



Minnesota earned sick and safe time

Annual report

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Executive summary

Minnesota's earned sick and safe time (ESST) law allows employees to address personal or family illness, or seek help for domestic abuse, sexual assault or stalking, without fear of losing wages or their jobs.

In 2025, the Department of Labor and Industry (DLI) continued to prioritize education and technical assistance to workers and employers about their ESST rights and obligations and used its investigatory tools to help bring employers into compliance. Activities included:

- engaging directly with employers, employees and other stakeholders to answer questions;
- giving educational presentations online and in person to promote compliance;
- emphasizing compliance over penalties and providing technical assistance to help employers develop or improve their ESST compliance programs;
- engaging with employers via "inform and educate" or warning letters providing tailored guidance about compliance with the law; and
- investigating and determining employer noncompliance and appropriate remedies.

Education and outreach remained a central component of ESST implementation in 2025. From Jan. 1 through Dec. 31, DLI hosted, presented at or participated in 219 outreach events attended by approximately 40,876 individuals and conducted 1,752 individual business visits to provide ESST education and compliance assistance.

DLI conducted online outreach and public education. In 2025, DLI hosted 12 webinars, including two in Spanish, and sent 12 *Wage and Hour Bulletin* newsletters to 48,013 subscribers. The ESST webpage had 266,000 visits and the ESST FAQs page had 57,392 visits, showing stakeholders continue to depend on DLI for accurate ESST information. Viewers watched ESST videos 3,971 times in five languages: American Sign Language, English, Hmong, Somali and Spanish. Campaigns reached millions of Minnesotans, delivering 3.8 million impressions via community media and 2.3 million through Facebook, Google and YouTube ads. DLI conducted seven media interviews reaching Hmong-, Somali- and Spanish-speaking audiences through television and radio.

Building on these outreach efforts, community partnerships strengthened DLI's ESST education initiatives. In 2025, DLI awarded approximately \$300,000 in outreach grants to Centro de Trabajadores Unidos en la Lucha (CTUL), COPAL Education Fund and Greater Minnesota Worker Center. Collectively, these organizations reached 233,318 people through worker education and community outreach.

DLI used varying levels of enforcement tools to help employers comply with ESST requirements and to restore ESST benefits to workers. For example, in 2025, DLI resolved 129 unpaid ESST cases through wage claims, recovering \$84,110.69 in back wages. In addition, DLI issued 248 warning letters and 197 inform-and-educate (I&E) letters. The I&E letters resulted in the recovery of 41,908.01 ESST hours and \$167,080.05 in back wages, benefiting 40,139 workers.

When warranted, DLI conducts investigations that require the production of payroll and policy records to assess compliance. ESST investigations closed in 2025 led to \$181,254.90 in restored back wages, 7,364.50 in restored ESST hours and other corrective action affecting 1,790 workers statewide. Common violations included problems with accrual and carryover, limits on ESST use, retaliation concerns and policy errors. Through

technical assistance, conciliation and targeted investigations, DLI focused on restoring leave and wages while helping employers comply with the law moving forward.

Together, these enforcement tools resulted in DLI restoring approximately 49,272.51 hours of ESST to employees and approximately \$432,445.64 in back wages through its ESST compliance efforts in 2025.

Introduction

Earned sick and safe time (ESST) policies benefit workers and their families, employers and the broader labor market. Without paid sick leave, many workers feel pressured to work while ill — leading to presenteeism — when employees remain on the job but perform poorly.¹ Presenteeism reduces efficiency, spreads illness and lowers morale. Employers that discourage sick leave ultimately undermine their profitability because sick employees take longer to recover and may cause outbreaks that disrupt operations.

Research confirms paid sick leave benefits both workers and businesses.

- Increased productivity: Paid sick leave laws have led to a 6% rise in worker productivity and a 1.6% increase in returns on assets.²
- Improved access to health care: Paid sick leave requirements are associated with increased use of primary care, specialist services, preventive care and diagnostic services, as well as reduced delays in seeking treatment due to the cost of work constraints.³
- Cost savings: Employers spend about \$6.87 per worker per week to provide paid sick leave, but gain roughly \$12.32 per worker per week through higher productivity and lower turnover.⁴
- Improved access to leave: After states enacted sick leave laws, workers' access to paid sick leave increased by 18 percentage points over two years, ensuring employees could take time off without risking job loss or financial hardship.⁵
- Paid sick leave protects against the spread of contagious diseases.⁶

ESST is not just a worker protection — it is a smart business strategy that strengthens workplaces and economies alike.

