Lisa R.; Glidden, Elizabeth A.; Cano, Alondra; Bender, Lisa; Quincy, John; Johnson, Andrew; Palmisano, Linea  
**Cc:** City Clerk - Council Information Division  
**Subject:** Detailed Amendments to Safe & Sick -- We can do better, Minneapolis

Please see the attached statement regarding the City's proposed Safe & Sick Ordinance.

Thank you for your time,

Holly & Joe Hatch-Surisook  
Sen Yai Sen Lek  
*cell: (651) 334-8071*

**From:** [Jasper](#)  
**To:** [Reich, Kevin A.](#)  
**Cc:** [info@minneapolischamber.org](mailto:info@minneapolischamber.org); [mattp@pobox.com](mailto:mattp@pobox.com); [Council Comment](#)  
**Subject:** Fw: Sick Pay  
**Date:** Wednesday, May 25, 2016 6:16:46 PM

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Hi Council Member,

I hope things are going well with you Kevin!

I just sent this to Linea as our business is in her ward, but I thought I should forward it to you as well, mostly because if our little business closes in Ward 13 it could easily lead to a foreclosed house in Ward 1....

Thanks for taking a moment!

[Jasper Rajendren](#)

cell/text - [612.207.6807](tel:612.207.6807)

[Sparrow Cafe](#)

[612.353.5177](tel:612.353.5177)

[www.sparrowcafe.com](http://www.sparrowcafe.com)

Sent with [Sparrow](#)

Forwarded message:

**From:** Jasper Rajendren <[cafesparrow@gmail.com](mailto:cafesparrow@gmail.com)>  
**To:** [linea.palmisano@minneapolismn.gov](mailto:linea.palmisano@minneapolismn.gov)  
**Cc:** She She <[sheila@sparrowcafe.com](mailto:sheila@sparrowcafe.com)>, Experience Southwest by SWBA <[info@experiencesouthwest.com](mailto:info@experiencesouthwest.com)>, Southwest Business Association <[SWBA@wildapricot.org](mailto:SWBA@wildapricot.org)>  
**Date:** Wednesday, May 25, 2016 at 2:53:08 PM  
**Subject:** Sick Pay

Hi Council Member,

Hope your day is going well!

I need to voice my concerns over the Sick Pay ordinance, and there are quite a few.

First and foremost, I fully understand and agree with the issue, but completely disagree in the mandate and how the policy would be implemented. For full disclosure I feel as a society as whole we need get away from this system of benefits being provided by employers, I am biased, granted, but I have felt that way for much longer than being a small business owner.

It's outrageous to me that I would be mandated to pay someone when they can not come in to work, not to mention that I would have to cover that shift personally most likely. As a business owner if I were to get sick, and low & behold I actually could get someone to cover for me, who would pay for my sick time? My business is set up as a Sole Proprietor LLC, I don't pay myself. I don't believe I'm the only person in that sort of boat. The requirement of paying someone when they aren't working for me is quite frustrating to me, not to mention very burdensome. I agree a healthy work force is a good thing, but thats not apples to apples, if someone is sick I bend over backward to make sure they have the time off they need to get better. To pay them on top of that?

Another issue, the accrual guidelines is laughable. This effects an employee that works 80 hours in a year? A little over 1.5 hours/week? If a person is working 1.5 hours a week anywhere, they are not dependent on that job. Then the ability to carry over 80 hours per year? At the current minimum wage for a small employer, (\$7.25) thats \$580. Multiplied to the minimum 7 employees; \$4060. That's a fair amount of payout to workers who aren't working those hours.

Not to mention the time off they would still accrue, as I read it 48 + 80, so in theory at least someone could have 128 of time off that I would have to pay for?! With that, I do pay my employees better than the minimum, but when that minimum gets up to \$15/hr + paying for time not worked = either gross inflation or small businesses going out of business. Something like this my competitors, Starbucks & Caribou can manage, so when Sparrow closes and Coffee & Tea LTD closes, and Starbucks moves in, how would that make you feel about your neighborhoods? Linden Hills would be a much different place without those sole proprietors taking a risk and opening up shop. To pile that on top of us with rising rent in a competitive market would drastically reduce what people love about the Minneapolis Neighborhoods, which is their independent hang outs.

