



GOVERNMENT RELATIONS UPDATE
ADVOCATING FOR MINNESOTA'S HOSPITALITY INDUSTRY

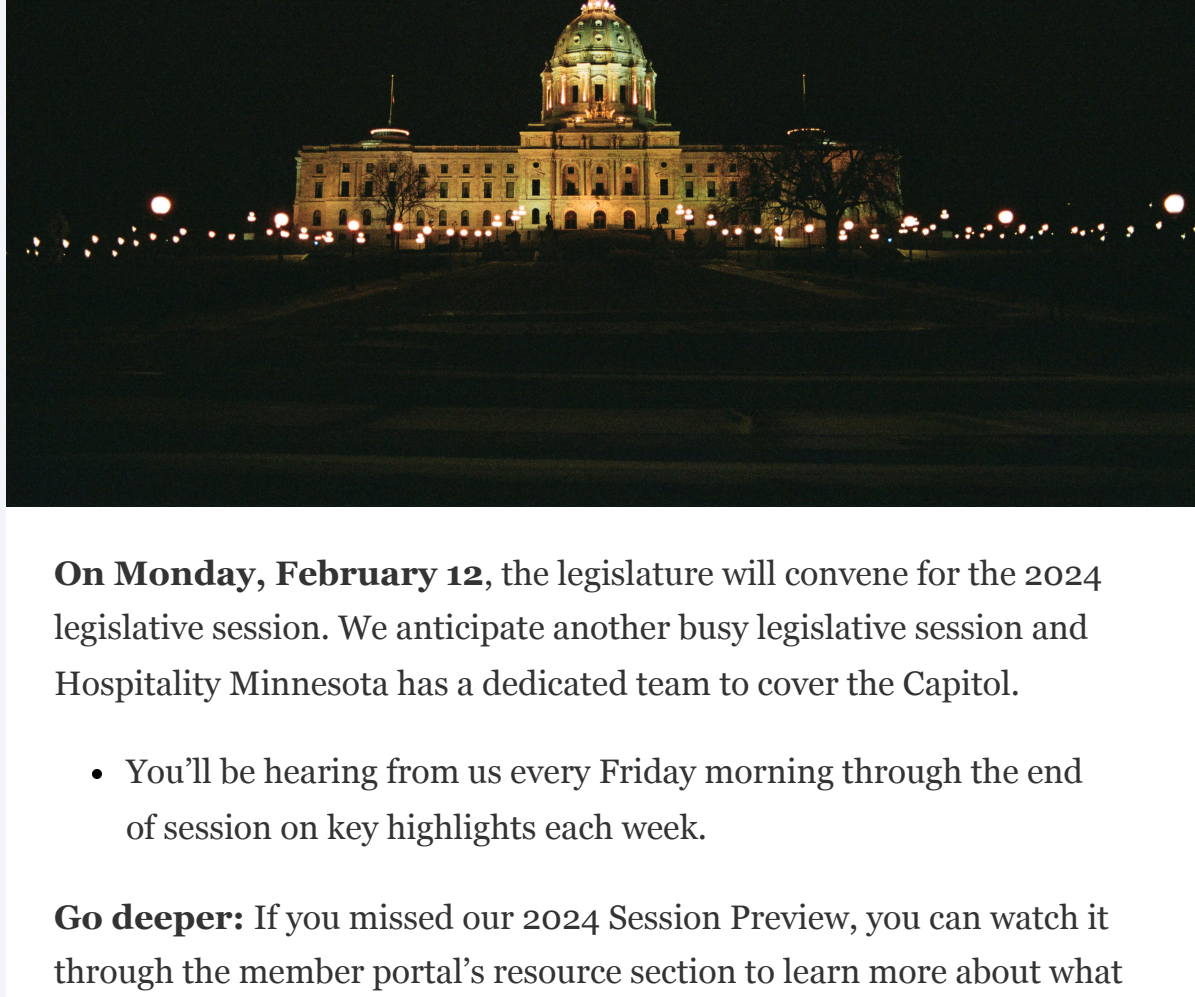
By Tony Burton • Feb 09, 2024

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From the Desk of Jill Sims: It feels like we've made it back to the "Big Dance" as legislative session is right around the corner, the Government Relations team is hitting its stride. Read on to learn more about what we expect this session, Minneapolis introducing the Labor Standards Proposal, tax updates on the local, state and federal level, and to give MN DNR your input about fisheries management.

Here on out, you'll hear from us every Friday until Memorial Day!

