



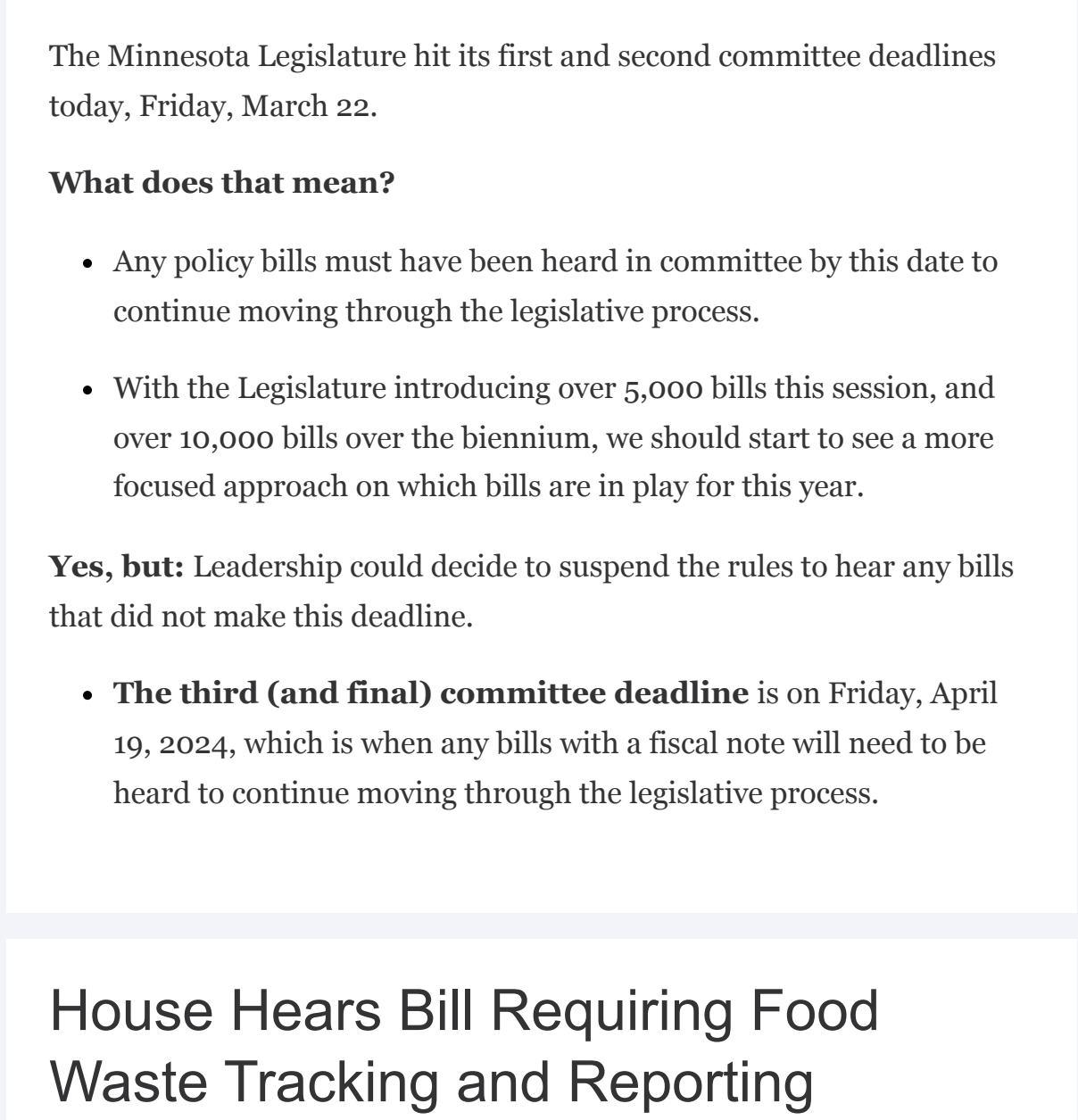
By Jill Sims • Mar 22, 2024

Smart Brevity® count: 4.5 mins...1232 words

**From the Desk of Jill Sims:** We've made it to deadline! This week, the Hospitality Minnesota GR team was kept busy at the Capitol with many hearings, letters submitted, and opportunities to testify. Read on to learn about a few bills that directly impact hospitality: food waste; boutique hotel liquor licensing; supplemental wage benefits at MSP; property tax relief for resorts, and minimum wage changes.