Also there is all this talk about parents who have to work even if they are sick for that paycheck. I personally have never heard this. I have worked in restaurants for 19 years, yes I have heard people gripe about being sick, but when someone is actually sick requiring attention, just rest or medical attention, they will get the time off, I feel this is a non issue being pushed by a organized movement. What I don't understand is that it's an agenda not being pushed by the Democratic party, but the "Working Families Party." I firmly believe that people should know where this agenda is coming from. This issue is being pushed all around the country and I really think it's shameful for people to say that it's a real issue that everyday people are being affected by. Sure there are cases but it's not a majority of people.

Not unrelated to the parents working, what about 16 year olds? I do employ High School kids, and for most it is their first job. I feel it's better for the community and it helps them build responsible work ethics not to mention be a part of building their neighborhoods. Here's the but, they aren't being forced to work to put food on the table. They don't have to make the choice of leaving a sick child at home or call in sick. Under this proposal they are an employee who'll get this benefit none the less and I will bear the burden. That's the problem with this proposal - trying to make this one-size fits all just doesn't make sense. Why should we be paying 16 year olds to have a sick day? We are already paying someone else to work that shift, or working it ourselves, and now we'll have to double that by paying for their time off?

Being that I've worked in hospitality for awhile, the first time I heard of this proposal, my first thought was; well that'll get abused. Not to say that people shouldn't have their personal time, they should, but servers are crafty people. In general if there's money on the table, they'll take it. So regardless if someone is sick or not suddenly 5 of my 7 employees need to use their sick time December 22 - December 27th. So I get the great fortune of working 5 straight days, and I get to pay my staff for the privilege.

I noticed that the Council and the Mayor have said something to the effect that they haven't heard much from business. Firstly, it's not popular to be against providing benefits - that's pretty straight forward. Second though, I truly think this is skewed way too much toward big business, us small business types barely have the time, those of us who do follow politics and like this discourse still have no time for this. To make an assumption, the larger business can more readily absorb any cost this will produce plus have the work force needed to cover the time off, thus they probably wouldn't mind so much if it's a lot harder on their smaller competitors.

I would like to see alternatives, like I said I'm not against this in theory.

What happened to the 10 employee requirement? Having 6 employees is an extremely small business, like ours, and It disproportionately burdens smaller (Mom & Pop) businesses. Something like a tax? Employees AND Employers pay into, then can be over seen by the City? Wrap that into a City wide benefits program, retirement programs, medical CARE (not just the allusion of it), and Paid Time Off?

Or at least some sort of relief for the small businesses that would have to implement such a program?

I just thought of those, I'm sure there could be a better way to achieve these goals rather than forcing one group of people to pay another group.

Thanks for listening!

[Jasper Rajendren](#)

cell/text - [612.207.6807](tel:612.207.6807)

[Sparrow Cafe](#)

[612.353.5177](tel:612.353.5177)

[www.sparrowcafe.com](http://www.sparrowcafe.com)

Sent with [Sparrow](#)

**From:** [Nelson, Kate R.](mailto:Nelson, Kate R.)  
**To:** [Council Comment](#)  
**Subject:** FW: Sick Time Ordinance  
**Date:** Thursday, May 19, 2016 1:44:17 PM

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**From:** Jason Krause [<mailto:jason@minnehahalakews.com>]  
**Sent:** Tuesday, May 17, 2016 3:22 PM  
**To:** Johnson, Andrew  
**Subject:** Sick Time Ordinance

Hello Andrew,

We wanted to share some of our concerns with you regarding the Sick Time Ordinance the council will be voting on tomorrow afternoon.

First and foremost, it's always concerning when something as significant as this is being considered without much input from the businesses that will be affected. We are certainly one of those small businesses. We employ between 9-12 people depending on the time of year. Our core staff is made up of 6 people who have been with us for at least 2 years, some of them as long as 15 years. We think that longevity is pretty impressive for a retailer and it's particularly impressive in the world of retail liquor in which turnover can be quite high. We take great pride in that fact because we see it as a direct correlation to how we care about and respect our people, and treat them with appreciation and fairness. (I should also mention that the additional part-time seasonal employees are often people who have worked for us in the past, moved onto other jobs, and come back to us when they want to pickup additional hours.) We've managed to run our business this way without having any specific guidelines in place, any mandate that says "You must do x, y, and z," and clearly it has worked for everyone involved. Now, I understand that perhaps not every small business is operated this way, but I think the good ones are. I think it's exactly the kind of thing that makes a business successful. It's pretty hard to run a successful business, in particular a small business, with disgruntled employees who feel they are being treated unfairly.

