Meeting Minutes: Attorney General's Advisory Task Force on Worker Misclassification

Meeting Date and Time: September 13, 2023, 1pm – 3pm

Minutes Prepared By: Hillary Lor

Location: Minnesota State Capitol, Conference Room 316 and Microsoft Teams

Attendance

Members Present In-Person

- Brittany VanDerBill
- Kim Vu-Dinh
- Aaron Sojourner
- Octavio Chung Bustamante
- Briana Kemp
- Brian Elliott (Ex-Officio)
- Amir Malik
- Melissa Hysing
- Rod Adams
- Burt Johnson
- Representative Emma Greenman
- Evan Rowe
- Commissioner Nicole Blissenbach

Members Present Virtual

- Jonathan Weinhagen
- Daniel Getschel
- Senator Clare Oumou Verbeten

Agenda Items

1) Welcome from Attorney General Ellison

- Be a representative of others, reach out to other folks who you are in community with and make sure that you are here for them and bring forth their ideas.
- We will be learning together from each other's walk-of-life. We welcome diverse points of views. "The clash of ideas is the sound of freedom."
- This taskforce is to help everyone afford their lives with dignity and respect.

Absent

N/A

Attorney General's Office (AGO) Staff Members Present

- Attorney General Ellison
- Carin Mrotz
- Laura Sayles
- Hillary Lor
- John Stiles
- Matt Gladue
- Marco Hernandez
- Jonathan Moler (Virtual)
- Lindsey Lee
- Jerome Rankine
- Donna Cassutt (Virtual)
- Kaylie Schlapkohl (Virtual)

2) Introductions

- Co-Chair Representative Emma Greenman greets everyone.
 - o Represents District 63B
 - o "We need to dig around the analysis of this enormous problem of worker misclassification and ensure that businesses/tax papers are also protected."
 - o Change of Agenda, we will leave the co-chair election for last.
- Daniel Getschel (Virtual)
 - Works at the Minnesota Department of Revenue. Really excited to be a part of this task force.
- Senator Clare Oumou Verbeten (Virtual)
 - o Represents District 66
 - Serves on the Labor Committee of the Senate. "Looking forward to getting all our voices together to support working people."
- Jonathan Weinhagen (Virtual)
 - o Small business advocate of the year. President & CEO of the Minneapolis Regional Chamber of Commerce and represents 2,300 members.
 - o "I hope to serve as a resource."
- Jonathan Moler (Virtual)
 - Assistant Attorney General at AGO
- Rod Adams
 - Executive Director works with predominantly black workers in fast food and retail. Big believer that workers deserve what they deserve.
- Brittany VanDerBill
 - o Freelance writer and owner of B. VanDerBill Consulting LLC, following misclassification on federal level for several years.
 - "We should also consider independent contractors too."
- Aaron Sojourner
 - o Economist and Senior Researcher at W. E. Upjohn Institute for Employment Research
 - o "Great to see proactive leadership bringing together different stakeholders." Looking forward to the action next year and ongoing efforts. non-union workers speak up.
- Melissa Hysing
 - Legislative Director at MN AFL-CIO
 - We are constantly working on improving labor standards... a lot of digital platform companies are misclassifying workers. We are also concerned on state budget. Workers should access all the rights and benefits associated with employment."
- Evan Rowe
 - o Deputy Commissioner at DEED, grateful to be in this taskforce.
- Commissioner Nicole Blissenbach
 - Works at DLI
 - o "[Worker misclassification] is a problem that many people try to tackle but hasn't been successful."
- Brian Elliot
 - o Represents 60,000 workers across Minnesota.
 - o Ex-officio member and happy to work with all the partners present.
- Briana Kemp
 - Policy Lead at CTUL

Supports wage workers for better working conditions, supports construction workers who
experience wage theft because of misclassification, and will "...bring the stories of
workers whom we are in touch with every day."

• Burt Johnson

- General Counsel at the North Central States Regional Council of Carpenters. 27,000 members represented.
- o "Employment relationship is the basis of economic security for everyone. This is the most important issue our economy is facing now."

Amir Malik

- o Compliance Manager at the City of Bloomington.
- "Educational component is needed. I know people who wants to be misclassified. People feel like it's a choice, but it's actually not a choice."

Kim Vu-Dinh

- o Professor at Mitchell Hamline School of Law; focus on economic inclusion.
- "Nonprofits and rural small family farms misclassify workers a lot. I want to make sure that the analysis is correct."

3) Open Meeting Rules Presentation (Taya Moxley-Goldsmith, Minnesota Department of Administration)

- Presented virtually via Teams.
 - o Slides will be given to Carin and emailed to taskforce members.
- The public can attend our meetings for transparency and accountability.
- Reviewed different types of meetings according to the law and the penalties.

4) Overview of Worker Misclassification (Laura Padin, NELP)

- Presented virtually via Teams.
- Clarified who independent contractors should be. Is the worker doing business for themselves or do they depend on another business?
- Reviewed definitions of law of what employee and employer is, and the employer/employee relationship.
- Minnesota has strong employment laws, but only applies to employees and not independent contractors.
- Who is impacted? Persistent in many industries: homecare, delivery, construction, and racialized, people of color and immigrants are overrepresented.
- Disparate incomes between employees and independent contractors. Shared studies and findings, such as independent contractors are paid ½ to 2/3 less than employees.
- Governments lose billions of dollars a year from worker misclassification.
- Independent contractors lack health insurance and are more likely to rely on Medicaid.
- Another issue: workers who are misclassified gives up their rights to sue in court when they are signing their contracts. Workers are limited to challenging in court and class action lawsuit and must go through arbitration instead (hidden and closed doors).

• Questions:

- Do you have a breakdown by state where misclassification is happening? Bureau of Labor and Statistics (BLS) might have the data.
- Slides will be emailed to everyone.
- Public Comments:

o Consider what is happening on a federal level.

5) Bylaws

- Reviewed the bylaws.
- Roll Call to Adopt the Bylaws
 - o All taskforce members said AYE.
 - No objections.

6) Co-Chair Election

- Nominations
 - Senator Clare nominated Rod Adams.
 - Rod is open to it.
- Roll Calls to vote for Rod Adams as Co-Chair
 - All taskforce members said AYE.
 - No objections
- Congratulations to Co-Chair Rod Adams.

7) Discussion – Upcoming Meeting Dates and Topics

- Reviewed timeline and flow of the taskforce
- Thoughts/Ideas
 - o Misclassification is everyone's problems. It is good to have smaller working groups.
 - Working groups will each have less than 8 members.
 - o It will be powerful for workers to share their stories.
 - o Interested to learn more about the different agencies, their standards and enforcement. Who investigates? How is the information shared? How do we know when misclassification happens? Who is responsible? Are there other places doing well that we can learn from? What worked in the past and what didn't? What is the problem that is allowing misclassification to keep happening, and what should we do to not cause more problems?
 - What were Minnesota's past efforts and why it didn't work? What were the outcomes and past failures.
 - o Good to explore the idea of business led.
 - o Consider looking at other states like California.
 - o Have access to investigators and learn from them.
 - o Have understanding around language, have shared definitions, and same set of terms.
 - Legislative Auditor is updating some guides that will be helpful for the taskforce.
 - o Additional comments can be emailed to the co-chairs.

9) Adjourn

Next Meeting

- 1) Dig into how misclassification looks like in Minnesota and the current statutes. Some agencies will attend to present.
- 2) If anyone is willing to host at their agency, then we are open to that too.
- 3) Think about working groups and bring proposals of what they are, such as a legislative subcommittee.

Adjournment

Meeting adjourned around 2:36 PM.