



By Jill Sims • Apr 19, 2024

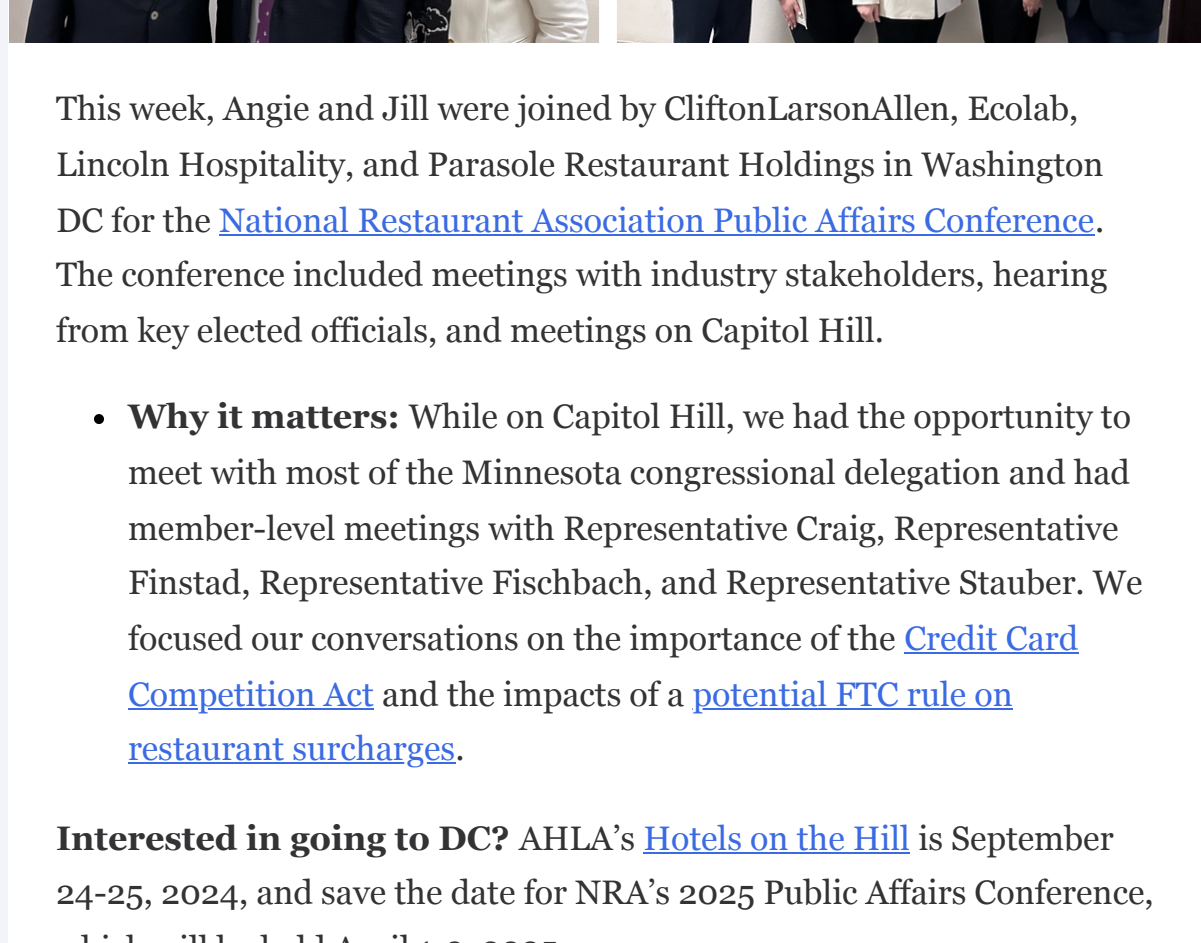
Smart Brevity® count: 4.5 mins...1222 words

From the Desk of Jill Sims: Today marks the Legislature's third *and final(!)* committee deadline! What does that mean? Committees must act favorably on major appropriation and finance bills.

Then what? Following today's deadline, we should see more focus on the bills that are still in play for the final month of the session. We will also see more action on omnibus bills, as those bills get into their final shape and head to conference committees.

Read on to hear more about Hospitality Minnesota's trip to Washington DC, tax provisions moving forward at the legislature, and about movement on the food waste bill slowing.