That being said, it does not mean we are against having something in place that protects workers. Similarly, we are not against increasing the minimum wage. We believe a rising tide lifts all boats. But it is vitally important to all small businesses and the City of Minneapolis that everyone take great care in determining what measures should be taken and how they should be implemented. The City passing mandates for its employers without first meaningfully engaging them in the process is not the proper approach. Rather, the City should first engage businesses to find out what concerns exist and how those business concerns can be addressed while also addressing workers' concerns about sick time. Here are some, but not all, of our concerns...

- It's our understanding this ordinance covers any business employing 6 or more persons even though other legislation has defined a small business as any business that employs 25 or more persons. This distinction is significant for a number of reasons. Truly small businesses are not nearly as organized as one might imagine and many don't have the resources and HR staff in place to deal with these mandates. In addition, between these mandates and a potential increase to the minimum wage, you could see businesses start cutting jobs because of increased costs and also as a way to avoid falling under the mandate. The natural retort to

that would be that no matter where the line is drawn, what the number of employees is that defines a small business, you could always have businesses cutting workers in order to avoid falling under the mandate. But the number of truly small businesses is much greater in urban areas. So, it's our fear that by defining a small business under the mandate as any business employing 6 or more persons, it could actually result in jobs being eliminated (especially when coupled with a potential wage increase). Therefore, we think any ordinance should be consistent with other similar legislation and provide an exemption for employers that have less than 24 employees.

- Generally, measures that are specific to Minneapolis and do not involve neighboring cities will have a highly detrimental impact on Minneapolis workers and businesses. New businesses will opt to open in other cities, which will significantly impact the number of new jobs available to Minneapolis residents. The increased costs for businesses could send businesses that lease their space to neighboring cities. In addition, the increased costs could be passed down to their customers, which could also send those customers to businesses in neighboring cities, thus threatening the strength of existing businesses in Minneapolis and further threatening jobs for Minneapolis residents.

- Finally, Minneapolis has a relatively low unemployment rate, but placing mandates on small businesses that significantly impact costs will result in hours being cut and jobs being eliminated. We normally err on the side of being overstaffed rather than being understaffed. We do this out of consideration to our employees as well as our customers. Even during trying times, such as now when we are going through road construction on Minnehaha Avenue, we still make sure we're "staffed up." We know our employees count on us for their livelihood so we still do our best to provide them with the hours they have come to expect. But mandates such as the ones being considered (especially if they are coupled with a significant increase in the minimum wage) will leave us and businesses like us with few options but to run "slimmer," meaning less overhead. And, in this day and age, one of the only significant ways to cut overhead is to cut labor especially if labor costs grow exponentially.

I apologize if this email has been rambling, but since we can't attend tomorrow's hearing it's very important to us that our concerns are fully expressed. I appreciate your time and hope to see you in the neighborhood soon.

Sincerely,

Jason Krause

**Minnehaha Lake Wine & Spirits**

2613 E. Lake St.

Minneapolis, MN 55406

Phone: 612.729.9371

[www.minnehahalakews.com](http://www.minnehahalakews.com)

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**From:** [Maurice Franklin](#)  
**To:** [Council Comment](#)  
**Subject:** Testimony  
**Date:** Wednesday, May 18, 2016 4:15:12 PM  
**Attachments:** [Screenshot\\_2016-05-18-15-27-23.png](#)

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Hello my name is Maurice. Im currently a canvass Member for noc I'm here to speak on why i feel the bill should be passed for safe in sick time not only in Minnesota. But universally . in 2015 i worked for swanson meats i fell off the dock due to frivolous. Employee. i was hurt to the Point i couldn't work. my boss was actually The person who assisted me he told me go to the hospital and come back on mon. It was a friday. Long Story Short, when i returned monday. I was no longer a member of swanson. I know that. Safe in sick time. would help the community Tremendously. (How many of you who hear my voice today!, has lost jobs or had to take off because of being hurt,caring For a family member. Or being Sick yourself)? thankyou

3:26 PM

**From:** [Arthur Morrissey](#)  
**To:** [Council Comment](#)  
**Subject:** Minneapolis Sick and Safe Leave  
**Date:** Tuesday, May 24, 2016 10:25:35 AM

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Good morning Minneapolis City Council Members,

Please accept my appreciation for your commitment and service to the city of Minneapolis. Although my company does not operate any hospitality venues in Minneapolis at this time, Morrissey Hospitality Companies has operated venues in the city and hope to in the near future as well.

I am writing in opposition to the Minneapolis Sick and Safe Leave mandate but in support of the goals of not having employees work sick or lose work hours. I support the "Full Disclosure Option" and encourage Council Members to look at two of the popular online scheduling platforms, which give employees more control over their schedules and their lives.

