



Government Relations Update

Advocating for Minnesota's hospitality industry



Note from Jill:

Happy Holidays! As we prepare to close out 2023, new regulations for 2024 will be in play in less than 30 days. Read along to ensure you're prepared for Earned Sick and Safe Time as well as updated minimum wage increases. Mark your calendars for key advocacy events in 2024 and read a little more about pressing issues at the state and federal levels. Wishing you all a warm, safe, and happy holiday season!

-- Jill

Earned Sick and Safe Time (ESST)



Are you prepared for the implementation of Earned Sick and Safe Time on January 01, 2024?

Here are 5 key things you should have already completed:

1. Determine if your employees will accrue ESST or if you will front-load in an PTO

policy.

- 2. Contact your payroll administrator to ensure ESST time will show on employee earnings statements beginning January 01.
- 3. Prepare your notification which must go to employees before January 1.
- 4. Update changes to your handbook or policy manual related to ESST, such as employee notification protocols.
- 5. Know where to go to get answers to your questions on ESST!

Resources

- Read Hospitality Minnesota's latest memo on Earned Sick and Safe Time
- Department of Labor's Earned Sick and Safe Time Website

2024 Minimum Wage Increases – Know Your Rate!

Minimum-wage rates

Provision	Amount as of Jan. 1, 2023	Amount as of Jan. 1, 2024
Large-employer wage	\$10.59 an hour	\$10.85 an hour
Small-employer wage	\$8.63 an hour	\$8.85 an hour
90-day training wage (under 20 years of age)	\$8.63 an hour	\$8.85 an hour
Youth wage (under 18 years of age)	\$8.63 an hour	\$8.85 an hour

Courtesy of Minnesota Department of Labor and Industry

Minnesota's minimum wage rates will be adjusted for inflation on January 1, 2024, to \$10.85 an hour for large employers and \$8.85 an hour for other state minimum wages. Minneapolis and St. Paul both have higher minimum wage requirements.

Minneapolis: For businesses with more than 100 employees and franchise locations (regardless of size), minimum wage increases to at least \$15.57 per hour on January 1, 2024.

St. Paul: macros businesses (more than 10,000 employees), minimum wage increases to at least \$15.57 per hour on January 1, 2024.

How do I determine if I am a large or small business?

- Review the past four quarterly tax estimates or the previous year audit statement.
- Add up the gross revenue for the four most recent quarters.
- Exclude excise taxes that are listed separately.
- If the combined gross revenue is more than \$500,000, pay the large employer

minimum-wage rate.

Questions? Utilize Department of Labor's minimum wage resource page.

Mark Your Calendar - Important Dates for Government Affairs in 2024

As you prepare for 2024, mark down these key dates to participate in advocacy events with Hospitality Minnesota and national partners:

- February 12: Minnesota's 2024 Legislative Session begins (St. Paul)
- March 13: Hospitality Minnesota Day at the Capitol (St. Paul)
- April 15 17: National Restaurant Association's Public Affairs Conference (Washington DC)
- May 7: National Travel and Tourism Week Luncheon in partnership with MACVB (St. Paul)
- September 24 25: American Hotel and Lodging Association Hotels on the Hill (Washington DC)

Note: registration for Hospitality Minnesota's 2024 Day at the Capitol will be live later this month.

Resorts and Lodging Properties: Swimmer's Itch Survey

Hospitality Minnesota is working with Minnesota Lakes and Rivers Advocates to better understand how many resorts and lakes have been impacted by **swimmers itch** in recent years. As we are focused on providing the best experience for guests in our beautiful lakes across Minnesota, please help us by taking a short two-minute survey.

Once we gather an understanding of the areas that this problem is impacting, Hospitality Minnesota and Minnesota Lakes and Rivers Advocates will look to explore potential solutions or mitigation opportunities.

SHARE YOUR EXPERIENCE

Minnesota State Budget Update

(\$ in millions)	FY 2024-25	FY 2026-27
Beginning Balance	\$16,516	\$5,655
Forecast Revenues	59,655	63,907
Projected Spending*	70,516	66,216
Reserve & Cash Flow	3,263	3,263
Remaining Balance	\$2,392	\$82
Structural Balance		\$(2,309)

Courtesy of Minnesota Management and Budget

This week Minnesota Management and Budget (MMB) released the annual November budget forecast. The good news of the budget forecast is the projection the state will have a **\$2.4 billion surplus** in FY24-25. The bad news of the budget forecast is the next biennium (FY26-27), the state projects a "significant structural imbalance" (which some argue is a deficit). It is important to note that the state has continued to add to the budget reserves which are now nearing \$3 billion.

Legislative leaders on both sides of the aisle had different takes, which you can read through various news coverage by Star Tribune, MinnPost, MPR, KSTP, WCCO, KARE11.

Want to crunch some numbers? Dig deeper into the MMB Budget and Economic Forecast.

FTC Releases Sweeping Proposal To Ban Service Fees and Surcharges At Restaurants



As reported by our partners at National Restaurant Association, the Federal Trade Commission (FTC) released a proposal rule that would prevent operators from including common, accepted surcharges on a customers bill. It would even ban delivery, large party, and credit card processing surcharges.

The proposed rule would force operators to overhaul menu prices so that a product's listed price lists the total price a customer must pay. The FTC has even admitted the plan will cost restaurant operators \$3.5 billion to implement.

Leading the industry effort are the partners we have the National Restaurant Association, who have provided a fact sheet on the proposal and will host a webinar on December 19.

Share your voice – as we work with National Restaurant Association to fight this unaffordable regulatory overreach – please take two minutes to share your views with your elected federal officials.

EMAIL YOUR FEDERAL OFFICIALS

Supreme Court Vacates Landmark Hotel Case

As reported by our partners at American Hotel and Lodging Association, this week **the United States Supreme Court issued its decision to vacate and remand** *Acheson Hotels, LLC v. Laufer* to the First Circuit Court of Appeals.

The issue before the Supreme Court was whether the plaintiff (Laufer) had standing to sue the hotel (*Acheson*) under the American with Disabilities Act without any intention of visiting the property. The Court dispensed with the case on the procedural grounds after Laufer dismissed it along with hundreds of similar lawsuits she had filed. Additionally, she asserted to the Supreme Court that she would not bring other similar lawsuits in the future.

Read AHLA's statement here.

Next Tuesday: Small Business Technology - Thriving in the Digital Economy







Come get lunch, on us! Hospitality Minnesota, Minnesota Hmong Chamber of Commerce, and Connected Commerce Council invite you to join us at Devil's Advocate next Tuesday, December 12, from 11:30 am - 1:00 pm for a free lunch and roundtable discussion about how small businesses are using essential digital technologies and mastering tools to

succeed.

Hear from your peers! A variety of small business leaders will discuss how the digital economy can benefit the interests of today's small businesses.

Moderated by Kate Raddatz of Park PR, the panel will include:

- Greg Amundson, President and Founder, InstaTrim
- Erik Forsberg, Owner, Devil's Advocate
- Joe Henry, Executive Director, Lake of the Woods Tourism Bureau
- Andrew Tjernlund, Owner and Seller Central Expert, Tjernlund Services
- Yao Yaj, Executive Director, Minnesota Hmong Chamber of Commerce
- Moderator Kate Raddatz, Park Street PR

Reserve your space at this free event with a great lunch provided by Devil's Advocate!

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