The following are the key provisions of ESST.

- Eligibility: Employees qualify for ESST if they are expected to work 80 hours a year for a Minnesota employer (Minnesota Statutes § 181.9445, subdivision 5).
- Accrual and carryover: Employees accrue one hour of ESST for every 30 hours worked, up to a maximum of 48 hours a year, unless the employer offers more. Unused hours carry over, subject to a cap of 80 hours unless the employer provides additional hours (Minn. Stat. § 181.9446).
- Compensation: Employers must pay ESST at employees' base rate, no lower than the applicable minimum wage (Minn. Stat. § 181.9445, subd. 4(a)).
- Usage: Employees may use ESST for personal or family health needs, public health emergencies or safety reasons, including domestic abuse, sexual assault or stalking (Minn. Stat. § 181.9447, subd. 1).
- Employer obligations: Employers must notify employees in writing or electronically of their accrued ESST at the end of each pay period and provide a written notice of their rights to ESST (Minn. Stat. § 181.9447, subds. 9 and 10).

- Anti-retaliation protections: Employers cannot retaliate against employees who use ESST, request ESST or file complaints. Absence control policies cannot treat ESST use as an absence leading to disciplinary action (Minn. Stat. § 181.9447, subd. 6).

ESST education and outreach

The Department of Labor and Industry's (DLI's) Labor Standards Division handles more than 20,000 inquiries annually from workers, employers and other stakeholders about various wage-and-hour concerns, including ESST protections. The Labor Standards Division also conducts proactive outreach to educate employees and employers about their rights and responsibilities under labor and employment laws.

DLI's ESST education approach strongly emphasizes working closely with employers and employer-assistance organizations to support compliance. This approach includes in-person events and training sessions; webinars, media and materials; business visits; and ESST outreach grants to community partners. The following is a summary of ESST outreach activities from January through December 2025.

In-person events and training sessions

DLI met with employers and employees in person to provide education and assistance related to ESST. In 2025:

- DLI hosted or presented at 219 in-person events across Minnesota, reaching communities in numerous counties, including: Anoka, Becker, Carlton, Chisago, Crow Wing, Dakota, Douglas, Goodhue, Hennepin, Kandiyohi, Le Sueur, Lyon, McLeod, Meeker, Morrison, Nobles, Olmsted, Otter Tail, Pine, Ramsey, Renville, Rice, St. Louis, Stearns, Wabasha, Washington, Watonwan and Wright. These events reflect DLI's commitment to statewide engagement and education.
- DLI visited 1,752 individual businesses to provide ESST education and compliance assistance across multiple Minnesota counties, including: Anoka, Benton, Carver, Chisago, Dakota, Hennepin, Isanti, Lyon, Meeker, Nicollet, Nobles, Pine, Ramsey, Sherburne, Stearns, Washington and Wright. These efforts helped ensure employers and employees understand their rights and responsibilities under state law.

In all, DLI reached approximately 40,876 individuals through these events and visits.

Webinars, media and other educational materials

DLI expanded ESST outreach through digital and media channels by leveraging newsletters, website content, online engagement and video campaigns. Through these efforts, DLI reached people more than 6.81 million times, connecting with audiences via informative articles, interactive resources and accessible multimedia content designed to educate workers and employers about their rights and responsibilities.

- In 2025, this outreach and engagement included:
 - 12 webinars DLI hosted, including two in Spanish;
- 266,000 visits to the ESST webpage;
- 57,392 visits to the ESST FAQs webpage; and
- 3,971 views of DLI's ESST videos across five languages – American Sign Language, English, Hmong, Somali and Spanish.