Thank you for your time.

Sincerely,

Arthur

Arthur Morrissey  
Corporate Director of Marketing  
Morrissey Hospitality Companies, Inc.  
2000 Landmark Towers  
345 St. Peter Street  
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[www.morrisseyhospitality.com](http://www.morrisseyhospitality.com)

**MHC**  
**MORRISSEY**  
**HOSPITALITY COMPANIES INC.**

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**Safe & Sick Proposed Ordinance  
Proposed Amendments – Holly & Joe Hatch-Surisook  
May 19, 2015**

We are in favor of citizens and employees having access to the supports they need to live healthy lives, including paid sick & safe time. However, we are not supporters of the Safe & Sick Ordinance – not as it is currently written. While some would argue that those who support an idea in principle should “stay out of the weeds”, not dig into too many details, we believe it is in the details that the true impact of a broad-reaching public policy is illuminated.

The Safe & Sick Ordinance is intended to support workers and address racial, ethnic and economic inequities in our City, but the way it is written falls short. Inequities would be exacerbated in the full service restaurant industry. And some Minneapolis workers would not be covered by the ordinance for arbitrary reasons (e.g., because they work for a very small employer).

The City would like to provide a public good to its working citizenry by asking the private employment sector to finance that benefit. Because employers are financing this new rule, the City has an obligation to ensure that it balances the needs of employees with the needs of employers, in particular those of small businesses, who are rarely cited as the bad actors by worker advocacy groups.

For these reasons, there are several issues in the policy with which we take exception:

**1. The Safe & Sick Policy provides up to a 37.5% greater benefit to part-time than to full-time employees.**

All employees would be eligible to earn up to 48 hours of paid sick time per year. For an employee working 40 hours per week, 48 hours represents 1.2 weeks of paid leave. An employee working 28.8 hours a week could also accrue 48 hours per year (at 1 hour per 30 hours worked), representing 1.65 weeks of paid leave.

**Restaurant Industry Consequence.** This policy would require restaurant employers to allocate their limited wage dollars from slim margins disproportionately to part-time staff.

In the restaurant industry, kitchen staff are typically full time employees, and service staff are more often part-time. Kitchen staff are more often ethnic, cultural and linguistic minorities. They more often have educational, skills-based or immigrant status challenges to seeking higher wage jobs. Yet, given the current structure of the Safe & Sick policy, restaurants will be required to

distribute proportionately less of their wage resources to these staff. (Less than to part-time tipped staff, who are typically higher wage earners.)

**Counter Argument.** Others may argue that servers won't use the time allotted them but will trade shifts instead, making this concern moot. While it is true that servers may trade shifts rather than take the employer-paid sick hours, that supposition does not justify setting into law a flawed policy. Nor does it negate the business' responsibility to ensure financial capacity to pay for those sick hours, should any eligible employee opt to access them.

**Proposed Amendment.** The ordinance should be written to index the maximum number of accruable hours to the hours worked in an employees' average work week.

**2. The Safe & Sick proposal's purported intent is to support employee well-being and public health. The exemptions of the ordinance will cause it to fall short.**

First, if the city is serious about its intent to support all workers in our city, then organizations with fewer than 6 employees, and employees who hold casual status but work the requisite number of hours annually to earn sick time, should not be exempt. We can imagine very small organizations where the profit margins and capacity to pay sick leave are large, and very large organizations where the opposite is true. Exempting an employer based upon the number of employees is illogical.

**Proposed Amendment.** Include employers of any size in the requirement, covering all employees in the city. Include casual employees, some of whom work as much as regular part- or full-time employees.

Secondly, if the intent of the ordinance is to ensure that employees have access to sick time *when they are sick*, the provision allowing for "payout" to the employee should be removed. Employees should not be able to cash out their sick days, leaving them without the safety net (for the employee and for the public) that the ordinance claims to intend.

**Proposed Amendment.** Remove the option for employees to request payout of sick time as it is accrued. Employees and employers should retain the accrued hours for use when the employee is in need of paid time off for illness or other eligible reason.

[NOTE: We may have misunderstood the ordinance presenter at the Public Hearing May 18<sup>th</sup>. If so and there is no payout option, please disregard the point above. We attempted to read the ordinance to clarify, but were unsuccessful.]