Legislative Session Kicks Off Monday



On Monday, February 12, the legislature will convene for the 2024 legislative session. We anticipate another busy legislative session and Hospitality Minnesota has a dedicated team to cover the Capitol.

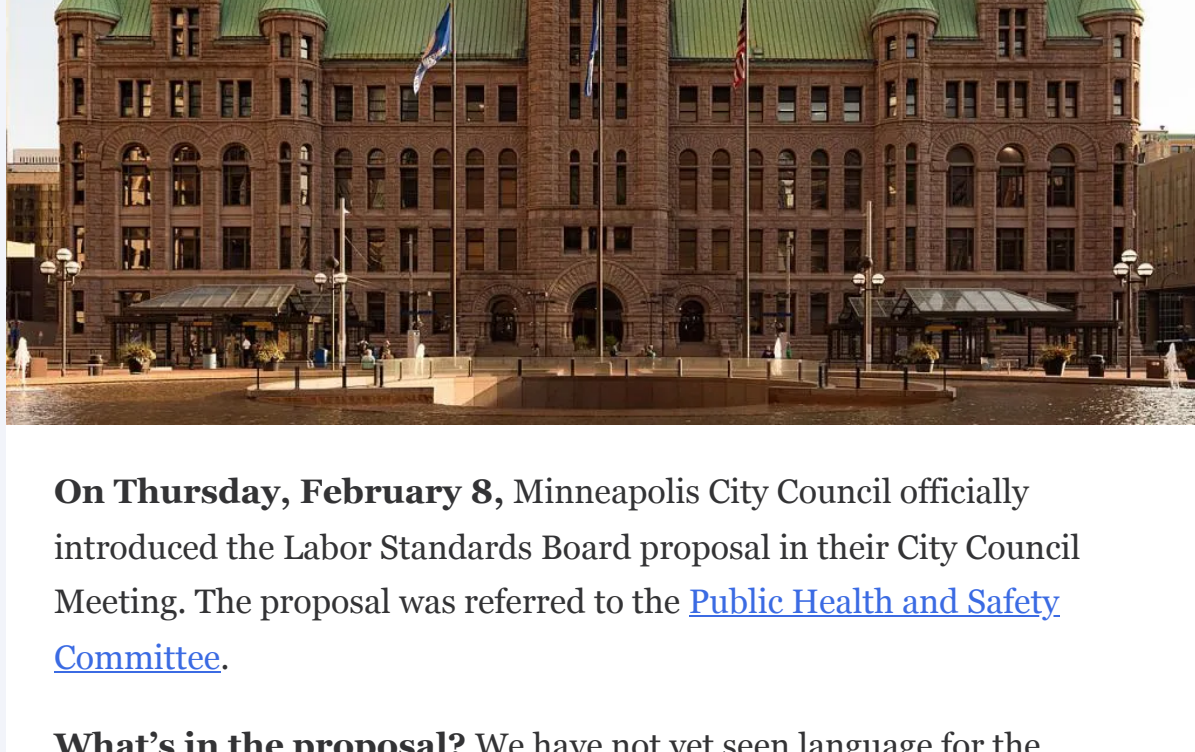
- You'll be hearing from us every Friday morning through the end of session on key highlights each week.

Go deeper: If you missed our 2024 Session Preview, you can watch it through the member portal's resource section to learn more about what Hospitality Minnesota will be advocating for at the Capitol this year.

How can I advocate? Members are invited to join us in advocating for hospitality by registering for our [2024 Day at the Capitol](#) on Wednesday, March 13!

- Register now:** All attendees must register by Friday, March 1.

Minneapolis Labor Standards Board Update



On Thursday, February 8, Minneapolis City Council officially introduced the Labor Standards Board proposal in their City Council Meeting. The proposal was referred to the [Public Health and Safety Committee](#).

What's in the proposal? We have not yet seen language for the ordinance, but conceptually it has been indicated a Labor Standards Board would review wages, benefits, working conditions, and training for all employees in Minneapolis.

- The Labor Standards Board would review certain industry segments through 'Sectoral Boards' based on industry and/or geography.

What's next: The Public Health and Safety Committee will meet next on February 14 at 1:30 PM.

- We will be closely monitoring the agenda and meeting.
- We expect a public hearing on the ordinance in the coming weeks.

Local Sales Tax Advisory Task Force Report Released



On Friday, February 2, the Local Taxes Advisory Task Force released its [official report](#) to the legislature with recommendations on how cities and counties use local taxes to fund projects. Hospitality Minnesota's Jill Sims served on the task force.