Next week, we'll have a hearing on the cannabis five-hour rule as well as a hearing on the prohibition of taking tips out of credit card processing fees. We'll also be updating you on the latest with the Uber/Lyft situation next Friday as Minneapolis City Council plans to potentially reconsider their ordinance on April 11.

## Legislature Reaches First Hurdle: First and Second Committee Deadlines



The Minnesota Legislature hit its first and second committee deadlines today, Friday, March 22.

### What does that mean?

- Any policy bills must have been heard in committee by this date to continue moving through the legislative process.
- With the Legislature introducing over 5,000 bills this session, and over 10,000 bills over the biennium, we should start to see a more focused approach on which bills are in play for this year.

**Yes, but:** Leadership could decide to suspend the rules to hear any bills that did not make this deadline.

- The third (and final) committee deadline** is on Friday, April 19, 2024, which is when any bills with a fiscal note will need to be heard to continue moving through the legislative process.

## House Hears Bill Requiring Food Waste Tracking and Reporting



**House File 4932**  
**Management of wasted food provided.**

Jill Sims testifying in opposition of HF4932 on March 19, 2024.

**Do you generate more than 5 tons of food waste annually?** The answer is probably yes.

- Some background:** [HF 4932](#) / [SF 4944](#) are bills that were introduced last week that would require businesses that sell food to track and document their food waste.

**Yes, but:** A waste food hierarchy would be established with priorities for managing surplus food/food waste: waste reduction, donation for human consumption, consumption by animals, and anaerobic digestion.

- And even more,** the bill carries penalties for businesses that do not comply. A warning may be given for the initial violation and grows to a penalty that may not exceed \$250 for the second violation. Any subsequent violations would be up to \$1,000.

**Hospitality Minnesota** testified in opposition to [HF 4932](#) in the House Environment Committee on Tuesday, March 19, highlighting the challenges this legislation would have on the hospitality industry. [Watch the testimony here](#) and read our letter [here](#).

**What's next:** Hospitality Minnesota will closely monitor any movement related to this bill. The Senate bill, [SF 4944](#), still awaits a hearing in the Senate Environment committee.

## Senate Hears Bill to Allow Boutique Hotel Licensing



**SF 4820**  
**Hotel definition as related to commerce amendment**

Cate Debates of Arch and Cable testifies in favor of SF4820 on March 19, 2024.