3. **The Safe & Sick proposal does not take into consideration the challenges faced by Minneapolis citizens who start and run small, community-boosting businesses.**

First, Minneapolis citizens who start small businesses in their communities both make an investment and take significant personal risk. We started our business as a single-income family with two small children. Our business loan had to be collateralized dollar for dollar, which meant a second mortgage on our home. One of us continued a second full time job to ensure household income while we worked full time (plus!) in our start-up business without pay. Restaurants, like many store front businesses, have to expend large sums of money up front, before the first sale, to get the doors open.

**Proposed Amendment.** In recognition of the challenges small, independent start-up businesses face, they should be exempted from the ordinance for the first one to two years of operation.

Second, hiring a new employee requires financial and training investment on the part of the employer. New employees are not in a position to make meaningful operational contributions until they have completed adequate training. While training time varies depending upon the position, industry and past experience of the new hire, 90 days is a widely accepted probationary period.

**Proposed Amendment.** To acknowledge that any new employment relationship requires investment on the part of **both** the employee and the employer, new employees should be required to invest 90 days with a new employer before they begin earning Safe & Sick time.

Finally, 48 hours of paid sick time is a generous benefit to ask of employers. The counter argument we've heard publicly is that employees will not use all of their accrued sick time. There is evidence that some workers do not use accrued sick time. However, the likelihood of use varies across demographic characteristics. We would argue that employees **should** use their paid time off, particularly employees who work in physically demanding positions, for their own well-being.

The argument that employees are unlikely to use the hours does not remove the employers' financial liability for those potential hours. Asking organizations to assume employees won't use the time is encouraging them to engage in risky and irresponsible fiscal practices. Instead, the ordinance should be written to support stable and sustainable businesses that can be counted upon by the community, their customers and their employees for the long term.

**Proposed Amendment.** The maximum number of accruable hours should be reduced to a maximum of 32 hours per year. To reiterate from above, this maximum should be indexed to the employee's typical work week so that full and part time employees are offered an equitable (not simply equal) benefit.

We believe the 80 hour maximum carry forward should be retained. This will reward long-term employees within an organization and enable employees to accrue a safety net to be used in the event of a significant illness.

**4. Lack of meaningful enforcement means that the ordinance is a rule for those who are rule-followers.**

Public health and worker well-being will not be fully addressed unless there is a more robust compliance process. The City is able to secure high levels of compliance in many areas of its operations, for example, in liquor license granting and renewal. We believe the City has the operational expertise to implement a better compliance system. A complaint-based compliance system allows bad actors to benefit (from their lack of compliance and resulting lower business costs) and gives them a competitive advantage in the marketplace. It also leaves workers without the benefit intended by this ordinance.

We hope that the Council will address the concerns of those who agree with the intent of the ordinance, but not its details. We can work together for a better employment landscape in Minneapolis.

Our statements above address the ordinance as written. If we truly seek meaningful change, the City should ensure full community participation in our quest for equity and justice in Minneapolis. A publicly administered Safe & Sick leave system into which all property owners, citizens, workers, businesses and visitors contribute, would be much more fair – and require all of us to participate in the betterment of our community. “Let us do the good hard and necessary work, together, to transform Minneapolis into One Minneapolis. We have everything and we are everyone that we need. That is our profound truth” – Mayor Betsy Hodges

We respectfully ask that we call upon **all of Minneapolis**, not just employers, to participate in realizing our profound truth.

Anything worth doing, is worth doing right.  
- Hunter S. Thompson

**From:** [Lance Hegland](#)  
**To:** [Council Comment](#)  
**Subject:** Mpls Sick/Safe Leave Policy -- Impact on Older Adults, People with Disabilities, Support Workers, and Families?  
**Date:** Tuesday, May 31, 2016 3:48:45 AM  
**Attachments:** [Mpls-Sick-Safety-Leave-Policy-Impact-Discussion-Request-Aging-Disability-Supports-2016-05-31-0144-LHH.pdf](#)  
**Importance:** High

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Please distribute to all Minneapolis City Council Members. Thank you.

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Greetings, Minneapolis City Council Members.

Attached is a PDF document containing a message I recently sent to Mayor Hodges and City Council Member Frey to outline my concerns and request discussion regarding the **new Minneapolis Sick and Safe Leave Policy**. My concerns relate to **unintended consequences for older adults, people with disabilities, support workers, and families**.

If you share similar concerns, I would **appreciate you reaching out to Mayor Hodges and City Council Member Frey to encourage discussion of these matters in the near future**.

Thank you for helping to ensure greater equity among older adults, people with disabilities, support workers, and families.