- DLI also emailed 12 *Wage and Hour Bulletin* newsletters to 48,013 subscribers, featuring educational materials, case examples and a “Question of the month” feature to help employers and employees better understand ESST.
- DLI’s community media campaign generated 3.8 million impressions through targeted Facebook, Instagram and YouTube outreach.
- DLI also conducted seven media interviews to educate the public about ESST, reaching Hmong, Somali and Spanish audiences via TV and radio outlets.
- DLI’s online messaging campaign generated 2.3 million impressions through strategic placements on Facebook, Google and YouTube, further amplifying awareness of ESST protections and engaging a broad digital audience.

ESST outreach grants

The Legislature appropriated \$300,000 in both fiscal-year 2024 and fiscal-year 2025 for grants to community organizations to educate employees about their ESST rights. In 2025, ESST grants totaling approximately \$300,000 were awarded to three organizations: Centro de Trabajadores Unidos en la Lucha (CTUL), COPAL Education Fund and Greater Minnesota Worker Center, collectively engaging 233,318 individuals. These grants advanced worker rights across Minnesota.

The following is a sample of worker feedback shared with DLI from grantees.

- An employee worked in a cafeteria in the city center. She was a dedicated employee, always attentive to customers. She accumulated a little paid time she could use if she ever got sick or needed time off for safety reasons. One day she had a sore throat and fever. She did not have to choose between going to work sick or staying home and losing her pay. Instead, thanks to ESST, she was able to stay home, rest and recover without worrying about losing money.
- An employee described how her employer encouraged her to use ESST hours after she requested time off for medical reasons and another employee shared that his employer proactively informed him of available ESST hours, which he later used to care for his child.

Conciliation and enforcement

If an employee has a complaint about their employer’s potential noncompliance with the ESST law, the employee can contact DLI’s Labor Standards Division to start the complaint process. If an employer has a question about ESST compliance, they can also contact the division for assistance. DLI staff members receive stakeholder questions and complaints through an intake process, which are then referred for follow-up. When the division receives a complaint, it generally focuses on educating and guiding employers toward compliance rather than issuing an immediate enforcement action that may include penalties. DLI provides technical information and uses conciliation tools including wage claims, warning letters and “inform and educate” (I&E) letters to help employers comply with the ESST law.

In addition to conciliation processes, DLI conducts investigations when there is reason to believe an employer is not following the law. After mainly focusing on education, outreach and conciliation processes in 2023 and 2024, DLI began to conduct and complete more investigations in 2025.

Technical information

The tool DLI uses most frequently to support ESST compliance is providing stakeholders with technical information to comply with the law. Technical support includes:

- providing statutory language and FAQs to employers and employees, community-based organizations, government entities and other stakeholders to clarify legal requirements;
- educating employers about required notices, including providing sample written notices and workplace postings;
- reviewing employer policies and handbooks for compliance with the ESST law and suggesting revisions;
- explaining recordkeeping requirements to employers and common practices for tracking ESST accrual and use, including answering employer-specific questions related to part-time and seasonal employees;
- discussing with employers how to handle existing paid leave policies to ensure compliance without unnecessary duplication;
- responding to hypothetical scenarios posed by both employers and employees regarding ESST usage, documentation and accrual;
- providing employers with guidance about ESST frontloading versus accrual methods and how employers can ensure compliance with either approach;
- providing compliance checklists and practical tools to make ESST implementation easier for businesses; and
- fielding technical questions from human resource professionals and payroll providers about integrating ESST into time-tracking and payroll systems.

Starting with the passage of the ESST law in 2023, DLI began education efforts to provide stakeholders with technical information about the law’s specific provisions, in addition to the outreach and education discussed above.

Of the types of stakeholders who reached out for ESST technical guidance, employers, employer representatives and employees contacted DLI most frequently. Table 1 provides a breakdown of the types of stakeholders that received ESST technical support from DLI from 2023 to 2025.

Table 1: Stakeholder inquiries to DLI for ESST technical information from 2023-2025

Stakeholder type	2023	2024	2025	Total
[No stakeholder identified]	21	285	103	409
Community-based organization	4	14	17	35
Employer or employer rep.	1,818	2,843	1,335	5,996
Employer organization	43	116	53	212

Government entity	28	42	37	107
Labor organization	23	120	49	192
Public or concerned citizen	0	9	32	41
Unknown or decline to answer	10	116	23	149
Worker – no union representation	423	3,262	2,693	6,378
Worker – union representation	N/A	216	291	507
Total	2,370	7,023	4,633	14,026

Conciliation efforts

DLI uses conciliation to help employers implement compliant ESST programs and to address employees' concerns. DLI's general practice is to use three levels of conciliation to address noncompliance with the labor standards laws it enforces: wage claims, warning letters and I&E letters. DLI used all three tools in 2025 in its ESST work.

