



GOVERNMENT RELATIONS UPDATE ADVOCATING FOR MINNESOTA'S HOSPITALITY INDUSTRY

By Jill Sims • Apr 12, 2024

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**From the Desk of Jill Sims:** This week the legislature took a short break for Eid, but still found time to hear and move quite a few bills. Big news of the week – Governor Walz had his first meeting with Hospitality Minnesota for the legislative biennium. Last night, the "junk [deceptive] fees" passed the House 70-61. On a more bipartisan front, the bill allowing photos of DNR licenses passed the House 128-2. We head into the final deadline next Friday we'll get a clearer picture of the policy priorities moving forward.

**Heads up,** next week Angie and I will be in Washington DC with members at the National Restaurant Association Public Affairs Conference. Kaleb will continue to fight on at the Capitol.

## Hospitality Minnesota Meets with Governor Walz



**Hospitality Minnesota** was joined by 6 members on Wednesday, April 10, for a meeting with Governor Tim Walz. During the meeting, we discussed:

- The urgent need for financial relief for businesses that have been affected by the mild winter, specifically the lack of snow and ice.
- The negative impact that credit card processing fees are having on businesses and the work Congress is doing to address them.
- The difficulties our industry will face with legislation happening this year, including food waste, 'junk [deceptive] fees', the prohibition on taking credit card processing fees from gratuities, and more.
- The challenges the hospitality industry will face if Uber and Lyft exit the Minneapolis and metro area.

**Thank you** to JJ Haywood from Pizza Luce, Preston Lougheed from Terratron Inc, Jamie MacFarlane from Castle Haven Cabins and Castle Danger Brewing, Kent Kopp from Pike and Pint Grill, Austin Thull from Aimbridge Hospitality, and Alison Leathers from Cottage House for joining our conversation with Governor Walz.

Rideshare Update: Minneapolis Pushes Ordinance to July 1



**On Thursday,** the Council voted unanimously to delay the effective date of their rideshare ordinance from May 1 to July 1. Both Uber and Lyft stated that they will continue to operate service in Minneapolis until July 1.

• Why an extension? It would allow the City Council to adjust to potential statewide legislation if passed this legislative session, allow for existing ride-share companies to come into compliance with regulations, and for new ride-share companies to complete licensing and insurance procedures.

**Yes, but**: There is still work to be done.

• Hospitality Minnesota will continue to be at the table and share our concerns to ensure that there is safe, reliable, accessible and affordable rideshare. <u>Hear the voices of our hospitality industry on rideshare here</u>.

**ICYMI**, Hospitality Minnesota participated in a press conference with Mayor Frey on Monday. Read our special GR mid-week update on rideshare <u>here</u>.

**Share your voice:** Minneapolis residents can contact their city council member below:

Contact City Council!

### Food Waste Bill Moves Through the Senate at the Legislature



Hospitality Minnesota Board Member Bill Foussard testifying in opposition of SF 4944 on April 9, 2024.

**Some background:** <u>HF 4932</u> / <u>SF 4944</u>, known as the "food waste bill" is legislation that 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.

- Why it matters: 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 and Board Member Bill Foussard** of Best Western Plus White Bear Country Inn and Rudy's Redeye Grill, testified in opposition to <u>SF 4944</u> in the Senate Environment Committee on Tuesday, April 9 alongside Government Relations Director Jill Sims.

• What we said: Foussard and Sims highlighted the challenges this legislation would have on the hospitality industry. Watch Jill's testimony <u>here</u>, Bill's testimony <u>here</u>, and read our letter <u>here</u>. The bill was laid over for possible inclusion in the omnibus.

**What's next:** The House and Senate versions have been laid over for possible inclusion in the omnibus bills. Hospitality Minnesota will continue to monitor.

#### Legislature Grants Exception for \$5 Wage Health Benefit at MSP

**What happened:** On Tuesday, <u>HF 4818</u> was granted a deadline waiver from the House Rules and Legislative Administration Committee. The bill heads next to the House Floor to be scheduled for a vote. The Senate version, <u>SF 4708</u>, still awaits a hearing in the Senate Commerce Committee.

• Why it matters: <u>HF 4818</u> / <u>SF 4708</u> 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.

# U.S. Senate Passes Joint Employer Resolution



**What Happened?** On Wednesday, April 10, the U.S. Senate voted to nullify the National Labor Relations Board's (NLRB) joint employer rule on a 50-48 vote.

• What's next: The joint resolution of disapproval, which has previously passed the House, now heads to the President. However, the President has previously stated that he will veto it.

**Some background:** The Federal Court in the Eastern District of Texas issued a judgment on March 8th that rescinded the 2023 Joint Employer Rule and reinstated the 2020 Joint Employer Rule. Reverting to the 2020 Final Rule means long-established "direct and immediate" joint employer standards are now back in place along with clear and stable guidance for foodservice employers and employees.

• The NLRB is expected to appeal this ruling, and Wednesday's vote was needed to block the 2023 Joint Employer Rule should the appeal be successful.

# On Deck: What's Coming at the Legislature Next Week



**What to expect:** Next week is the third and final deadline, meaning committees must act favorably on major appropriation and finance bills.

• **The bottom line:** We will likely see a flurry of committee activity. Things we expect early next week:

**Introduction of No Snow** | **No Ice Relief**: Senator Hauschild and Representative Lislegard are carrying legislation on behalf of the hospitality, tourism and ski industries to seek a state solution for relief funding for businesses impacted by lack of snow and ice.

• Was your business severely impacted by this winter? Share your story with <u>Jill</u>.

**Hearing on Lodging Tax Loophole**: Tuesday the Senate Tax Committee will hear <u>SF 3976</u> which closes the loop hole that allows online travel agencies not to remit the full lodging tax. Government Relations Manager Kaleb McCulloch and Shakopee Chamber President Tim Zunker will testify in support.

**Hearing on Vendor Collection Allowance**: Tuesday the Senate Tax Committee will also hear the Vendor Collection Allowance bill, <u>SF 3789</u>, which would allow businesses to retain a portion of sales tax collected for administration purposes. Hospitality Minnesota is a part of a large business coalition in support of the bill.

#### Beyond the Headlines: Minnesota's Political Landscape



- <u>House Commerce committee considers measures aimed at clarifying</u> <u>conflicting gambling regulations.</u>
- <u>Uber, Lyft in Minneapolis: City Council members vote to delay</u> <u>ordinance to July 1</u>
- <u>23 Minnesota water systems exceed new EPA limits for PFAS in</u> <u>water</u>

#### Have a great weekend!

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