Sincerely,

**Lance Hegland**

*Minneapolis Ward 3 Resident with Disabilities Using In-Home Support Services*

*MBA Focusing on Long-Term Supports, Healthcare, and Nonprofit Leadership*

E-mail: [lance.hegland@gmail.com](mailto:lance.hegland@gmail.com)

Mobile: 763-218-1433

[LinkedIn](#) • [Facebook](#)

**TO:** Mayor Betsy Hodges, City Council Member Jacob Frey

**DATE:** Tuesday, May 31, 2016

**SUBJECT:** Discussion Request: Harmonizing Minneapolis Paid Sick and Safe Leave Policy with Support Policies for Older Adults and People with Disabilities

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Thank you for your efforts to support the [Minneapolis Municipal Sick and Safe Leave Policy](#). As an 11-year Minneapolis resident, it's an honor and blessing to live in a community improving equality to life, liberty, and the pursuit of happiness among all citizens.

**HARMONIZING LOCAL, STATE, AND NATIONAL POLICIES**

**FOR OLDER ADULTS, PEOPLE WITH DISABILITIES, SUPPORT WORKERS, AND FAMILIES**

While I fully support sick and safe leave as important economic and health policies for a thriving and just society, I'm wondering how we might proactively harmonize these new municipal policies with existing national and state policies that support basic health and safety for older adults and people with disabilities? These policies are interdependent and can strengthen each other, if we approach the topic as a unified community of stakeholders committed to equality throughout our entire community for all citizens.

**PROACTIVELY COLLABORATING VERSUS SEPARATELY REACTING TO UNINTENDED CONSEQUENCES**

Without proactive stakeholder collaboration over the next year, I fear older adults, people with disabilities, support workers, and families may experience conflict while attempting to assert individual rights to basic health and safety. However, proactive stakeholder collaboration can minimize the likelihood of such unintended consequences. We have an opportunity to develop strategies and tools whereby stakeholders can work together to ensure everyone is able to collaboratively contribute to satisfying each other's health and safety — experiencing symbiosis instead of conflict.

**CURRENT SICK/SAFE POLICY PROVIDES MUCH NEEDED HELP FOR SUPPORT WORKERS AND FAMILIES**

It's particularly important to establish congruence among these policies since the vast majority of support workers assisting older adults and people with disabilities experience a wide variety of significant socioeconomic challenges for which this new policy was intended.

**CURRENT SICK/SAFE POLICY RISKS HEALTH/SAFETY**

**FOR OLDER ADULTS, PEOPLE WITH DISABILITIES, AND FAMILIES**

Ensuring synergy between local, statewide, and national long-term supports policies is especially critical because many older adults and people with disabilities receive support services in smaller individualized settings with limited staff and few backup alternatives. Therefore, support recipients may experience immediate risk to health and safety if workers exercise their right to sick and safe leave with relatively short notice and without a replacement. Moreover, given our national and state movements toward long-term support services managed by older adults, people with disabilities, and families that are using the services instead of managed by corporate agencies (i.e. self-direction), the recipients of services may not have an existing safety net that is adequate to adapt to this policy change. Finally, our existing support worker shortage will be aggravated by this new policy because many recipients rely on public programs or long-term care insurance wherein statewide reimbursement rates are established

by 3<sup>rd</sup> parties (e.g. Minnesota legislature, managed care organizations, long-term care insurers). Meaning, wages for support workers in Minneapolis must be reduced to cover expenses related to additional sick and safe leave . Workers' available wages are already insufficient to adequately compete in our aggressive entry-level labor market; these wages are far from living wages. Many Minneapolis support workers will experience economic harm. Meaning, the Minneapolis support worker shortage will intensify. As a result, older adults and people with disabilities will experience even greater challenges to meet basic health and safety needs. Given our growing shortage of support workers and growing population relying on direct support — the expanding gap between labor available and support needed – this is an important and urgent matter to address.

#### **A VITAL QUESTION FOR STAKEHOLDER CONSIDERATION**

A significant question that deserves our leadership, time, energy, and other supporting resources to address over the next year is as follows: how might we ensure equity among support recipients ***and*** workers? How might we make certain older adults, people with disabilities, support workers, and families are ***all*** able to maximize equality with respect to health, safety, and participation in activities related to education, employment, family, friends, and community?

#### **IMPORTANT AND URGENT QUESTIONS TO SPARK EXPLORATION**

How might we initiate these important discussions? Who are the key decision-makers, policy experts, and other stakeholder representatives that should contribute to these critical conversations? Who should take the leadership role to convene these stakeholders? Who might provide financial or in-kind resources to secure sufficient facilitation, space, technology, materials, and other helpful elements?