Wage claims

Wage claims are an informal process for employees to recover unpaid wages. These claims often arise when employers fail to pay final wages under Minn. Stat. §§ 181.13 and 181.14. DLI uses this process for cases involving few employees when noncompliance can be quickly resolved. DLI lets employers know that if they do not want to participate in the wage-claim process, the case may be escalated to either an I&E letter or an investigation.

DLI continued to use the wage-claim process in 2025 to help employees recover ESST-related wages. The ESST law requires employers to pay leave at the employee's base rate so employees do not lose income when using ESST (Minn. Stat. § 181.9445, subd. 4(a)). Employers must pay ESST on the regular payday for current employees, immediately upon demand for terminated employees and no later than the next payday (or within 20 days if the payday falls within five days of resignation) for employees who quit (Minn. Stat. §§ 181.101, 181.13 and 181.14). Thus, the ESST law obligates employers to pay their employees for earned and used sick and safe time.

Between Jan. 1 and Dec. 31, 2025, DLI had 129 intakes involving unpaid ESST that resulted in a wage claim that was closed during 2025. DLI recovered \$84,110.69 in back wages in 2025 for used but unpaid ESST via the wage-

claim process. Comparatively, in 2024 DLI had 40 intakes involving unpaid ESST that resulted in a wage claim. DLI collected \$15,450.48 in back wages in 2024 for used but unpaid ESST.

Industry trends in ESST wage claims

Together, the food service and hospitality industries accounted for a sizeable share of ESST-related wage claims in 2025. Specifically, restaurants and other eating places (seven claims), limited-service restaurants (six claims), full-service restaurants (five claims), and hotels and motels (five claims) accounted for 23 claims out of 129 total claims, or approximately 18% of the total 2025 ESST wage claims. Home health care services accounted for approximately 6% of all ESST-based wage claims. When combined with nursing and residential care facilities and hospitals, the health care sector accounted for 11 claims, or about 9% of all ESST wage claims. Construction accounted for approximately 3% of all ESST wage claims in 2025.

These trends are consistent with data from the Bureau of Labor Statistics (BLS). For example, according to the National Compensation Survey data released by BLS, private-industry workers in the leisure and hospitality industry had the lowest reported access to paid sick leave among major industry groups.⁷

Warning letters

Letters are another way DLI works to resolve compliance issues. DLI uses two kinds of letters: warning and I&E. Warning letters are sent when it appears employees have access to ESST but there potentially are minor compliance issues to address with education; warning letters are often sent to industries that tend to have paid leave programs. In contrast, I&E letters are sent when there are clear signs of a problem, such as no ESST program or an employer blocking its use. These different tools help DLI focus on industries where paid leave is less common while handling concerns fairly and efficiently.

DLI uses warning letters to alert employers their ESST program may be out of compliance with Minnesota ESST law. Each warning letter is formulated from a template and then revised to address the stakeholder’s specific complaint. The letter explains various provisions of the ESST law and provides employers with a checklist to help ensure compliance.

DLI issued 248 ESST warning letters in 2025. Comparatively, in 2024 DLI issued 169 ESST warning letters.

Case study: Warning letter initiates correction of ESST carryover policy

An employee at a wholesale distribution company contacted DLI because the company’s handbook said employees could not carry over unused ESST into the next year. Minnesota law generally requires employers to allow employees to carry over unused ESST into the next year, up to a cap of 80 hours (Minn. Stat. § 181.9446(b)(1)).

DLI sent the employer a warning letter explaining the carryover requirement. Later, the employee told DLI the handbook had not been updated.

DLI asked for the company’s written ESST policy. The handbook confirmed ESST carryover was not allowed. The employer stated its actual practice did allow carryover and admitted the handbook was outdated. The employer updated its ESST policy and the handbook to comply with the law. The issue was resolved voluntarily without further enforcement.

