

# Sick and Safe Time/Minimum Wage Increase Updates

## Sick and Safe Time Update

In 2017, the cities of Minneapolis and St. Paul enacted new ordinances concerning mandatory sick and safe leave time for employees working within the boundaries of each respective city. The ordinances went into effect on July 1, 2017, and for January 1, 2018, for St. Paul employers with 22 or fewer employees.

In March 2018, the City of Minneapolis amended the sick and safe time ordinance to clarify its geographic limitations, stating that the ordinance only applied to hours worked “within the geographic boundaries of the city” and that an employer is only required to allow the use of sick and safe time “when the employee is scheduled to perform work within the geographic boundaries of the city.” In other words, the ordinance could potentially apply to an employer not located within the City of Minneapolis, so long as its employee is working within the boundaries of the City of Minneapolis.

Thereafter, multiple parties brought a lawsuit against the city arguing, among other things, that the ordinance impermissibly extended beyond the City of Minneapolis’ borders. On May 8, 2018, the Court agreed and found that the ordinance, as drafted, impermissibly applied to employers located outside of the boundaries of the City. Therefore, an injunction was issued, prohibiting the application of the ordinance to employers located outside the geographic boundaries of the City of Minneapolis.

That injunction remains in effect, although the city has appealed the decision.

## Minimum Wage Increase Update

On July 1, 2018, the minimum wage in the City of Minneapolis is set to increase to \$10.25 for small employers (100 or fewer employees) and to \$11.25 for large employers (more than 10 employees). This minimum wage increase is to continue, annually, until it reaches \$15.00 per hour for large businesses in 2022, and for small businesses in 2024.

This minimum wage increase was challenged in Hennepin County District Court. On February 27, 2018, the Court determined that the increase was legally valid and denied the request to prevent the City of Minneapolis from enforcing the increase. In making its ruling, the Court determined that the increase did not impermissibly extend beyond the geographic boundaries of the City of Minneapolis and further found that the increase neither conflicts with state law nor is preempted by state law.