

**RESOLUTION**  
**By Chughtai, Chowdhury, and Cashman**

**Establishing a Minneapolis Labor Standards Board.**

Whereas, as the largest city in Minnesota, Minneapolis is the economic engine of our state. The City of Minneapolis values its thriving and revitalizing economy, and seeks to ensure its commercial activities contribute to the community's economic resilience and well-being; and

Whereas, Minneapolis has made great strides in enacting (or establishing) strong labor protections and economic justice with policies and programs, including: a historic \$15 minimum wage, earned sick and safe time, wage theft protection and co-enforcement, small business labor compliance assistance, and the establishment of the Workplace Advisory Committee; and

Whereas, the City of Minneapolis is committed to workers, businesses, and consumers alike; and

Whereas, the COVID-19 pandemic caused great economic harm to workers, residents, and businesses. Successful revitalization of business and the workforce in downtown and across the City requires participation and input from workers, businesses, and community stakeholders; and

Whereas, as the economy recovers, the demand for workers is still outpacing supply in many industries. Offering better benefits, incentives, and workplace conditions is critical to recruit and retain a strong workforce; and

Whereas, research from the Federal Reserve Bank of Minneapolis shows that workers of color continue to earn less on average than white workers, with Black and Latino/a workers facing racial discrimination and disparate opportunities in earnings. The median annual income for Black and Latino/a workers (\$28,000 and \$29,000 respectively) was nearly half of white workers (\$47,900) in the Federal Reserve Bank's analysis of American Community Survey Data from 2014-2018; and

Whereas, workers of color continue to be disproportionately impacted by the economic effects of the pandemic, facing higher rates of unemployment; and

Whereas, sector-specific standards can address workplace inequality and build a stronger economy for all, allowing for policymaking to address structural disparities in unique industries; and

Whereas, sector-specific standards level the playing field and allow all employers to remain competitive in the market; and

Whereas, the establishment of a permanent Labor Standards Board to engage and create collaborative dialogue between employers, workers, and impacted community members to advise the City of Minneapolis' labor and economic policy is squarely aligned with the goals of the Workplace Advisory Committee; and

Whereas, the Minneapolis Labor Standards Board creates a tripartite structure and process for workers, businesses, and community stakeholders to bring their expertise to the table, ensuring that decisions are informed by local knowledge and creating cross-sector buy-in for effective implementation; and

Whereas, the creation of a Labor Standards Board allows the City to uphold its commitment to a thriving economy, the health of its workforce, and workplace equity by addressing the needs in specific sectors and building a stronger and more resilient City;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

Section 1. *Purpose.* That a Minneapolis Labor Standards Board (hereinafter the “MLSB”) be and hereby is established to provide a forum for the City to engage with employers, workers, community stakeholders, and their representatives and to collaborate on matters related to workplace regulations and standards.

Section 2. *Definitions.* The following words, terms, and phrases, when used in this resolution shall have the meanings ascribed to them, except where the context clearly indicates a different meaning:

*Applicable sector* means one of the following for which a sectoral workgroup exists or an ordinance has been enacted by the City Council:

- (1) An industry sector that has citywide impact;
- (2) A designated geography within the city; or
- (3) A combination of both industry and geography within the city.

*City* means the City of Minneapolis.

*Department* means the Department of Civil Rights of the City of Minneapolis.

*Director* means the Director of the Department of Civil Rights, or the Director's designee.

*Employee* means any individual suffered or permitted to work in an applicable sector, including independent contractors and persons performing work for an employer through a temporary service or staffing agency.

*Employer* means any individual, partnership, association, corporation, business trust, or any person or group of persons acting directly or indirectly in the interest of an employer in relation to an employee. For purposes of this resolution, “employer” does not include any of the following:

- (1) The United States government;
- (2) The State of Minnesota, including any office, department, agency, authority, institution, association, society, or other body of the state, including the legislature and the judiciary; and
- (3) Any county or local government, except the City.

*Sectoral workgroup* means a workgroup created by the MLSB that is focused on all employment within an applicable sector.

*Tripartite Majority* means that a majority of the sectoral workgroup has been reached consisting of at least one (1) representative of the employers, employees, and community stakeholders that make up the tripartite structure of sectoral workgroups.

