



TERCH &  
ASSOCIATES

HUMAN RESOURCES EXPERTS

5 North 3<sup>rd</sup> Avenue West, Ste 201  
Duluth, Minnesota 55802

[www.terchandassociates.com](http://www.terchandassociates.com)  
[info@terchandassociates.com](mailto:info@terchandassociates.com)

## Client Newsletter | Q2 2025



*Pictured L-R: David Huntley, Justin Terch, Faith Wickenhauser*

Dear Valued Clients,

Did you know that our firm works with a full-time lobbyist in St. Paul? As part of our commitment to our clients, we partner with MNSHRM's lobbyists at Park Street Public, a full-time lobbying and advocacy firm to represent the interests of employers and HR professionals!

Please feel free to contact us at (218) 213-7162 or via email at [justin@terchandassociates.com](mailto:justin@terchandassociates.com)!

### On the Radar: New Legislative Proposals Introduced for Minnesota's Paid Leave Program

State lawmakers proposed amendments to Minnesota's Paid Family and Medical Leave (PFML) program on April 1, 2025, aimed at easing compliance burdens for small businesses and refining eligibility criteria.

If successful, employers with 15 or fewer employees would be exempt from mandatory participation unless they voluntarily opt in. Additionally, all seasonal workers would be excluded from coverage, regardless of employer size.



## Proposal would put brakes on paid leave program for one year



*Justin Terch of the Society of Human Resource Management testifies Feb. 13 before the House workforce, labor, and economic development panel in support of a bill to delay implementation of the Minnesota Paid Leave law by one year. (Photo by Michele Jokinen)*

*The time to fix the train is before it leaves the station,  
Justin Terch, President of Terch & Associates testifying before the MN House on PFMLA*

There would also be stricter criteria for qualifying employees, including revised definitions of “family members” eligible for care-related leave. Several simplified opt-in process for independent contractors and self-employed individuals to access benefits was also introduced.

Other aspects of the program were detailed including flexibility for private plans, financial stability measures, and more employer-friendly calculations. These proposals are in early legislative stages and face debate in Minnesota’s divided legislature. If passed, they would take effect alongside the PFML program’s January 2026 launch.

We recommend monitoring these legislative updates as they come to best understand your options. Watch for finalized eligibility criteria as well as private plan options as alternatives to the state-administered program.

*Please Note: these proposals are pending approval and may evolve during legislative negotiations.*

## Predictive Index: A Game Changer

The Predictive Index (PI) is a game-changer for businesses looking to hire smarter, build stronger teams, and develop great leaders. This simple yet powerful tool uses science-backed assessments to uncover

what makes your employees tick: how they think, work, and collaborate. With these insights, you can align your people strategy with your business goals, making it easier to hire the right fit, boost engagement, and drive success.

Think of PI as a tool made for building high-performing teams. It goes beyond just resumes and interviews, giving you a deeper understanding of workplace behaviors, motivation, and leadership potential. Whether you want to improve hiring decisions, reduce turnover, or help your employees grow, PI provides clear, actionable data to support every stage of the employee journey.

When businesses use PI, they create workplaces where employees feel understood, valued, and empowered to do their best work. The result? Better communication, stronger collaboration, and a happier, more productive team. If you're curious about how PI can help your organization thrive, let's chat! We'd love to show you how it works!

## Increased Immigration Enforcement

The Form I-9 might seem like just another piece of paperwork, but it's actually a big deal when it comes to staying compliant with employment laws. This form verifies that employees are legally authorized to work in the U.S., and every employer (no matter the size) must complete it for each new hire. Missing or incorrect I-9s can lead to hefty fines and legal headaches, so making sure they're filled out correctly and on time is crucial. This remains true whether or not your employees are authorized to work in the United States.

Staying on top of I-9 compliance doesn't have to be a hassle. With the right processes in place, you can easily avoid common mistakes, keep your records in order, and be prepared in case of an audit. Whether you need a refresher on the rules, help with an internal audit, or just some guidance on best practices, we're here to make I-9 compliance simple and stress-free!

## Business Compliance Update: Key Changes to Corporate Transparency Act (CTA) Reporting Requirements

The Corporate Transparency Act (CTA) has undergone significant revisions, impacting beneficial ownership information (BOI) reporting obligations.

As of March 21, 2025, U.S.-formed entities (corporations, LLCs, etc.) are no longer required to file BOI reports with FinCEN. This applies to both new and existing entities, eliminating the need for initial, updated, or corrected reports.

Companies formed outside the U.S. but registered to operate domestically must still comply. However, they are not required to disclose U.S. persons as beneficial owners.

American citizens with ownership stakes in foreign entities no longer need to report this information.

Foreign entities registered before March 26, 2025, must file BOI reports by April 25, 2025. Newly registered foreign entities have 30 days after their registration becomes effective to submit initial reports.

These revised rules aim to reduce regulatory burdens on U.S. businesses while maintaining transparency for foreign entities. FinCEN cited a reevaluation of compliance costs versus national security benefits as a driver for these adjustments.

## An Interesting Statistic

“About half of workers (52%) say they’re worried about the future impact of AI use in the workplace...” ([Pew Research Center](#)).

This may be an opportunity for employers to bridge the gap between AI’s potential and workforce confidence by prioritizing education, transparency, and collaborative integration.

- Training may be offered for employees to understand the usefulness of AI tools, emphasizing practical applications (e.g., drafting, research) and ethical guidelines.
- Regular forums may be held to address employee concerns about job security and clarify how AI will augment and enhance – not replace – roles.
- Encourage employees to start using AI in low-stakes tasks (e.g., meeting summaries) to build familiarity and confidence. Employees should be free to explore how AI tools can be used to meet their work needs and values.

If you need assistance with any human resource issue, please contact our team for assistance at [info@terchandassociates.com](mailto:info@terchandassociates.com) or by calling us directly at (218) 213-7162.

Sincerely,

A handwritten signature in black ink, appearing to read 'Justin L. Terch', with a long horizontal flourish extending to the right.

Justin L. Terch, MA, MBA

Managing Partner

Terch & Associates Consulting LLC

[justin@terchandassociates.com](mailto:justin@terchandassociates.com)