Hospitality Minnesota Attends National Restaurant Association Public Affairs Conference

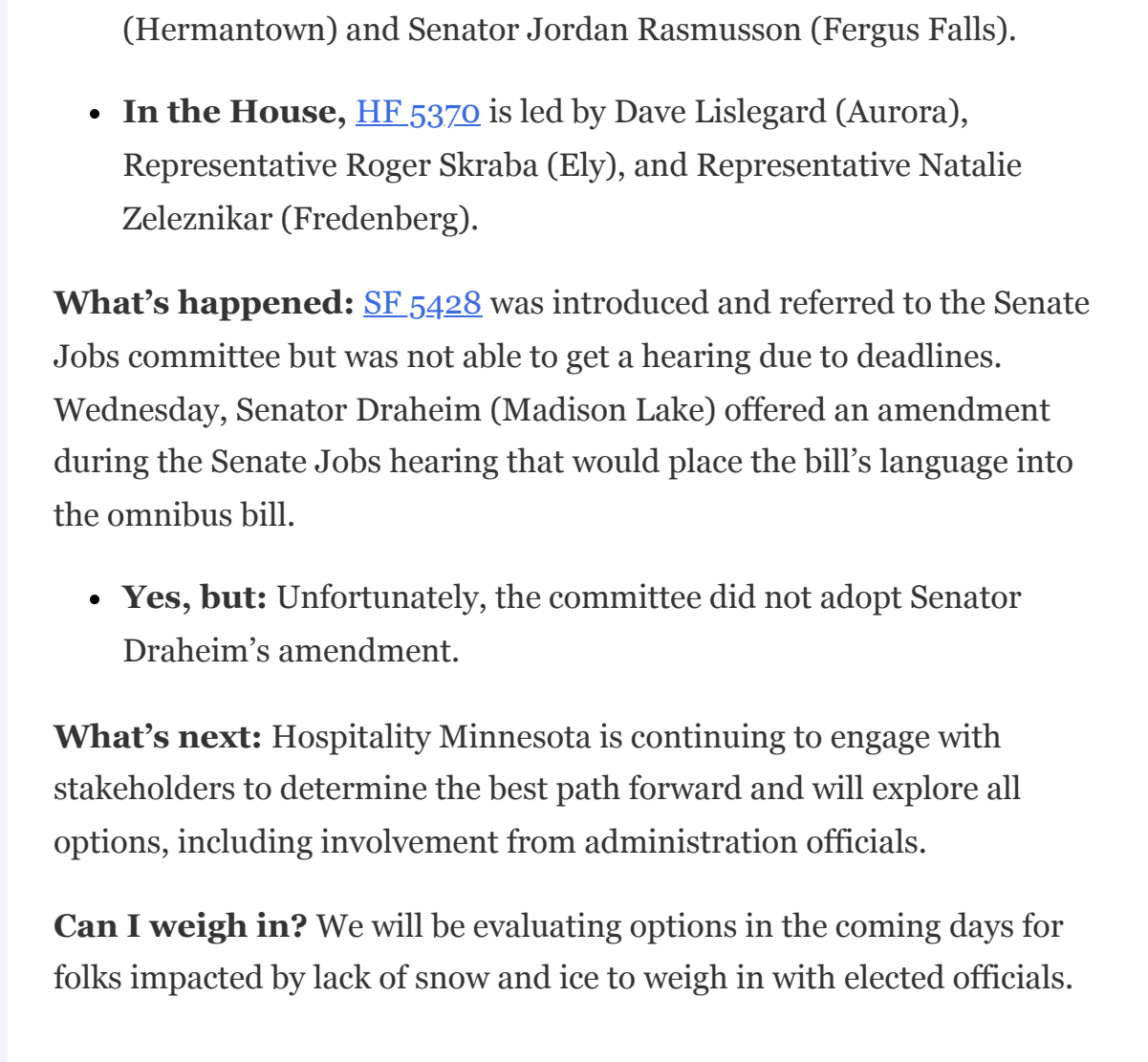


This week, Angie and Jill were joined by CliftonLarsonAllen, Ecolab, Lincoln Hospitality, and Parasole Restaurant Holdings in Washington DC for the [National Restaurant Association Public Affairs Conference](#). The conference included meetings with industry stakeholders, hearing from key elected officials, and meetings on Capitol Hill.

- **Why it matters:** While on Capitol Hill, we had the opportunity to meet with most of the Minnesota congressional delegation and had member-level meetings with Representative Craig, Representative Finstad, Representative Fischbach, and Representative Stauber. We focused our conversations on the importance of the [Credit Card Competition Act](#) and the impacts of a [potential FTC rule on restaurant surcharges](#).