I&E letters

The I&E process is a form of conciliation and compliance assistance. DLI does not make formal findings of violations through this process. Instead, DLI provides technical guidance explaining statutory requirements and allows employers the opportunity to demonstrate compliance or to revise policies and practices to come into compliance. When DLI is satisfied the employer is complying with the ESST law, the matter is closed.

In 2025, DLI issued 197 ESST I&E letters (compared to 121 ESST I&E letters in 2024) that were resolved through compliance assistance and conciliation. These letters identified areas of suspected noncompliance with the ESST law and required written responses and supporting documentation demonstrating compliance.

Through the I&E process DLI recovered 41,908.01 hours of ESST for employees and \$167,080.05 in back wages impacting 40,139 workers.

Identified patterns of noncompliance through the I&E process

Although the I&E process does not result in formal violation findings, DLI analyzed closed I&E matters in 2025 to identify patterns associated with measurable compliance outcomes. For this analysis, matters were included if at least one of the following indicators occurred: hours of ESST were recovered; workers were compensated for their ESST used; or the number of impacted employees was greater than one. Review of this subset of matters reveals patterns by industry and counties.

Industry patterns: Based on DLI's data, I&E activity was most frequently associated with the following industries:

- restaurants and other eating places, including limited-service and full-service restaurants;
- home health care services and assisted living facilities;
- hotels and motels; and
- temporary help and staffing services.

These industries had ESST compliance issues regarding accrual practices, use restrictions and the interaction between ESST and existing attendance or paid leave policies.

Geographic patterns: Based on DLI's data, the largest concentration of ESST compliance issues occurred in the state's most populous counties, particularly Hennepin and Ramsey counties, followed by other metropolitan counties including Anoka, Dakota and Washington. Additional ESST compliance issues were distributed across regional population centers in greater Minnesota, such as Olmsted and St. Louis counties.

Common areas of technical guidance: Across industries and counties, the most common subjects of technical guidance provided through I&E letters in 2025 included:

- establishing and communicating clear ESST notice and request procedures, including notice requirements;
- explaining when an employer may require documentation to support ESST use;
- clarifying ESST can be used in the same increment in which employees are paid;
- discussing acceptable methods for sharing ESST balances (for example, on pay stubs or through human resource portals); and

- providing guidance about what employers cannot do when an employee uses ESST, such as:
 - employers cannot require employees to find replacement workers in order to take ESST and
 - employers cannot count ESST absences against employees under absence control or point-based discipline systems.

The following case studies demonstrate how DLI uses I&E letters to assist businesses by providing specific technical assistance to Minnesota’s employers.

Case study: I&E letter leads to correction of ESST frontloading errors and restoration of ESST hours and wages for food service workers

In April 2025, DLI received a complaint that a large food service employer was not following Minnesota’s ESST frontloading requirements. Under the ESST law, employers do not need to carry over unused ESST hours from year to year if they: provide at least 48 ESST hours for immediate use at the start of the year and pay out unused ESST hours at the end of the year; or provide at least 80 ESST hours at the start of the year (in which case no pay out at the end of the year is required).

In this case, the employer provided 48 ESST hours at the beginning of 2024 but did not pay out unused ESST hours at the end of the year. Furthermore, the employer only frontloaded 40 ESST hours at the beginning of 2025. DLI sent the employer an I&E letter; the employer admitted its error and fixed it. In all, DLI recovered approximately \$85,000 in ESST wages, as well as 2,728 ESST hours. These steps remedied the ESST issues and provided the employer with guidance to ensure compliance moving forward.

Case study: Reinstatement after termination for taking ESST-protected leave

In December 2025, a restaurant employee reported to DLI he was fired after using ESST to care for his sick child. The employee initially received approval for ESST for one day, but after requesting an additional day of ESST, his employer denied his request and terminated him upon his return to work. This was the first time the employee had used ESST and he had sufficient time accrued to cover his leave.

