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The 2023 Minnesota Legislative session was challenging for small business owners and, frankly, all Minnesotans. Next year presents new challenges but also potential opportunities.

2023 REVIEW

**Employer Mandates and Tax Hikes were top frustrations for NFIB members, but a few bright spots stand out amid the legislative carnage.**

* **EMPLOYER MANDATES** were a primary focus of NFIB’s lobbying efforts this year. We engaged heavily on PFML, Earned Sick and Safe, Noncompete Agreements, State-Managed Retirement Accounts and more.
* **TAX AND FEE HIKES** were a somewhat surprising element of the session given the $18 billion surplus. In all, Gov. Walz and DFLers raised taxes by nearly $10 billion over the next 4 years: PFML payroll tax, retail delivery fee, vehicle sales tax hike, vehicle tab fee hike, metro sales tax, net investment income tax, etc.
* **BRIGHT SPOTS** includefederal tax conformity, defeating income and capital gains tax hikes, beating the “Backdoor Gas Ban”, blocking pricey healthcare mandate, and more.

2024 PREVIEW

**Single party control of state government continues to present challenges, but NFIB will continue working to advance the small business agenda.**

* **EMERGING CONCERNS** include AG Ellison’s Independent Contractor Task Force & ABC Test, Advanced Scheduling Mandate, Minimum Wage Hikes, Pay Transparency Regs, Antitrust Regs and Enforcement, Public Option Implementation, Low Carbon Fuel Standard.
* **OPPORTUNITIES EXIST** to advance small business issues: curtail frivolous ADA website lawsuits, sales tax “vendor collection allowance,” and more.
* **THE BIG UNKNOWN** is the state’s fiscal health after a 40% increase in spending this year. We’ll know more when MMB releases the Budget Forecast in early December.

LOOKING BACK, MOVING FORWARD

NFIB Minnesota

Legislative Brief