- The core of the recommendations focused on allowing cities and counties to impose up to 1% local sales tax for a specific list of projects. This is purely a recommendation to the legislature and later this month the task force will present the recommendations to the tax committees.

Why it matters: The task force made the following recommendations that may impact the hospitality industry:

- Continued protection of the lodging tax through referring back to statutory use. Any use outside of M.S. 469.190 must seek legislative approval.
- Recommended any city or county pursuing an expanded lodging tax or any food and beverage tax must notify all impacted businesses.
- Allows cities or counties to impose tax of up to 1% to fund capital expenses for convention centers that have at least 60,000 sq feet of meeting and exhibit space.

Public Input on Fisheries Management Plans for Minnesota Lakes



What's happening: The Minnesota Department of Natural Resources is asking for feedback throughout February to help establish fisheries management goals and objectives for 104 lakes across Minnesota.

- The list of lakes** can be found on the [DNR website](#).

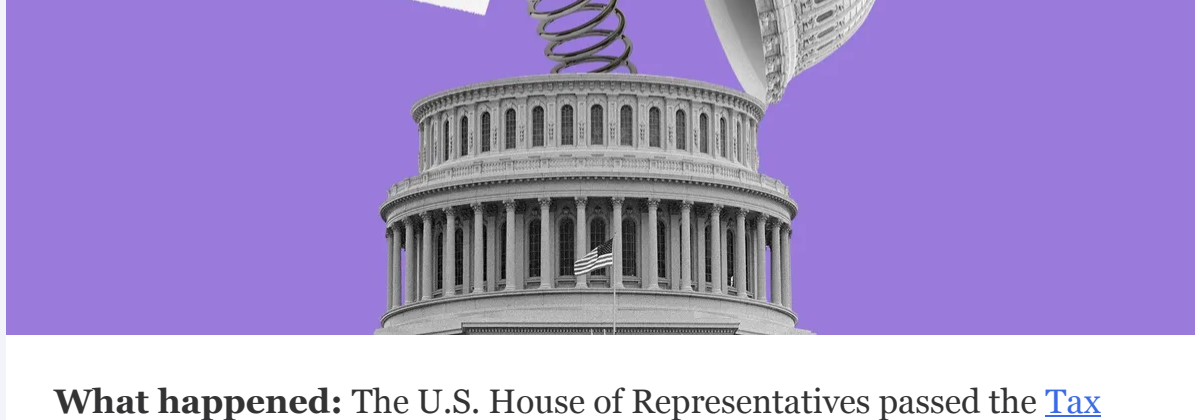
Getting involved: People who want to discuss management for a lake can call or email the area fisheries office listed for that lake during February.

Questions to consider include:

- What kind of fishing experience are you looking for?
- Are there fish habitat concerns you'd like to share?
- Do you like catching big fish or a lot of fish?

Your feedback will be considered as area fisheries managers begin developing updates for each fisheries management plan.

Tax Relief for American Families and Works Act



What happened: The U.S. House of Representatives passed the [Tax Relief for American Families and Workers Act \(H.R. 7024\)](#), which will temporarily extend a number of tax provisions that are critical to the hospitality industry.

Go deeper: The bipartisan bill includes [several provisions that will benefit the hospitality industry](#). Below are highlights of what is in the bill:

- An extension of the 100% bonus depreciation through the end of 2025. Under current law, leasehold and other qualifying interior improvements are eligible for bonus depreciation. In 2026, bonus depreciation would fall to 20% and expire after 2026.
- A retroactive, four-year extension of the taxpayer-favorable earnings before interest, taxes, depreciation, and amortization (EBITDA) standard for measuring the amount of business interest deductible under section 163(j).
- A provision accelerating the deadline to file claims for the Employee Retention Credit (ERC) to January 31, 2024. With the potential closure of the program to new applicants, AHLA encourages any businesses still considering applying to do so quickly.
- A Child Tax Credit enhancement.

What's next: The bill heads to the Senate for approval.

- Hospitality Minnesota has weighed in with our Senators encouraging support for passage of the bill. It remains to be seen when the Senate will vote.

Beyond the Headlines: Minnesota's Political Landscape

- [Representative Hodan Hassan](#) joins the growing list of legislators to retire after the 2024 session.
- [Senator Murphy elected as Senate Majority Leader](#) after Senator Dzierdzic stepped down.
- [Tim Niver gives his take on the industry](#) and weighs in on the Labor Standards Board concept.

Have a great weekend!

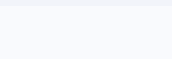
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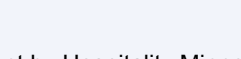
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