The employee’s termination was inconsistent with anti-retaliation protections found in Minn. Stat. § 181.9447, subd. 6. The employee’s absence was for an ESST-eligible reason and the ESST law prohibits retaliation or adverse action against an employee for requesting or using ESST. Without these anti-retaliation protections, employees could be discouraged from using leave for legitimate health and family needs, undermining the intent and effectiveness of the ESST law.

The employer acknowledged to DLI it had not been aware of ESST requirements, agreed to reinstate the employee and compensated him for the ESST hours used. With DLI’s assistance, the employee returned to his position shortly after his termination.

Investigation efforts

Although DLI continues to place substantial emphasis on ESST education and conciliation efforts, DLI conducts ESST investigations when warranted to determine the extent of ESST violations.

When an investigation begins, DLI may require the employer to produce records necessary to assess compliance, including payroll records, time and attendance data, written leave and attendance policies, and other records. Investigators review these materials to determine whether employees were properly provided ESST and whether ESST hours were actually available for use as required by statute. Investigators also conduct interviews with workers and other witnesses.

If violations are found, DLI typically issues either a notice of findings or a compliance order. In 2025, DLI used its investigatory authority to:

- identify areas of ESST noncompliance and provide clear guidance about necessary changes;
- secure written agreements with employers to commit to ESST compliance moving forward; and
- seek corrective actions, ensuring employees received their earned ESST benefits.

Table 2 summarizes 2025 ESST violations found by DLI in investigations.

Table 2. List of ESST violations found in investigations in 2025

Employer legal name	ESST violation	NAICS* code title/industry	County
Carmen Castaneda Albitzer, Individually, and Sparkly Cleaning Solutions LLC	Minn. Stat. § 181.9447, subd. 9	Carpet and Upholstery Cleaning Services	Washington
The Specialty Mfg. Co.	Minn. Stat. § 181.9447, subd. 6	Metal Valve Manufacturing	Ramsey
Quality Value Excellent Sanitation Team LLC	Minn. Stat. § 181.9446; Minn. Stat. § 181.9447, subd. 10	Animal (except poultry) Slaughtering	Renville
UPS Industrial Services, LLC	Minn. Stat. § 181.9446	All Other Specialty Trade Contractors	Clay
Honey Bear Meadery, Inc. d/b/a White Bear Meadery	Minn. Stat. § 181.9446	Wineries	Ramsey
Kaskaid Hospitality, Inc. d/b/a Crave American Kitchen & Sushi Bar (West End – St Louis Park)	Minn. Stat. § 181.9447, subd. 9	Full-service Restaurants	Hennepin

Employer legal name	ESST violation	NAICS* code title/industry	County
Sushi Tango Woodbury Inc	Minn. Stat. § 181.9446; Minn. Stat. § 181.9447, subds. 9 and 10	Full-service Restaurants	Washington
The Kroger Co. d/b/a Pace Dairy Foods Company	Minn. Stat. § 181.9446	Manufacturing	Olmsted
PK Property Services LLC d/b/a Vanden Hoek Cleaning	Minn. Stat. § 181.9446; Minn. Stat. § 181.9447, subd. 9	Residential Property Managers	Anoka
R.D. Offutt Farms Co. d/b/a R.D. Offutt Farms	Minn. Stat. § 181.9447, subd. 9 and 10	Potato Farming	Ramsey
Star Liquor of Austin, Inc and Jim's Marketplace Foods of Austin, Inc.	Minn. Stat. § 181.9447, subds. 3, 9 and 10	Beer, Wine and Liquor Stores; Supermarkets and Other Grocery (except convenience) Stores	Mower

Case study: DLI investigation secures ESST compliance for statewide restaurant chain

An employee at a Twin Cities-area restaurant reported to DLI their employer failed to provide ESST notices and withheld information about ESST accrual. The company operates multiple locations across Minnesota, both inside and outside the metropolitan area. DLI sent the employer a warning letter outlining the employer's obligations and included an ESST compliance checklist.

A few months later, the same employee contacted DLI and reported the employer was still not complying with the ESST law. DLI opened an investigation that confirmed that for at least five months, employees did not receive proper ESST notices and had no access to accurate ESST balances. As a result, no employee requested or received ESST in the first six months of 2024. The employer admitted to knowing about the deficiencies, which it attributed in part to a third-party payroll vendor.

