

WASHINGTON, DC 20510

November 14, 2023

Rob Manfred Commissioner of Baseball The Office of the Commissioner of Baseball 1271 Avenue of the Americas New York, NY 10020

Dear Commissioner Manfred:

On March 31, 2023, over 99 percent of Minor League players voted to ratify a new collective bargaining agreement (CBA) with Major League Baseball (MLB). Days later, on April 3, Major League Baseball's owners voted unanimously to ratify the CBA. The CBA, the first between MLB and Minor League players, was the result of negotiations that began after Minor League players officially unionized in September 2022, joining the Major League Baseball Players Association (MLBPA).

Among its provisions, this historic agreement includes significant pay increases for Minor League players that more than double previous baseline annual salaries; improves health and retirement benefits; and guarantees that the league will not contract the Minor Leagues during the term of the CBA.

The agreement also includes a provision that states that the MLBPA will agree to execute and send a joint letter to "lawmakers/regulators" at the request of the Office of the Commissioner "to express our joint support for legislation that would provide a narrowly tailored exemption from wage and hour laws...that otherwise could apply to Players, in deference to the compensation and benefit provisions of the new [CBA]...provided the exemption would only apply to Players during the period in which they are compensated pursuant to the terms of the CBA."<sup>1</sup> This provision comes in the aftermath of MLB's \$185 million settlement in the *Senne* class-action lawsuit that alleged violations of state and federal wage and hour laws. MLB and the MLBPA have sent or are exploring sending such joint letters to state government officials in California, Arizona, New York, Washington, and North Carolina.

Notably, MLB and the MLBPA have not sent one of these joint letters to state government officials in Florida. Rather, while representatives of MLB and the MLBPA were negotiating the CBA for Minor League players, MLB was lobbying the Florida legislature to pass a bill, S.B. 892, that exempts Minor League players from the state's minimum wage and maximum hour laws.<sup>2</sup> Unlike the legislation MLB and the MLBPA agreed to jointly support, this exemption will apply regardless of whether players are being compensated pursuant to the terms of a CBA.<sup>3</sup> The bill was passed by the state legislature in May and approved by the governor in June.

<sup>&</sup>lt;sup>1</sup> Christopher Deubert, *Minor League Baseball players agree to expanded FLSA exemption in new contract*, JDSUPRA.COM (June 13, 2023), <u>https://www.jdsupra.com/legalnews/minor-league-baseball-players-agree-to-7371709/.</u>

<sup>&</sup>lt;sup>2</sup> Evan Drellich, *MLB lobbies to exempt minor leaguers from Florida wage law*, THE ATHLETIC (Feb. 28, 2023), https://theathletic.com/4261963/2023/02/28/mlb-minor-league-florida-wage/.

<sup>&</sup>lt;sup>3</sup> S.B. 892, Ch. 2023-222 (Fla. 2023).

These efforts by MLB to pass a broad exemption from state wage and hour laws in Florida appear to significantly undermine the agreement MLB entered into with the MLBPA and put at risk the gains made by Minor League players to finally earn a living wage. Florida plays an outsized role in the training and development of Minor League players. The state is the Spring Training home to half of MLB's 30 Clubs, half its Complex League teams, and 12 additional Minor League teams. In the absence of a future CBA, players for one of the 25 Florida teams in the Florida Complex and Low-A Southeast Leagues—who rank among the lowest-paid players in baseball—would be vulnerable to the effects of S.B. 892. This new law provides an exemption from the state's minimum wage and maximum hour requirements as long as the player's contract provides for a weekly salary during the league's "championship season"—which does not include Spring Training or the offseason—at a rate that is not less than the minimum wage in the state for a workweek of 40 hours, irrespective of the number of hours the player actually works. In short, under Florida's current minimum wage and the Complex League's 16-week "championship season," as long as MLB paid a Complex League player \$7,680, they would not run afoul of the state's law. This would be less than 40 percent of the minimum annual salary a Complex League player makes under the current CBA.

MLB and the MLBPA have made great strides in the past year to improve Minor League players' wages and working conditions. We ask that you provide answers to the following questions by November 28, 2023. Your answers will help inform our understanding of your commitment to ensure the progress made in the past year continues.

- 1. Why did MLB advocate for the passage of S.B. 892 while it was simultaneously negotiating a CBA providing for MLB and the MLBPA jointly to ask for only a conditional exemption from wage and hour laws?
- Does MLB plan to send a joint letter to Florida lawmakers to ask for an amendment to S.B.
  892 establishing only a narrowly tailored exemption from wage and hour laws like the letter provided for in the CBA and sent to other states? If not, why not?
- 3. Would MLB support federal legislation that would provide a narrowly tailored exemption from wage and hour laws that would only apply to players during the period in which they are compensated pursuant to the terms of a CBA, as the agreed upon letter in the current CBA with the MLBPA indicates? If not, why not?

We appreciate your attention to this timely issue and look forward to working with you to ensure that players, communities, and fans can continue to enjoy America's pastime.

Sincerely,

RICHARD J. DURBIN United States Senator

RICHARD BLUMENTHAL United States Senator

JOHN HICKENLOOPER United States Senator