Interested in going to DC? AHLA's [Hotels on the Hill](#) is September 24-25, 2024, and save the date for NRA's 2025 Public Affairs Conference, which will be held April 1-3, 2025.

Hospitality Minnesota Pushes for No Snow No Ice Business Relief



[HF 5370](#) / [SF 5428](#) are bills that would create forgivable loans for businesses that can show a reduction in revenue of at least 20% due to lack of snow or ice from December 1, 2023 – March 31, 2024 as compared to the same time last year.

- **In the Senate,** [SF 5428](#) is led by Senator Grant Hauschild (Hermantown) and Senator Jordan Rasmusson (Fergus Falls).
- **In the House,** [HF 5370](#) is led by Dave Lislegard (Aurora), Representative Roger Skraba (Ely), and Representative Natalie Zeleznikar (Fredenberg).

What's happened: [SF 5428](#) was introduced and referred to the Senate Jobs committee but was not able to get a hearing due to deadlines.

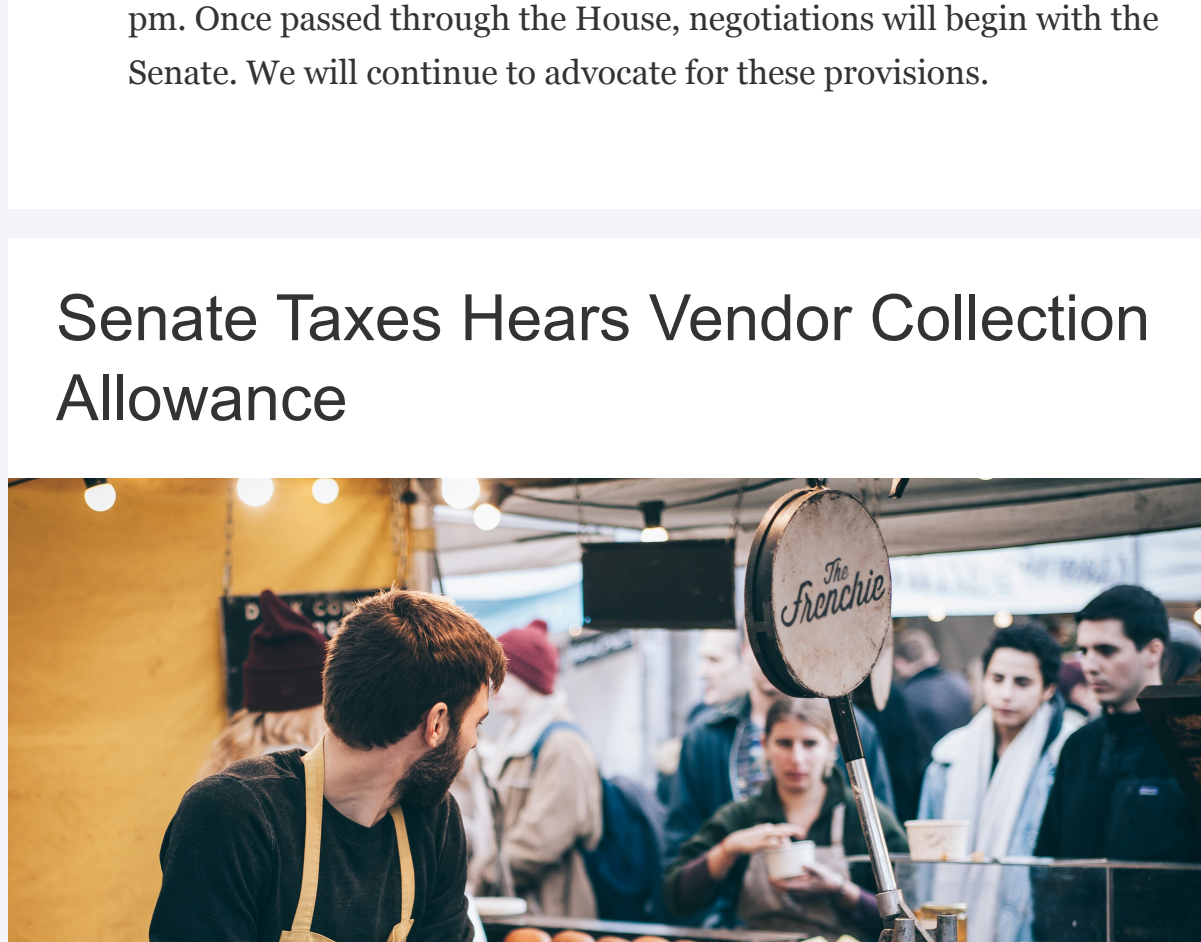
Wednesday, Senator Draheim (Madison Lake) offered an amendment during the Senate Jobs hearing that would place the bill's language into the omnibus bill.