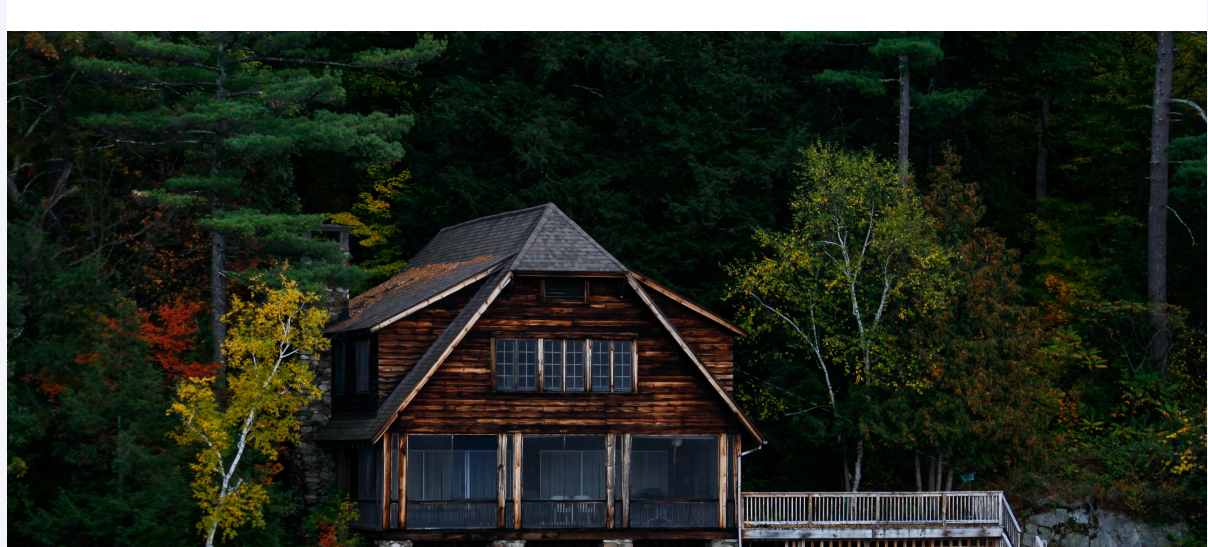
**What happened:** Hospitality Minnesota members Cate DeBates from Hospitality Ventures and Andy Wilke from Greater Mankato Growth joined Director of Government Relations Jill Sims [to testify in front of the Senate Commerce hearing on Tuesday](#). All three testified on a bill in support of adjusting state law to allow for liquor licenses in boutique hotels.

- Some background:** [HF 4856](#) / [SF 4820](#) would allow hotels within second-class cities, which have a population of 20,000 – 100,000, to obtain a liquor license if they have at least 20 rooms or a dining room. The law currently requires hotels in second-class cities to have at least 25 rooms and a dining room.

**What's next:** Hospitality Minnesota will continue to monitor the bills.

- The House File, [HF 4856](#), has been referred to the House Commerce Committee where it awaits a hearing.
- The Senate version has been included in the Senate Commerce Omnibus bill.

## Legislature Contemplates \$4.98/Hour MSP International Airport Employer Health Benefit Supplement



**House File 4818**  
**Metropolitan Airports Commission; health and welfare benefits required, penalties imposed, and civil action created.**

Jill Sims testifying in opposition of HF4818 on March 21, 2024.

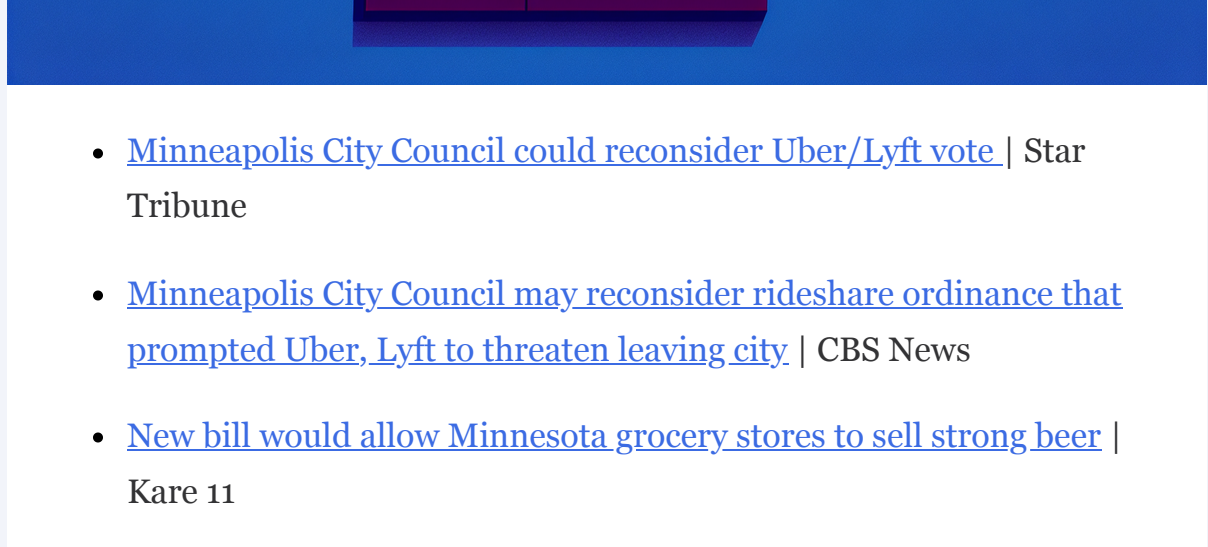
**The big picture:** Yesterday, the Minnesota House and Senate Labor Committees heard [HF 4818](#) / [SF 4708](#), which would require any business located on the property of the Minneapolis-St. Paul International Airport to pay employees an additional \$4.98 per hour to be used for supplemental health care expenses.

