

Regulatory Register

Keeping you informed of changes in government regulations



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Minnesota Grocers Association



New Laws – Already in Effect

There are numerous new state laws that took immediate effect upon their signing by Governor Walz. These topics have been covered in previous instalments of the MGA's *2023 Legislative Impact Series*. If you have additional questions, [Jamie Pfuhl](#) and [Steve Barthel](#) are available at any time to help you navigate these changes.

- **Liquor Stores can sell hemp-derived THC edibles and beverages**
- **Ban on restrictive franchise agreements** – “No-poach” agreements
- **Minnesota Human Rights Act updated** – includes new definitions of sexual orientation and gender identity
- **CROWN ACT** – Hair Texture and styles added to the definition of race
- **Objectionable Odor Management** – oversight by the MN Pollution Control Agency
- **Juneteenth recognized as a state holiday**

New Laws – Effective July 1st

A round of laws passed by the legislature last session are taking effect on July 1st, 2023. The MGA Government Relations team has been distributing briefings and hosting a series of additional educational opportunities regarding the changes that are coming during our *2023 Legislative Impact Series*. We are engaging with state agencies and commissioners in order to get you the pertinent information to ensure that you're complying to the new guidelines. If you have questions regarding new laws and regulations, be sure to contact the MGA. We will continue to provide you up-to-the-minute information as it becomes available.

Cannabis Sales Tax – Effective July 1, 2023

The Cannabis Tax is 10% of gross receipts from retail sales of taxable cannabis products. Nonintoxicating topical products are not subject to the tax. The cannabis sales tax is charged in addition to any state & local sale and use taxes. A retailer will file the cannabis tax on their e-service account with the Minnesota Department of Revenue (DOR).

Expanded Lactation and Pregnancy Accommodations – Effective July 1, 2023

All employers must make reasonable efforts to provide a clean, private, and secure room (other than a bathroom) for lactating mothers. As well as allow break times each day to employees who need to express milk, including more frequent or longer breaks. This law applies to **all** employers (previous law applied to employers with 15 or more employees) for as long as an employee is lactating. (previous law only required 12-months of lactation accommodation)

All employers must also make reasonable accommodation, which may include but is not limited to temporary transfer to a less strenuous or hazardous position, temporary leave of absence, modification in work schedule or job assignments, seating, more frequent restroom breaks or longer break periods. The Department of Labor and Industry (DOLI) has released a [flyer](#) outlining the rights employees and the duties of an employer.

Compliance Requirements

- An employer shall inform employees of their rights at the time of hire and when an employee makes an inquiry about or requests parental leave. Information must be provided in English and the primary language of the employee as identified by the employee.
- An employer that provides an employee handbook to its employees must include in the handbook notice of employee rights and remedies under this law.

- Postings are required. The official posting from the Department of Labor and Industry (DOLI) can be found [HERE](#).

Prohibition on Non-Compete Clauses – Effective July 1, 2023

No employer can require an agreement between an employee and employer that restricts the employee, after termination of the employment. This new law applies to contracts and agreements entered into on or after July 1, 2023.

A covenant not to compete does not include: (1) a nondisclosure agreement, (2) an agreement designed to protect trade secrets or confidential information, (3) a non-solicitation agreement, (4) an agreement restricting the ability to use client or contact lists, (5) or solicit customers of the employer.

Actions

- Review company handbook and hiring practices to be in alignment with new law.

Recruited Food Processing Worker Employment Statement – Effective July 1, 2023

All employers who recruit migrant agricultural workers must provide a specific, DOLI issued employment statement to workers at the time they are recruited.

Compliance Requirement

- The employment statement must be provided in English and Spanish or English and the worker's preferred language if that is not English or Spanish. Statements are available [HERE](#).
- Employer must maintain the notice to an employee for three years.

Packinghouse Worker Bill of Rights Expansion – Effective July 1, 2023

Previously, the packinghouse worker bill of rights only applied to meatpacking operations - now it will also extend to include the poultry processing industry. See DOLI worker bill of rights information page [HERE](#).

Compliance Requirements

- Employers are also now required to provide employees with a notice of their rights at the start of employment. This must include workers' compensation insurance information.
- Ensure that you are following packinghouse worker bill of rights rules.

Recruited Migrant Worker Labor Law – Effective July 1, 2023

New requirements apply to employers who employ one or more migrant workers in any calendar year.

Compliance Requirement

- Employers are now required to provide employees with a notice of their rights at the start of employment. This must include workers' compensation insurance information. The standard notice form will be made available by DOLI.
- Any wages due to the migrant worker must be paid within three days of that employee ending employment.

New and Increased OSHA Penalties– Effective July 1, 2023

Occupational Safety and Health Administration (OSHA) citation data will be public 20 days after the citation is issued. Minnesota OSHA penalties are increased and will now be equal to Federal OSHA amounts. Future penalties will be indexed to inflation.