



GOVERNMENT RELATIONS UPDATE

ADVOCATING FOR MINNESOTA'S HOSPITALITY INDUSTRY

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By Hanna Zinn • May 23, 2025

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Happy Friday! Following the adjournment of the regular session on Monday night, several budget items remained outstanding. This led leadership at the legislature to call conference committees back this week to finish up their work. These committees, called “work groups” in the interim, have been working around the clock to finish up their work and find compromises on large budget and policy provisions. I’ve got a breakdown of where things stand, and what happens next in this week’s Government Relations Update.

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Session Snapshot



A special session is coming; the only question remains when it will happen. Multiple budget bills, including Jobs and Economic Development, Taxes, Health and Human Services, and K-12 Education, have been meeting this week to try and finish up their negotiations.

Since my last update went out on Monday, closed door negotiations have been taking place. Committee chairs, House and Senate leadership, and the Governor’s office have been meeting to iron out any remaining sticking points for budget and policy proposals. As of Thursday night, only one committee seems to have fully wrapped up their negotiations - K-12 Education.

The Jobs, Economic Development and Labor committee adopted their budget agreements, but one policy sticking point, modifying the ban on non-competes, has prevented the bill from going forward. Read more about the [Jobs Appropriations](#), [Labor Appropriations](#), and agreed [policy areas](#). A couple of important updates on the progress of the bill for our members:

- HMEF’s workforce development program ProStart received funding from DEED.
- Unfortunately, the original mandatory breaks language will be included. However, the language including a penalty of \$1,000 for each violation found was removed in the final agreement.

One provision HM fought against this year made it into the final bill for K-12 Education – authorization for pre-Labor Day school start. The final language states school boards have the authority to authorize a school start date of September 1 for the 2025-26 and 2026-27 school years. We are disappointed to see this provision move forward and believe this sets a dangerous precedent for the resort and outdoor hospitality industry, we urge our members to stay up to date on local school board meetings and speak out if this proposal is put forward for your community.

What does an upcoming special session mean? A special session has to take place for the legislature to pass all remaining budget bills. Legislative leadership was hopeful a special session could take place this week, but with time running out and a holiday weekend ahead, next week is more realistic. A special session also means not everything is finished yet, including changes to Paid Family Medical Leave and Earned Sick and Safe Time. HM, and the business community at large, has advocated for needed changes to the PFML program before it goes into effect on Jan. 1, 2026. The specific modifications HM has proposed include:

- Changing the definition of “seasonal employment” from 150 to 180 days
- Aligning wage premium deductions to mirror UI wage premiums, as the benefit premiums currently do
- Tightening the definition of a family member
- Shortening the length of leave

House and Senate leadership held press conferences Thursday to update the public on the progress of working groups. Senate Majority Leader Erin Murphy (DFL – St. Paul) noted the working groups are working very hard, but these negotiations are hard and take time. DFL Leader Rep. Melissa Hortman (DFL – Brooklyn Park) noted each working group is different and have delicate negotiations taking place. Watch the full press conferences here:

- [Press Conference: Majority Leader Murphy Speaks to Progress of Work Groups – 5/22/25](#)
- [Joint House Media Availability 5/22/25](#)

Here’s a breakdown of which budget areas have yet to close:

- [Taxes](#)
- [Jobs, Economic Development and Labor](#)
- [Health and Human Services Finance and Policy](#)
- [K-12 Education](#)
- [Environment and Natural Resources](#)
- [Higher Education](#)
- [Energy, Utilities, Environment and Climate](#)
- [Transportation](#)
- [Commerce and Consumer Protection](#)
- [Human Services Finance](#)

Here’s the bills that were passed or finished before session adjourned on Monday:

- [Agriculture and Broadband Development](#)
- [Judiciary, Public Safety, and Civil Law](#)
- [Legacy](#)
- [Pensions](#)
- [Veterans](#)
- [Cannabis](#)
- [Housing](#)
- [Human Services Policy](#)
- [State and Local Government](#)

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