- **Yes, but:** Unfortunately, the committee did not adopt Senator Draheim's amendment.

What's next: Hospitality Minnesota is continuing to engage with stakeholders to determine the best path forward and will explore all options, including involvement from administration officials.

Can I weigh in? We will be evaluating options in the coming days for folks impacted by lack of snow and ice to weigh in with elected officials.

Hospitality Minnesota Supports Tax Provisions Included in House Tax Bills



This week, several tax bills supported by Hospitality Minnesota were included in the House Property Tax Division Report and subsequently added to the House Tax Committee omnibus bill. These hospitality-positive tax provisions include:

Full Collection of Local Lodging Tax: This would have the local lodging tax apply to the whole price of lodging charged to the customer, including services provided by accommodation intermediaries (i.e. online booking agencies).

- **Why it matters:** This would ensure that our tourism partners (convention and visitors bureaus) receive full funding, and all lodging tax collections across the state are aligned. Currently, only state administered jurisdictions require the lodging tax be wholly applied, leaving over 110+ locally administered jurisdictions unable to collect the full amount.

Homestead Resort Tier Adjustment: The adjustment of these tiers would help maintain the property tax relief that the legislature intended to help family-owned resorts remain viable businesses.

- **Why it matters:** The resort tiers have not been adjusted since 2008, and lakeshore valuations have increased dramatically over the past 5 years. Minnesota has under 700 resorts remaining in Minnesota and this overdue adjustment can help them with their largest business expense.

Lowering of Minneapolis Food and Beverage Tax with Expansion of Downtown Taxing Area: This would lower the food and beverage tax in downtown Minneapolis' taxing area from 3% to 2.5%, while at the same time, the expanding boundaries of the downtown entertainment district.

- **Why it matters:** This proposed alteration would make dining more affordable for consumers, potentially boosting local businesses, while the expanded taxing area could lead to increased revenue for city services and improvements.

What's next: The House Tax Committee had its first reading of the bill on Wednesday and heard public testimony on Thursday.

- The Committee will have a discussion and vote on the bill today at 1 pm. Once passed through the House, negotiations will begin with the Senate. We will continue to advocate for these provisions.

Senate Taxes Hears Vendor Collection Allowance



The **Senate Taxes Committee** heard [SF 3789](#) on Tuesday, which would establish a vendor collection allowance that would reimburse businesses a percentage of sales and use tax collected and remitted to the state. The committee heard from retailers on the administrative cost to business for collecting and remitting sales and use taxes.

- **Did you know** 27 other states currently allow businesses to have a vendor allowance, including almost all of the states bordering Minnesota.

What about the House? [HF 3764](#) has not been heard in the House Taxes Committee, and Chair Gomez has indicated that it will not be heard this year due to the cost.

- **Yes, but:** Chair Gomez also noted that she is willing to work with chief author Vice Chair Morris to move this forward in the future.

What's next: Hospitality Minnesota will continue to work with partners to defray administrative costs for businesses by establishing a vendor collection allowance.

Food Waste Bill Movement Slows at the Legislature this Week

Some background: We've previously reported on the "food waste bill" ([HF 4932](#) / [SF 4944](#)), which would require any person, organization, or business (government included) with over 5 tons of food waste each year to weigh, document and maintain records of the waste. Both bills had previously been laid over for possible inclusion in the environment committee's omnibus bill.

This week, the House and Senate environment committees released their omnibus finance bills. The House version included some portions of the language for the food waste bill, including definitions and the hierarchies but did not include the tracking and reporting requirements.

- **Why it matters:** If passed, these would be included into the Minnesota Pollution Control Agency's [legislative declaration of policy](#) but would not require businesses to track and report their food waste. None of the food waste bill language was included in the Senate environment omnibus bill.
- What's next:** Once the bills pass, they will head to a conference committee to bring them into alignment. It is still to be seen if the House language around food waste definition will be included in the final bill. Hospitality Minnesota and partners will continue to closely monitor to weigh in if it reappears during negotiations.

Beyond the Headlines: Minnesota's Political Landscape

- [Proposed sales tax for housing funding dead in the Legislature](#)
- [Welcome to the 'season of disappointments' – where bills make it \(or don't\) at Minnesota Capitol](#)
- [Profiting or providing? Minnesota Legislature weighs corporations' role in state's economy](#)

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