Section 3. The MLSB shall be organized and shall operate as follows:

- (a) *Classification.* The MLSB is organized and shall be classified as a Tier 3 body, pursuant to Minneapolis Code of Ordinances (MCO) § 10.20.
- (b) *Powers, duties, and responsibilities.* The MLSB shall support the City's continued commitment to ensuring fair and safe workplaces for all and providing opportunities for employers and employees to collaborate,

in a public forum, on matters related to workplace regulations and standards and to help shape the City's decision-making on existing and future workplace policies and initiatives. Without limiting the generality of the foregoing statement of purpose, the MLSB shall have the necessary power to perform the following assigned duties and responsibilities:

- (1) Serve as a public forum for representatives of employers, employees, and community stakeholders to collaborate on matters related to workplace regulations and standards within the City.
  - (2) Develop or consider, evaluate, and submit formal recommendations to the Mayor and City Council on proposals for citywide and sectoral workplace regulations, including wages, benefits, and working conditions.
  - (3) Monitor, evaluate, and provide advice or recommendations to the Mayor and City Council concerning implementation, administration, and enforcement of existing workplace regulations or policies, or of those proposed by the Mayor, City Council, or other bodies of the City.
  - (4) Advise the Mayor and City Council on funding to support outreach, employer technical assistance.
  - (5) Advise the Mayor and City Council on funding and support to provide employee education and training on City workplace regulations, standards, and employee rights under City workplace ordinances, policies, and state and federal labor standards.
  - (6) Convene sectoral workgroups to study wages, benefits, and working conditions; engage employers, employees, and community stakeholders; and recommend any new standards to the Mayor and City Council for applicable sectors.
  - (7) Develop a recommended curriculum that could be used to train employees on their rights and include information on generally applicable local, state, and federal regulation. At the discretion of the MLSB, the curriculum may also educate employees on ways to pursue redress of an alleged violation and resources available to aid them in the process.
  - (8) Develop a list, made available to the public, of all recommended certified worker organizations that are qualified to perform employee engagement and deliver training to employees regarding their workplace rights and protections. Coordinate training between employers and certified worker organizations.
  - (9) Review all new regulations or standards and training requirements for applicable sectors, following enactment, on at least a three-year cycle and report any findings or recommendations of the same to the Mayor and City Council.
  - (10) Monitor emerging workplace issues and engage the broader community of employers, employees, and community stakeholders on such issues.
  - (11) The MLSB shall have only the powers, duties, and responsibilities expressly given but may do those things necessarily implied to carry out the foregoing powers, duties, and responsibilities.
- (c) *Membership.* The MLSB shall be composed of fifteen (15) members to be appointed to seats as follows. All MLSB members must be residents of the city and/or must work in the city. A potential appointee who works, but does not reside, in the city must obtain a waiver of residency pursuant to MCO § 14.180. Members are to be designated as follows:
- (1) *Council nominations.* Twelve seats shall be nominated by the City Council, as follows:
    - (A) Seat 1: An employer association representative
    - (B) Seat 2: A large employer representative as defined in MCO § 40.330
    - (C) Seat 3: A small business owner representative, as defined in MCO § 40.330
    - (D) Seat 4: A micro business owner representative, as defined in MCO § 40.330
    - (E) Seat 5: A representative of employees in the city which include low-wage employees and/or employee organizations representing the workplace interests of low-wage employees
    - (F) Seat 6: A representative of employees in the city which include low-wage employees and/or employee organizations representing the workplace interests of low-wage employees
    - (G) Seat 7: A representative of unionized employees

- (H) Seat 8: A representative of non-unionized employees
  - (I) Seat 9: A community stakeholder representing non-profit organizations serving people in the city
  - (J) Seat 10: A community stakeholder representing consumer advocacy
  - (K) Seat 11: A community stakeholder representing a governmental or regulatory employer or employee representative
  - (L) Seat 12: A community stakeholder representing academics or experts in the field of workplace policy.
- (2) *Mayoral nominations.* Three (3) seats shall be nominated by the Mayor, as follows:
- (A) Seat 13: An employer association representative
  - (B) Seat 14: A representative of employees in the city which include low-wage employees and/or employee organizations representing the workplace interests of low-wage employees
  - (C) Seat 15: A community stakeholder representing either non-profit organizations serving people in the city; consumer advocacy; governmental or regulatory employer or employees; or academics or experts in the field of workplace policy.
- (3) A public hearing will not be required to approve appointments.
- (4) All seats nominated by the Mayor and City Council shall be appointed through the standard legislative process requiring formal action by the City Council subject to approval of the Mayor, pursuant to City Charter § 4.4.
- (5) *Open Appointments.* All members nominated by the Mayor and City Council shall be selected through the City's Open Appointments policy, pursuant to MCO § 10.50.
- (6) *Terms.* All members shall serve terms of two (2) years. In order to stagger the expiration of terms, original appointments shall be for terms of one (1) or two (2) years, as determined by the City Clerk. Thereafter, appointments shall be made for terms of the full two (2) years.
- (7) MLSB members serve without compensation. Members may receive reimbursement for necessary travel and parking to the extent that such appropriations have been allocated in the budget of the supporting department.
- (8) *Vacancies.* Any vacancy occurring before the end of a term shall be filled for the balance of the unexpired term in the same way as the initial appointment.
- (9) *Removal.* Except as otherwise established by law, all MLSB members shall serve at the pleasure of the appointing authority.
- (d) *Leadership.*
- (1) The Mayor shall designate the first chair of MLSB before its first meeting, who may but is not required to be a mayoral nominee. The MLSB shall, as part of its initial organizational meeting, select from the membership a vice-chair. At each subsequent annual organizational meeting, the MLSB shall select from the membership both a chair and a vice-chair.
  - (2) The chair and vice-chair are responsible for providing facilitative leadership to enable the MLSB to conduct its assigned duties and responsibilities effectively. The chair and vice-chair shall have only those powers specifically provided in the body's bylaws and rules and retain the same responsibilities as all other members.
- (e) *Executive Secretary.* As provided in MCO § 10.90, the City Clerk shall be the executive secretary of the MLSB and, in that capacity, shall be responsible for its general recordkeeping and clerical functions, which the City Clerk may delegate to a designee to perform.
- (f) *Quorum.* A majority of the total number of seats on the MLSB shall constitute its quorum for the purpose of meeting and the conduct of business, regardless of any vacancies.
- (g) *Attendance.* All members shall endeavor to attend all meetings of the MLSB. If a member is consecutively absent from a number of meetings that is greater than one-third (1/3) of the body's regularly scheduled meetings in a calendar year (January through December), that fact shall be reported to the City Clerk, who

