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MUNICIPAL ORDINANCE - MINNESOTA

Minnesota Chamber of Commerce v. City of Minneapolis

Court of Appeals of Minnesota - April 29, 2019 - N.W.2d - 2019 WL 1890301

Chamber of commerce and others brought action against city for declaratory relief and temporary injunction against enforcement of city ordinance that required employers to provide employees with sick and safe leave.

The District Court granted partial temporary injunctive relief, enjoining city from enforcing the ordinance against employers located outside city boundaries. Both parties appealed, and the Court of Appeals affirmed. City amended the ordinance to require leave time accrual only for work performed within city boundaries and use of leave time only when an employee is scheduled to work within city boundaries. City and chamber both moved for summary judgment. The District Court granted chamber's motion in part, enjoining enforcement as applied to any employer residing outside city boundaries, but denying motion as to chamber's claim ordinance was preempted by state law. City appealed and chamber cross-appealed.

The Court of Appeals held that:

- Ordinance was not preempted by conflict with state sick-leave statute;
- Ordinance was not impliedly preempted by state leave statutes; and
- Ordinance did not have impermissible extraterritorial effect.

Municipal ordinance requiring employers to provide paid sick-and-safe leave for employees' work within city was not preempted by conflict with state statute requiring employers offering sick leave to permit the use of sick-leave benefits for certain purposes in addition to an employee's own illness; ordinance did not permit conduct forbidden under sick-leave statute, such that an employer could comply with both statute and ordinance, and ordinance's mere addition of requirements that were absent from sick-leave statute did not create conflict with any legislative or regulatory scheme.

State statutes regarding employee leave in such contexts as adoption, parenting, sick leave, care of relatives, and organ donation did not fully regulate the matter of sick-and-safe leave provided by private employers as solely a state concern or evince a legislative intent that such leave should be solely a state concern, for purposes of determining whether municipal ordinance requiring employers to provide paid sick-and-safe leave was impliedly preempted; statutes covered limited and discrete topics, were inconsistent about requiring paid leave or prescribing amounts of leave, did not purport to establish a comprehensive or detailed regulatory scheme, and did not coalesce into such a scheme.

Municipal ordinance requiring employers to provide employees who worked at least 80 hours per year within the city with paid sick-and-safe leave for work performed within city limits did not have an impermissible extraterritorial effect, despite contention that 80-hour threshold was an ineffective way to protect public health and welfare; ordinance only required leave to be accrued and used when an employee worked or was scheduled to work in the city, requiring employers to track hours worked within city would not significantly increase record-keeping burden, and 80-hour threshold

was neither relevant to extraterritoriality issue nor an excuse for court to examine appropriateness of city's policy determination.