

# **Bond Case Briefs**

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## **PREEMPTION - MINNESOTA**

### **Graco, Inc. v. City of Minneapolis**

**Supreme Court of Minnesota - January 22, 2020 - N.W.2d - 2020 WL 356249**

Employer brought action against city for declaratory and injunctive relief, alleging that Minnesota Fair Labor Standards Act (MFLSA) preempted city's minimum wage ordinance.

The District Court entered judgment in favor of city. Employer appealed. The Court of Appeal affirmed. Employer petitioned for review, which was granted.

The Supreme Court held that:

- Ordinance did not conflict with MFLSA, and
- MFLSA did not occupy field of minimum wage rates and thus did not preempt municipal regulation in that field.

Municipal ordinance setting minimum wages rates did not conflict with Minnesota Fair Labor Standards Act (MFLSA), supporting finding that ordinance was not preempted, even though ordinance's rates were higher than those set forth in MFLSA; MFLSA only required that employers pay "at least" the statutory rate, which clearly contemplated possibility of higher hourly rates.

Minnesota Fair Labor Standards Act (MFLSA), providing minimum wage rates which varied depending on size of employer, did not occupy field of minimum wage rates and thus did not preempt municipal regulation in that field; statute merely set a minimum-wage floor, leaving room for municipalities to regulate above, nothing in text of statute indicated that preemption was Legislature's intent, and varied local regulation of wages would not have unreasonably adverse effect on state.