

Supporting Small Business to Meet & Exceed Minneapolis's Labor Standards

Main Street Alliance and the **Workplace Justice Lab@Rutgers University** have entered into an exciting collaboration, with support from the **W.K. Kellogg Foundation**, to understand the strategies that best support immigrant and systemically marginalized small businesses to create healthy, just, and equitable jobs through meeting and/or exceeding minimum labor standards. We are working together with the **Minneapolis' Labor Standards Enforcement Division**, and small business owners to find practical solutions to the unique challenges which undermine the full flourishing of these businesses and their communities.

While some businesses intentionally adopt exploitative business models, for which a strong regulatory framework will need to remain in place in order to protect workers' rights, we know that many businesses would choose a strategy that invests in their employees with the right government support and interventions.

We are particularly interested in supporting very small businesses that are owned by immigrant and systemically marginalized owners that face multiple challenges, including capital and service access, to compliance. By more deeply understanding the key sectors and networks in which these businesses operate, our goal is to identify key moments and interventions that support businesses to be profitable while also providing good jobs. This is a first-of-its kind project that can lead to significant benefits for workers, businesses, and the local economy.

Currently, in most American cities and states, labor enforcement has been largely separated from small business support. Even when these functions are nominally in the same agency or office, they typically do not work together. This means that an opportunity to collaborate to both support small businesses *and* help them come into compliance with labor standards is lost.

Minneapolis is uniquely positioned to address these challenges given the City's history of strong small business and worker center organizing and the existence of both the City of Minneapolis Department of Civil Rights, Office of Labor Standards Enforcement Division, and the Minneapolis Small Business Office. The project's hosts have been exploring these issues for the last 6 months. In this time, MSA has conducted outreach to 325 businesses and 27 community organizations while the Rutgers research team has been assembling academic and policy research to understand the initiatives governments and organizations across the world have implemented to support small businesses.

The next step in our project is a multi-stakeholder roundtable that includes you! Members of the roundtable include small business owners, representatives from key community organizations, academics, and government officials. Together, the roundtable will identify and implement new pilot interventions aimed at creating good jobs for Minneapolis' immigrant and systemically marginalized communities. Additionally, the roundtable will provide feedback to help refine and shape a pilot project that is soon to be launched. This first pilot was developed to address our finding that ongoing support for back-office systems, such as payroll, time-keeping, and point-of-sale systems, is crucial for supporting compliance with labor laws. With the support of Council Member Koski, the City is providing funding to help implement the pilot. Of course, there are many details to be decided and we will need your input and ideas to ensure this pilot is successful!

Small Business Labor Standards Roundtable Hosts

Main Street Alliance

Main Street Alliance (MSA) is an organization founded by small business leaders in 2008. MSA organizes small businesses around issues that matter most for businesses, their employees, and the community they serve. MSA aims to build a powerful, self-funded, multi-racial, small business membership organization that can shift our economic narrative, wield political power, and win policy reform for small business owners, employees, and communities.

The Workplace Justice Lab@Rutgers University

The workplace justice lab@RU exists to address economic inequality through supporting, strengthening, and fostering innovations in government and grassroots organizing. We do this through building dynamic communities of learning and practice, carrying out cutting edge research, and offering specialized training and in-depth one-on-one consultations.

Project Partners

Minneapolis Office of Labor Standards Enforcement Division

The City of Minneapolis' Office of Labor Standards Enforcement Division was founded in 2017 to enforce the City's new Sick and Safe Time, Minimum Wage, and Wage theft ordinances. Since its founding the Division has provided nearly 4,000 consultations collecting nearly \$700,000 in remedies impacting almost 10,000 employees. The Division is a national leader in innovative municipal labor law enforcement.