To resolve the violations, DLI required the employer to: revise its ESST notices; notify employees of their rights and the employer's prior ESST errors; and offer retroactive ESST compensation for qualifying absences in 2024.

The employer complied by issuing notices and forms for retroactive ESST requests statewide. As a result, employees submitted claims totaling 1,073.75 hours for ESST absences in 2024 and 44 employees received payments for those hours. These remedial actions restored employees' ESST rights and ensured compliance moving forward.

Investigative results and patterns of noncompliance

Data from ESST investigations closed in 2025 shows these enforcement efforts resulted in measurable corrective outcomes. As a result of DLI's investigations, employers restored \$181,254.90 in back wages to employees, restored 7,364.50 ESST hours and took corrective action affecting more than 1,790 workers statewide. Comparatively, in 2024 DLI's investigations restored 2,271.97 hours of ESST to employees, totaling \$42,245.96 in back wages. These outcomes reflect employer compliance achieved through investigation-driven technical assistance.

The investigative data also demonstrates recurring types of ESST violations, including:

- failures related to ESST accrual or carryover requirements;
- failures to allow use of accrued ESST;
- retaliation-related concerns associated with attendance or discipline policies; and
- policy-based noncompliance affecting ESST administration.

Case study: Manufacturer revises attendance control system after DLI investigation

In 2025, DLI penalized an employer for willfully violating Minn. Stat. § 181.9447, subd. 6(b). Under this subdivision, an employer’s absence-control policy or attendance point system may not count ESST use as an absence that could lead to, or result in, the employer penalizing the employee.

In this case, DLI provided a manufacturing employer with ESST technical guidance in 2024 through the I&E process that its attendance point system may not treat ESST-protected absences as occurrences that lead to discipline. The employer said it would revise its attendance policy and handbook and correct employee attendance records to ensure ESST-covered absences were not counted against employees.

DLI later received a new complaint for the same employer about the same issue. An employee notified the employer of an illness-related absence and had enough accrued ESST to cover their shift. The employer still assessed attendance points for the ESST-covered absence. DLI investigated and found the employer did not revise its attendance policy or correct the records it had promised DLI it would.

DLI determined the employer maintained and enforced an absence-control policy that penalized employees for using ESST and the employer’s violations were willful, because DLI previously notified the employer of its legal requirements and the employer had agreed to make corrective changes but failed to do so. DLI’s compliance order required the employer to cease enforcing the unlawful policy, correct attendance records, train supervisors, revise written policies and pay a civil penalty.

Industry-level patterns

ESST violations found in investigations occurred across a wide range of industries, indicating ESST noncompliance is not concentrated in a single sector. Small clusters were observed in lower-wage sectors, including full-service restaurants (two cases), manufacturing (two cases) and cleaning/property services (two cases). Additional cases were identified in agriculture (potato farming), animal slaughtering, specialty trade contracting, wineries and grocery/liquor retail. This distribution suggests ESST noncompliance affects diverse areas of the economy. These violations are consistent with national data showing access to paid sick leave is unavailable to low-wage and service-sector workers when compared with higher-wage, full-time, unionized and public-sector employees, who are significantly more likely to receive employer-provided paid sick leave. Data from the U.S. Bureau of Labor Statistics’ National Compensation Survey shows that only about four in 10 of the lowest-wage workers have paid sick days, compared to nearly nine in 10 workers who are in the top 50% of wage earners.⁸ People who work for smaller companies or do not belong to a union are also less likely to have paid sick leave.⁹ Because of these gaps, enforcing the law is essential to make sure all workers — especially those in industries and wage ranges where benefits are uncommon — receive Minnesota’s ESST protections.

County-level patterns

Metro area counties

Employers in Ramsey County had the highest concentration of ESST investigations in 2025 and the greatest diversity of industries involved, including wineries, metal manufacturing, food manufacturing and agriculture. It was also the only county in this dataset with a retaliation-related violation and included multiple investigations involving failure to allow the use of ESST across different sectors.

ESST investigations in Hennepin County were concentrated in hospitality and recreation-related industries, including restaurants, bowling and recreation facilities, and food service establishments.

