



## Earned Safe & Sick Time— Non-exempt Employees

Minnesota's new ESST statute takes effect on 1 January 2024. Here's some quick resources:

- Answers to most **frequently asked questions**:
  - ESST accrues based on straight time hourly rate;
  - ESST typically is paid on the amount of taxable income plus any amount necessary to maintain health insurance coverage;
  - Payroll must track and print on the employee's paystub accrued ESST (1 hour for every 30 hours worked, capped at 48 hours/year and 80 hours total);
  - The employee loses hours not used and that are either a) above the cap or b) when employee leaves employment with the company (subject to reinstatement if the employee returns); and
  - Cost of ESST depends largely on utilization rates. In states and projects that have had an ESST requirements, employers have seen utilization rates from approximately 25% to 75%.
- Coastal Payroll provided a demonstration of how one **payroll system** can easily track and print ESST on the paystub. The demonstration can be viewed [here](#). (Coastal also is offering a significant **discount** to AGC members who would benefit from a payroll system. Contact [Laura Lone](#) for more pricing, training, and other questions.)
- **Rollover** of ESST can depend on whether each company's program is front-loaded or accrued. An analysis whether to front load or accrue ESST is here: [Bassford Chart](#).
- You need to update your **employee policies** to reflect ESST rights. This update may be as easy as expanding your paid time off policy to include ESST and may include more subtle changes to bring your policies into compliance. Two AGC member law firms are offering a discount to AGC members to review employment policies: [Phyllis Karasov \(Larkin Hoffman\)](#) and [Beth LaCanne \(Bassford Remele\)](#).
- You will need to give your employees notice of ESST. MN Department of Labor & Industry has posted a model **notice** (poster) [here](#).
- MN-DLI has answered a bunch more **frequently asked questions**: [here](#)

## Earned Safe & Sick Time— Exempt Employees

Employees who are members of Operating Engineers, Carpenters, Laborers, Bricklayers, Iron Workers, or Cement Masons unions are exempt from the ESST statute and, instead, will benefit from the better-fitted, Worker Wellness Program.

- Exceptions:
  - The WWP does not apply to **Teamsters**.
  - The WWP does not apply to **alumni** employees. Alumni employees who have union benefits but no longer perform work under the collective bargaining agreement. Speaking of which, the trades are updating alumni agreements. Carpenters have sent their new agreement to contractors. If you are signatory and have alumni, be sure to get your new alumni agreement processed as soon as possible.
  - Whether **other trades**, particularly Glaziers, Electricians, and Painters, join the WWP are to be determined.
- The WWP takes effect on 1 January 2024.
- WWP funding begins on 1 May 2024 (50c to Metro journeypersons, all trades).
- WWP does not require payroll tracking or accrual printing. It will not operate on an hourly basis but on a dollar basis. This means that employees will accrue a dollar value that can be used for paid leave that should not diminish, cap, or lose when the employee moves to another employer or at year-end.
- Employers should still **update their employment handbooks** and policies to explain the Worker Wellness Program and must have a policy about taking leave time. This does not need to be rigorous or elaborate, but simple, perhaps something like:

Employees who are members of the Operating Engineers, Carpenters, Laborers, Bricklayers, Iron Workers, or Cement Masons unions will benefit from the Worker Wellness Program, a tailored program that better fits the needs of our trade employees. The WWP is designed to help support the health and welfare of you and your family, consistent with the statutory earned safe and sick time, but the benefit is not capped or ‘use it or lose it’ like the statutory program. With both programs, you still must communicate with your superintendent/project manager and HR as best you can so that we can schedule work to better accommodate any leave you may need to take. Also, to be clear, we support leave for safe or sick time. You will not face retaliation for requesting or taking safe or sick time leave. If you have any further questions, feel free to call (insert your company contact) or your business agent.
- Further details about how the WWP will be administered and rules will be developed by the benefits boards of each trade. These boards are composed of equal number of management and union trustees, all committed by fiduciary duties to act in the best interests of the program.

## [November 11 Report on WWP](#)