

# Small Business Notes

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## **New Legislation Revives Workers' Compensation Presumption For Certain Frontline Workers Who Test Positive For The COVID-19 Virus**

2020 Minnesota legislation [codified as Minn. Stat.176.01 subd. 15(f)] created a presumption, rebuttable by an employer, that certain front-line-workers who tested positive for COVID-19 had contracted the virus in the course of their work and thus were eligible to make a Workers' Compensation Insurance claim. That language expired on December 31, 2021.

New legislation signed by the Governor on February 4, 2022 revives and extends the previous language from February 4<sup>th</sup>, 2022 through June 13, 2023. But the new law is not retroactive, so it does not provide the presumption to workers who tested positive any time between January 1, 2022 and February 3, 2022.

The law extends to public workers like police officers, firefighters, emergency medics, and to nurses, other health care workers, correctional officers, or security officers employed by the state or a political subdivision at corrections, detention, or secure treatment facilities.

It also applies to privately employed emergency medical technicians and paramedics and to health care providers, nurses, and medical assistants in home health care, home care, or long term settings like assisted living or nursing homes when those employees provide direct or ancillary patient care to COVID-19 patients.

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## Wall Street Journal Reports on Deepening Challenges for Small Businesses

In a copyrighted article on February 22, *The Wall Street Journal* reported on the continuing and deepening challenges for small businesses as a result of the pandemic (“Many Big Firms Are Thriving. Small Ones Are Sinking,” Page 1).

Among the reported difficulties:

- Small businesses continue to lose customers and market share to larger firms which have the financial capacity to employ greater pricing power, larger workforces, and stronger margins than are available to small businesses.
- Small businesses suffer from the absence of long term contracts with suppliers who now give order fulfillment priority to businesses that earlier entered into contracts.
- Small businesses encounter suppliers who are no longer interested in doing small, short term production runs, or who substantially increase the price of such runs.
- Small businesses are faced with increased transportation costs in terms of rate increases or substantial surcharges.
- Small businesses encounter banks, even those with which the business has had a long term relationship, that are not interested in extending smaller loans or lines of credit.
- Small businesses which received federal funds, like the Payroll Protection Program, to preserve or enhance liquidity now find those funds being exhausted.
- Small businesses are often required to operate at less than full capacity as inflationary pressure drives wages up to a level the business cannot sustain.

Even allowing for inflation fighting efforts by the Federal Reserve, or other relief efforts by the federal or state governments, the dynamic of interaction all along the supply-manufacturing-distribution chain may mean that many businesses that survive will never return to their pre-pandemic level of operations, revenues, and profits.

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