shall advise the appointing authority and the appointing authority may take any action it deems appropriate up to and including removal of the member, if not prohibited by law.

Section 4. The Civil Rights Department shall be the department within the City Administration, subject to the direction of the Mayor, that shall have primary responsibility for supporting the MLSB in the performance of its delegated duties and responsibilities. The Civil Rights Department shall provide administrative, logistical, operational, and other support services and resources needed by the MLSB in the conduct of its functions, including the management of any appropriated funds for the MLSB.

Section 5. *Sectoral Workgroups.*

- (a) *Purpose.* In performing its formal duties, the MLSB shall have authority to create sectoral workgroups to study and to advise it on workplace conditions in an industry sector that has citywide impact, a designated geography within the city, or a combination of both industry and geography within the city and to submit recommendations on the development and evaluation of sectoral workplace regulations and standards. Any such sectoral workgroup created shall be composed of individuals and shall operate as provided in this section. Each sectoral workgroup created by the MLSB shall serve in a purely advisory capacity to the MLSB.
- (b) *Formation.* A sectoral workgroup may be created by a majority vote of the MLSB, but no more than two (2) such workgroups may be created in a single calendar year. The MLSB must take formal action on the creation of a sectoral workgroup within sixty (60) days of receiving a petition of at least one-hundred fifty (150) current or former employees in an applicable sector clearly defined by the petition, in a form determined by the MLSB. Petition signatures need not be canvassed and shall be assumed valid unless proven to be a duplicate or to not be a current or former employee in the applicable sector. In creating a sectoral workgroup, the MLSB must establish a deadline, which must be no greater than one-hundred eighty (180) days after the appointment of the sectoral workgroup, for the workgroup to either present findings and any policy recommendations or report that no agreement could be reached.
- (c) *Membership.* Each sectoral workgroup shall be composed of twelve (12) members designated by the action of the MLSB that creates it. Workgroup members shall include:
  - (1) Three (3) representatives of employers in the specific sector;
  - (2) Three (3) representatives of employees in the specific sector;
  - (3) Three (3) community stakeholders in the specific sector, which may include consumers, government regulators, or other related parties;
  - (4) One (1) employer representative serving on the MLSB;
  - (5) One (1) employee representative serving on the MLSB; and
  - (6) One (1) community stakeholder serving on the MLSB.
- (d) *Appointment.* Sectoral workgroup appointees shall be selected by the sitting MLSB by a simple majority vote. The full selection of sectoral workgroup members shall be sent to the Minneapolis City Council.
- (e) *Voting thresholds.* In order for a recommendation to advance to the MLSB, the sectoral workgroup must reach a tripartite majority vote as defined in this resolution.
- (f) *Duties.* Each sectoral workgroup shall:
  - (1) Utilize existing information, research and other sources on market conditions and structure, business cost structure, minimum labor standards, projected market growth or decline, employment trends, existing sectoral wage rate and benefits data, workplace safety, and other conditions in the applicable sector, including any relevant collective bargaining agreements, and any other information pertinent to the determination of minimum sectoral labor standards.
  - (2) Solicit information, testimony, and input through surveys, listening sessions, publicly available data, and voluntary information requests, focused on possible changes to workplace regulations or labor standards in the applicable sector, including from current and former employees and workers,

employers, and other stakeholders, including consumers, worker organizations, business associations, and government agencies. All listening sessions shall be noticed and open to the public no later than the deadline set by the MLSB, submit findings and policy recommendations for sectoral standards in a written report to the MLSB or report that no agreement could be reached. Findings and policy recommendations, if any, shall be determined by a simple majority of all members.