I would appreciate the opportunity to briefly talk with you about these initial questions to kickoff this exploration.

Thank you for your leadership on this and other important issues facing older adults, people with disabilities, support workers, and our families in Minneapolis and beyond.

Sincerely,



Lance Hegland

*Minneapolis Ward 3 Resident with Disabilities Using In-Home Support Services  
MBA Focusing on Long-Term Supports, Healthcare, and Nonprofit Leadership*

EMAIL: [lance.hegland@gmail.com](mailto:lance.hegland@gmail.com)

MOBILE: 763-218-1433

[LinkedIn](#) • [Facebook](#)

**From:** [Ben Gustafson](#)  
**To:** [Council Comment](#)  
**Subject:** Paid Sick and Safe Time Draft Ordinance File 16-00390 Public Comments  
**Date:** Friday, May 13, 2016 10:09:44 AM  
**Attachments:** [Fraser Sick and Safe Time Comments.pdf](#)

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Please find attached to this email Fraser's public comments regarding the Paid Sick and Safe Time Draft ordinance, File 16-00390. I have also sent a hard copy of these comments via regular mail. If you have any questions please contact me.

Thank you,

**Ben Gustafson, J.D.**

Fraser  
2400 West 64<sup>th</sup> St  
Minneapolis, MN 55423

P: 612-767-7568

F: 612-861-6050

E: [ben.gustafson@fraser.org](mailto:ben.gustafson@fraser.org)

Public Comment from Wayne Frederickson

807 Broadway St NE, #130

Mayor and City Council Members,

RE: The proposed sick and leave ordinance, you need to take a realistic look at this and realize that every business owner is not wealthy. You are going to drive small businesses away from the City.

**From:** [Ray Ellis](#)  
**To:** [Council Comment](#)  
**Subject:** SICK LEAVE PROPOSAL  
**Date:** Thursday, May 26, 2016 1:23:21 PM

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WHILE THIS MAY BE AN WORTHWHILE CONCEPT, IT MAY NOT BE A WISE ECONOMIC DECISION. THE CITY OF MINNEAPOLIS SHOULD UNDERSTAND IT CAN NOT OPERATE IN A VACUUM OR ACT AS IF IT IS ON AN

ISLAND. I OWN INDUSTRIAL PROPERTY AND LEASE SPACE TO BUSINESS TENNANTS. THE PROPERTY IS LOCATED IN NE MPLS. AND IS ONLY ONE-THIRD OF A MILE FROM COLUMBIA HEIGHTS, ONE MILE FROM FRIDLEY AND ABOUT THREE MILES FROM NEW BRIGHTON. BUSINESS OWNERS ARE NOT IGNORANT OF THE MARKET PLACE AND IT IS NOT DIFFICULT FOR THEM TO RELOCATE TO A COMMUNITY WHERE THEY CAN REDUCE OPERATING EXPENSES. IF THIS WAS A STATEWIDE OR FEDERAL ORDINANCE IT WOULD LEVEL THE PLAYING FIELD. BUT FOR THE CITY OF MINNEAPOLIS TO IMPOSE THIS ORDINANCE WITHIN THE CITY LIMITS MAKES NO SENSE.

I HAVE ALREADY HEARD FROM TENNANTS WHO WILL MOST LIKELY NOT RENEW THEIR LEASE IN THE CITY OF MINNEAPOLIS. THE CITY CAN NOT CONTINUE TO PILE ON RULES AND REGULATIONS THAT HAMPER A BUSINESS'S ABILITY TO OPERATE, WITHOUT CONSIDERATIONS OF WHAT SURROUNDING CITIES ARE DOING. THERE MUST BE A LOGICAL AND SOUND ECONOMIC BASIS BEFORE THIS TYPE OF ORDINANCE IS IMPLEMENTED. JUST THIS MORNING I HAD COFFEE WITH A CEO OF A COMPANY THAT EMPLOYEES HUNDREDS OF PEOPLE. HE STATED THEY HAVE ALREADY MOVED OUT OF THE CITY BECAUSE OF ALL THE CUMBERSOME REGULATIONS, ETC. CURRENTLY I PAY SEVERAL HUNDRED THOUSAND DOLLARS IN PROPERTY TAXES. THESE ARE DOLLARS I COLLECT FROM TENNANTS. THEY WORK LONG AND HARD TO COVER THEIR EXPENSES WHICH INCLUDES MONEY TO COVER TAXES. ADDING MORE EXPENSE IS NOT WISE .MINNEAPOLIS NEEDS TO BE CITY WHICH IS FRIENDLY TO BUSINESSES NOT IMPOSING EVER MORE AND MORE REGULATIONS AND ORDINANCES. I TRUST YOU WILL GIVE CAREFUL CONSIDERATION TO MY COMMENTS.