- Hospitality Minnesota**, along with other key business organizations, testified in opposition to the proposal, citing various concerns. Read Hospitality Minnesota's letter to the Senate Labor Committee [here](#) and watch testimony in the House Labor Committee [here](#).

### Where it stands:

- [HF 4818](#) was heard in the House Labor committee on Thursday, March 21, and was put on pause after public testimony to be brought up for committee discussion after Easter Break in early April.
- [SF 4708](#) was heard in the Senate Labor Committee at the same time on Thursday, March 21, and was re-referred to the Senate Commerce Committee.

## Minimum Wage Bills Moving



**The big picture:** The Senate Labor Committee heard two bills, [SF 4019](#) and [SF 3947](#), on Wednesday, March 19, regarding Minnesota's minimum wage. Last Thursday, the House Labor Committee heard [HF 4050](#) regarding Minnesota's minimum wage.

### Why it matters:

- [SF 4019](#) is a bill to raise Minnesota's minimum wage to \$15 an hour effective August 1, 2024. The bill would also raise the minimum wage by \$1.25 a year until it hits \$20 an hour in 2028.
- [HF 4050](#) / [SF 3947](#) is a bill led by the Department of Labor and Industry that would eliminate the following sub-minimum wages: small business wage, the j-wage, and the youth wage. This means all former sub-minimum wages move into compliance with Minnesota's current minimum wage of \$10.85. The bill would also increase the current annual inflation adjustment of minimum wage from 2.5% to 5%, which is set at the discretion of the Department based on inflation levels.

### Where they stand:

- [SF 4019](#) seems to be more focused as a conversation starter about increases to minimum wage and establishing a livable wage. Hospitality Minnesota is closely monitoring any movement but does not expect movement this session.
- [HF 4050](#) / [SF 3947](#) are complementary agency bills, so we do expect this bill to pass this session. We have seen it included in the Senate Labor Omnibus and expect its inclusion in the House Labor Omnibus early next week.

## House Hears Tier Limits for Homestead Resorts



This week, the House Property Tax Division committee heard a bill to make adjustments to the tax tier limits for homestead resorts in Minnesota. Hospitality Minnesota submitted a letter of support, [which you can read here](#).

**Some background:** [HF 4990](#) / [SF 4979](#) would increase the tier limits for homestead resorts in Minnesota. The resort tiers have not been adjusted since 2008 despite rapidly increasing lakeshore values, particularly during the pandemic.

- Adjusting these tiers would help maintain the property tax relief that the legislature intended to assist family-owned resorts remain viable businesses.
- Minnesota has under 700 resorts remaining and this overdue adjustment can help with their largest business expenses.

### What's next:

- The House version of the bill, [HF 4990](#), was laid over for possible inclusion in the omnibus bill.
- The Senate version, [SF 4979](#) has been introduced and referred to the Taxes committee but still awaits a hearing. Hospitality Minnesota will continue to push and advocate for passage.

## Beyond the Headlines: Minnesota's Political Landscape



- [Minneapolis City Council could reconsider Uber/Lyft vote](#) | Star Tribune
- [Minneapolis City Council may reconsider rideshare ordinance that prompted Uber, Lyft to threaten leaving city](#) | CBS News
- [New bill would allow Minnesota grocery stores to sell strong beer](#) | Kare 11

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