- (3) Must consider the need for training and education of employees and employers in the applicable sector being studied on relevant local, state, and federal regulations bearing on the terms and conditions of their employment. The information provided should also include a discussion of the best practices for training and education in the applicable sector, as well as recommendations regarding the manner of the delivery of the training, nature of the curriculum, setting for the training, and possible sources of funding.
  - (4) Shall use the most up to date data and information from experts on the conditions of a specific sector. As needed, survey employees and employers in the applicable sector being studied. Employees can be surveyed in person and online by a certified worker organization on workplace conditions, the need for training, and the scope of the policy being considered by the given sectoral workgroup. Employees must include but are not limited to the employees who submitted the petition to form the applicable sector. This survey can include, but is not identifying conditions such as:
    - (A) The specific challenges including pay, benefits, and occupational safety facing low-wage workers;
    - (B) The specific challenges of employers in retaining and/or increasing pay and benefits for low wage workers;
    - (C) The impact on both employers and employees in existing industries that set up low-wage work as a contributing factor to success in a market; and
    - (D) Identifying enforcement or lack of enforcement on existing regulations such as wage-theft in the sector
  - (5) Shall select a certified worker organization to conduct an in-person and online survey of employees in the applicable sector being studied.
  - (6) The submission of findings and policy recommendations for sectoral standards both from Sectoral Workgroups to the MLSB and from the MLSB to the City Council shall include any and all information regarding training and education of employees and employers in the applicable sector.
- (g) *Dissolution.* A sectoral working group shall be dissolved upon action by the City Council and Mayor, if any, or upon a majority vote of the MLSB.
- (h) *Action on Sectoral Workgroup Recommendations.* Upon receiving the report of a sectoral workgroup that includes policy recommendations for sectoral standards, the MLSB shall consider and act upon the recommendations within thirty (30) days. The action of the MLSB shall be limited to:
- (1) Concurring in the sectoral workgroup's report, by at least the affirmative vote of a majority of its membership.
    - (A) The MLSB may not concur in any report recommending standards that are less protective or beneficial to workers in the applicable sector than any other applicable public policy.
    - (B) The MLSB shall submit the sectoral workgroup's findings and policy recommendations to the City Council and Mayor, together with any recommended sources of funding to pay for the provision of employee training and any small employer technical assistance in the sector and other relevant materials. All materials submitted to the City Council and Mayor must also be posted on the City's website.
  - (2) Returning the sectoral workgroup's report clearly stating its concerns and establishing a new deadline for action by the sectoral workgroup of no greater than ninety (90) days, after which the MLSB must either concur in the sectoral workgroup's report by at least the affirmative vote of a majority of the MLSB membership or the sectoral workgroup shall be dissolved.

- (3) The MLSB shall forward their report to the relevant City Council committee. The City Council may decide to send recommendations back to the MLSB for further review. If the City Council returns policy recommendations to the MLSB, the MLSB must return the recommendations and any Council feedback to the sectoral workgroup out of which the recommendations came for review and deliberation of any changes to the MLSB recommendations, which must be reported to the MLSB within sixty (60) days. The MLSB shall consider and act upon the amended recommendations within thirty (30) days

Section 6. *Bylaws and rules.* As provided in MCO § 10.100(a), the MLSB shall operate under a standardized set of bylaws and rules approved by the Mayor and City Council, which may be amended by the City Council and the Mayor from time to time. Any deviation from the standardized bylaws and rules must be approved by the City Council and Mayor before becoming effective. The original bylaws and rules, and any amendments thereto, shall be filed with the City Clerk, which shall be deemed the official copy of the body's bylaws and rules for all purposes.

Section 7. *Reporting requirements.*

- (a) *Work Plan.* The MLSB shall submit an annual work plan at the end of each fiscal year to the City Council and Mayor. The work plan is a planning document that specifies how the MLSB will accomplish its objectives during the next fiscal year, including an identification of planned activities.
- (b) *Annual Report.* The MLSB shall submit an annual report to the Mayor and City Council summarizing the body's activities taken during the prior fiscal year, which shall be submitted by no later than January 31 each year. The annual report shall include an assessment of the body's performance as well as any accomplishments, challenges, and opportunities addressed during the prior year.

Section 8. *Effective date.* The MLSB shall be established and hereby take effect on May 1, 2025.

Section 9. That Resolution No. 2016R-342, as approved by City Council on August 19, 2016, which established the Workplace Advisory Committee be and hereby is rescinded and the Workplace Advisory Committee so established shall be terminated effective upon the implementation date of this Resolution, May 1, 2025.