

# MGA 2023 LEGISLATIVE EXPRESS CHECKOUT

The 2023 legislative session has concluded and will undoubtedly go down as one of the most prolific sessions in the history of the state. There were a record-breaking 6,705 bills introduced. The number of consequential pieces legislation signed into law by Governor Walz is unparalleled and will have lasting impacts on the state and on industry. The volume of changes to labor, commerce, and environmental policies are substantial and will require operational modifications in how you hire, train, and engage your team members. Watch for educational opportunities from the MGA in the coming months.

## Agriculture Omnibus

- Increased funding for the Good Food Access Program. **(\$2 million for 2023/2024)**
- No Food Handler license inspection fee increases and dedication of fees to the Dept. of Agriculture.
- Multiple regulatory changes in meat and poultry processing operations, including grants for equipment, training, and retention.
- The creation of a new “Live Plant Dealer” license. **(Effective January 1, 2025)**
- The repeal of the decades-old prohibition on the sale of below cost dairy products. **(Effective August 1, 2023)**

## Commerce Omnibus

- Price gouging prohibited during a declared state of emergency. **(Effective August 1, 2023)**
- Amends the state law prohibiting the sale of below cost gasoline by allowing for the use of coupons, loyalty programs, membership-based pricing programs, or promotions and by removing the minimum markup of eight cents/gallon. **(Effective August 1, 2023)**

## Environment, Energy, Climate & Natural Resources Omnibus

- Mandatory energy benchmark reporting for commercial buildings. Required in metro counties and cities with 50,000+ population outstate. **(July 2025/2026 staggered effective date)**
- Compostable labeling standards for food packaging and recycling. **(Effective Jan 1, 2025)**
- Regulation giving the Pollution Control Agency power to fine facilities who produce an objectionable odor in the Metro Counties. **(Effective August 1, 2023)**
- A ban on many common products containing PFAS beginning in **2025** - Carpets or rugs; cleaning products; cookware; cosmetics; dental floss; juvenile products; menstruation products; textile furnishings; upholstered furniture - and banning nearly all products with PFAS beginning in **2032**.

## Health & Human Services/Pharmacy Omnibus

- Clinician administered drugs (‘white bagging’) allows clinicians to administer certain meds and tests.
- Establishing Prescription Drug Program and will create a Pharmacy Repository Program which would establish a central repository to administer the medication repository program.

## Jobs/Labor/Workforce Omnibus

- Minnesota Grocers Association Foundation’s Carts to Careers Program funding. **(\$200k 2023/24)**
- Worker Lactation Rights expands accommodations for nursing mothers and pregnancy laws. **(Effective July 1, 2023)**
- The Captive Audience Bill prohibits employers from requiring attendance, participation, or receipt of information by employees in employer-sponsored meetings or communications related to religious or political matters. **(Effective August 1, 2023)**
- Voiding covenants not to compete in employment agreements. **(Effective July 1, 2023)**
- Meat & Poultry Worker Bill of Rights legislation. **(Effective January 1, 2024)**
- Warehouse Workers Safety Bill. **(Effective August 1, 2023)**
- Provision requiring licensed warehouse distribution centers, or meatpacking sites to implement a written ergonomics program. **(Effective January 1, 2024)**
- Requiring adult-size changing facilities as part of the State Building Code.

## **Judiciary/Public Safety Omnibus**

- Expanded Organized Retail Theft provisions.
- Prohibition on inquiries into pay history of potential employees.

## **Transportation Omnibus**

- 50 cent retail delivery fee on orders over \$100 of taxable items (plus clothing), less baby items and prepared foods. **(Effective July 1, 2024)**
- New metro-wide sales tax of .75%. (Note: also a .25% Housing sales tax) **(Effective Oct. 1, 2023)**
- State-wide gas tax tied to inflation going forward. **(Effective January 1, 2024)**
- Increases in the motor vehicle sales tax and vehicle registrations (tab) fees.

## **Paid Family Medical Leave (PFML) - Effective January 1, 2026**

- Creates a .7% payroll tax to fund the program. Employers may “charge back” employees for up to 50% of the payroll tax. (Not to exceed 1.2% without legislative approval)
- Up to 12 weeks for a serious health condition or pregnancy AND paid family leave of up to 12 weeks for a newborn, adopted or foster child; safety leave; or care for a family member.
- 20 week maximum in a 52 week period
- The program will require 425 new full-time employees in state government and would collect/distribute over \$1 billion in benefits every year.

## **Earned Sick and Safe Time (ESST) - Effective January 1, 2024**

- Paid sick time accrued at the rate of one hour for every 30 hours worked; up to 48 hours for the first year. Unused hours would be rolled over to a new calendar year, maximum of 80 hours.
- Accrued hours will be held by an employer for 180 days after any separation of employment.
- Penalties as high as \$10,000 per violation.
- No preemption to stop cities from expanding beyond state standard.
- No exemption for youth or seasonal workers.

## **Legalization of Marijuana - Effective July 1, 2023/Aug 1, 2023 for possession**

The bill would create the Office of Cannabis Management to regulate cannabis and the new rules and regulation around the licensing, growing, possession, taxation and usage in the state.

- Allows possessions of up to 2 ounces of cannabis flower in a public place or 2 pounds in a person’s residence. Cultivate up to eight cannabis plants.
- Licensing and restrictions for edible product sales.
- Eliminating criminal penalties for cannabis possession and expunging the criminal records of people previously convicted of low-level cannabis offenses.
- Many more regulations within the 300 page bill.

## **Additionally, these provisions have been signed into law by the Governor:**

- Juneteenth as state holiday
- Prohibition on discrimination of natural hair styles (CROWN Act)
- Driver’s licenses for undocumented residents
- 100% clean energy by 2040
- Free breakfast and lunch for all students

**The MGA Government Relations Team is here to assist.**

**Jamie Pfuhl at [jpfuhl@mngrocers.com](mailto:jpfuhl@mngrocers.com)**

**Steve Barthel at [sbarthel@mngrocers.com](mailto:sbarthel@mngrocers.com)**

**651-228-0973**