**From:** [Thomas George](#)  
**To:** [Council Comment](#)  
**Subject:** Sick Time consideration  
**Date:** Tuesday, May 17, 2016 11:16:38 PM

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Chair Elizabeth Glidden, Council Member Bender and Members of Councils of the Whole Agenda (whatever that means):

Earlier Council Member Bender promised to seek an opinion from legal council to the City Council if this proposal's excluding employees of businesses with six employees or less violated constitutes a violation of the equal protection clause. I hope that Council Susan Segal's opinion is made available, if any has been considered.

Discrimination in this proposal might (or might not) be apparent to anyone who cares to consider the employees who, with its enforcement, will not included in its benefit.

Small businesses or any business is not the 'gooses who lay 'the golden egg.' The profitability of any enterprise is a contribution of its employees as much as its owners. I implore that the Council members do not be carried away with this metaphor.

Sincerely,  
Gary Dombouy  
110 E 25th Street  
Minneapolis, MN 55404-3451

**From:** [Thomas George](#)  
**To:** [Council Comment](#)  
**Cc:** [Bender, Lisa](#)  
**Subject:** Testimony amending Title 2, Chapter 40 Workplace Regulation  
**Date:** Wednesday, May 18, 2016 11:48:30 AM

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Chair Johnson, Council Members of Committee of the Whole (Special):

I would like to, but am unable, to give expression to my views at the Public Hearing this afternoon, but I request that the following letter to the editor, StarTribune, May 17, be entered into the record as public testimony. (I believe, though City Attorney Susan Segal has not opined, that excluding businesses with six or few employees from provision of paid sick leave violates those employees equal protections before the law. We are not simply a city of businesses, but of people. You are not an elected body to act as a safety net for the profitability of small or large businesses, but to show care for all of your constituents welfare. If pass an amendment as currently drafted you will have approved creation of an underclass.

'Minneapolis is debating a law providing paid sick time to all workers, something of great interest to my wife and I. We come from a large family of entrepreneurs and business owners, all the way back to Mom owning a coffee shop and trucking business in Somalia. She was more than just a business owner; she was a community leader — when someone was in need, whether an employee or a customer, she helped them. I carry that legacy with me in my businesses here in Minneapolis, and that's why I support the proposed ordinance. In fact, I've been doing it since I opened my cafe on Franklin Avenue last year.

When I came to the U.S. in 1999, I worked at General Mills for 15 years to save enough money to open a restaurant of my own. When my wife and I opened Capitol Cafe, we wanted our space to be a hub where the community could gather and a source of good jobs that support families. When our employees or their children are sick, we make sure they stay home, and we still pay them. We do this not only because we care about them but because they are valuable to us; they are also helping us build our business. When they can take care of their families and health, and can know that we support them, they are loyal to us.

Treating our employees well has paid off for us. I applaud Minneapolis for its leadership in expanding this benefit to all workers who don't have the same basic protections.'

Burhan Elmi (aka Scot Isqoox), Minneapolis

Sincerely,  
Gary Dombouy  
110 East Twenty-Fifth Street  
Minneapolis, Minnesota

**From:** [Deb Goers](#)  
**To:** [Council Comment](#)  
**Subject:** Workplace Regulations  
**Date:** Friday, May 20, 2016 8:02:08 AM

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The sick/safe time ordinance is an employers nightmare. I am a small manufacturing business that employs around 10 people. The requirement to grant 1 hour for every 30 hours worked and to carry over time from year to year is difficult for my simple accounting system and I would suspect for many others also. We currently provide earned vacation time but nothing we call sick/safe time, would that put us in violation of your ordinance? Would I be compelled to provide additional Sick time?

Another issue I have with the ordinance is that there is no responsibility of the employee to have proof that they were sick. I hate to acknowledge it but I have friends and acquaintances that I know have called in "sick" just because they wanted a day off. I see this that this sick/safe time would be abused at the expense of the employer.

I understand you believe you are protecting the health and safety of Minneapolis residents, but at what cost? We are a growing company and because of these regulations, and others that had been proposed, we are looking to grow outside of Minneapolis.

Deb Goers  
Dongo Tool  
612-782-9455 ph  
612-782-0415 fax