Washington County had multiple ESST investigations of employers in janitorial services and full-service restaurants. The pattern in these matters reflects accrual and use-related violations in janitorial services and policy-based compliance issues in restaurant settings, indicating implementation challenges in service-sector industries.

Greater Minnesota counties

In Anoka, Clay, Mower, Olmsted and Renville counties, ESST investigations were more limited in number and were typically tied to a single industry within each county. These matters most often involved accrual and use-related violations in service or contractor industries, as well as policy compliance issues in property management, retail and manufacturing. While fewer in number, these investigations indicate ESST compliance challenges are present statewide.

Overall, investigative enforcement activity reflects that ESST compliance issues occur across both metropolitan and Greater Minnesota counties, with higher case volume in metro areas consistent with greater employer and workforce density.

Conclusion

Since Jan. 1, 2024, DLI has worked to ensure awareness of and compliance with Minnesota's ESST law through outreach, education, conciliation and enforcement. By engaging with employers, workers, community organizations and other stakeholders, DLI has helped thousands understand their ESST rights and responsibilities.

Through conciliation efforts — including wage claims, warning letters and I&E letters — DLI has helped employers fix mistakes and comply with the law. Many employers, when given clear guidance, have corrected errors without formal enforcement.

Investigations have also played a key role in addressing ESST violations. In 2024, DLI mainly focused on education while reviewing employer policies, payroll records and timekeeping practices. These efforts resolved individual complaints and led to workplace-wide improvements. In 2025, investigations also led to significant compliance results. In total, DLI restored approximately 49,272.51 hours of ESST to employees and approximately \$432,445.64 in back wages through its ESST compliance efforts in 2025. Comparatively, in 2024 DLI restored more than 2,200 hours of ESST to employees, totaling more than \$42,000 in back wages.

DLI will continue using education, technical guidance and enforcement to ensure compliance. By providing clear information and holding employers accountable for noncompliance, DLI will help all Minnesota workers receive the paid sick and safe time they are entitled to under the law.

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²Chunyu, Liangrong, Paolo F. Volpin, and Xingchen Zhu. “Do Paid Sick Leave Mandates Increase Productivity?” SSRN, 2 Dec. 2022, papers.ssrn.com/sol3/papers.cfm?abstract_id=4096707.

³Kevin Callison, Michael F. Pesko, Serena Phillips, and Julie Ann Sosa, “Health Care Utilization Following the Adoption of U.S. Paid Sick Leave Mandates: A Cohort Study Using Health Insurance Claims Data,” *The Lancet Regional Health – Americas* 49 (2025): 101174, doi.org/10.1016/j.lana.2025.101174.

⁴Davison, H. Kristl, and Adam Scott Blackburn. “The Case for Offering Paid Leave: Benefits to the Employer, Employee, and Society.” *Compensation & Benefits Review*, vol. 55, no. 1, Jan. 2023, pp. 3–18. PubMed Central, doi:10.1177/08863687221131728.

⁵Macleay, Catherine, Stefan Pichler, and Nicolas R. Ziebarth. “Mandated Sick Pay: Coverage, Utilization, and Welfare Effects.” Washington Center for Equitable Growth, 12 Jan. 2022, equitablegrowth.org/working-papers/mandated-sick-pay-coverage-utilization-and-welfare-effects.

⁶Asfaw, Abay, Roger Rosa, and Regina Pana-Cryan. “Potential economic benefits of paid sick leave in reducing absenteeism related to the spread of influenza-like illness.” *Journal of occupational and environmental medicine* 59.9 (2017), at journals.lww.com/joem/abstract/2017/09000/potential_economic_benefits_of_paid_sick_leave_in_2.aspx, accessed Jan. 15, 2025.

⁷U.S. Bureau of Labor Statistics. Employee Benefits in the United States – News Release. U.S. Department of Labor, bls.gov/news.release/ebs2.nr0.htm.

⁸Gould, Elise, and Hilary Wething. “Access to Paid Sick Leave Continues to Grow but Remains Highly Unequal by Geography and Wage Level.” Economic Policy Institute, 7 Oct. 2025, Access to Paid Sick Leave Continues to Grow but Remains Highly Unequal by Geography and Wage Level.

⁹Id.