



GOVERNMENT RELATIONS UPDATE
ADVOCATING FOR MINNESOTA'S HOSPITALITY INDUSTRY

By Jill Sims • Mar 29, 2024

Smart Brevity® count: 4.5 mins...1251 words

From the Desk of Jill Sims: We've made it to the legislature's Easter break! The Government Relations team is off today trying to catch up on sleep and prepare for the legislature to move into omnibus bill season.

What's an omnibus bill? The legislature takes the bills they've heard and puts them into that policy vehicle (ie Commerce Omnibus Bill). It's our job to track and watch what will fold into the larger packages.

Read on to learn more about the rideshare situation, our 5 hour rule fix, how you may no longer be able to take credit card processing fees out of tips, lifting the ban on plastic bag bans and Walz's State of the State.

Heart of the House Tour: Representative Angie Craig Tours TPI's Hilton Garden Inn Eagan



Congresswoman Angie Craig with Hospitality Minnesota members and staff on March 28, 2024.

Yesterday, Representative Angie Craig and staff joined AHLA and Hospitality Minnesota to tour the Hilton Garden Inn Eagan.

The tour focused on the operations of the hotel, and we were able to watch Representative Craig try her luck, and fail, at folding fitted sheets. Following the tour, we sat down with her to discuss:

- How the drop in business travelers and convention visitors has forced hotels to rethink their operations and draw new kinds of guests.
- The exodus of hospitality workers over Covid and the challenges this has caused for hiring new employees.
- How public safety and the potential exit of Uber/Lyft impact hospitality businesses and their employees.
- The impact that recent state legislation is having on the hotel industry, such as Earned Sick and Safe Time, Paid Family and Medical Leave, and the installation of carbon monoxide detectors in each sleeping unit.

Thank you to the staff at Hilton Garden Inn Eagan and TPI Hospitality for hosting the Heart of the House Tour and sharing their stories with Representative Craig.

Interested in hosting an elected official? Reach out to [Jill](#) or [Kaleb](#).

Minneapolis (and beyond) Ride Share Update



As it stands, on May 1, rideshare companies Uber and Lyft will no longer operate in Minneapolis and the surrounding area due to the ordinance passed by Minneapolis City Council and their decision to overturn Mayor Frey's veto. The decision leaves hospitality businesses, individuals with disabilities or lack of transportation in a state of deep concern.

But hold on: Last week, Council Member Andrea Jenkins made a motion to revisit the rideshare ordinance at the upcoming April 11 Council Meeting. This week, council members are entertaining the idea of investing \$150,000 to get other rideshare companies up and running. All eyes will be on the Council to see their next move.

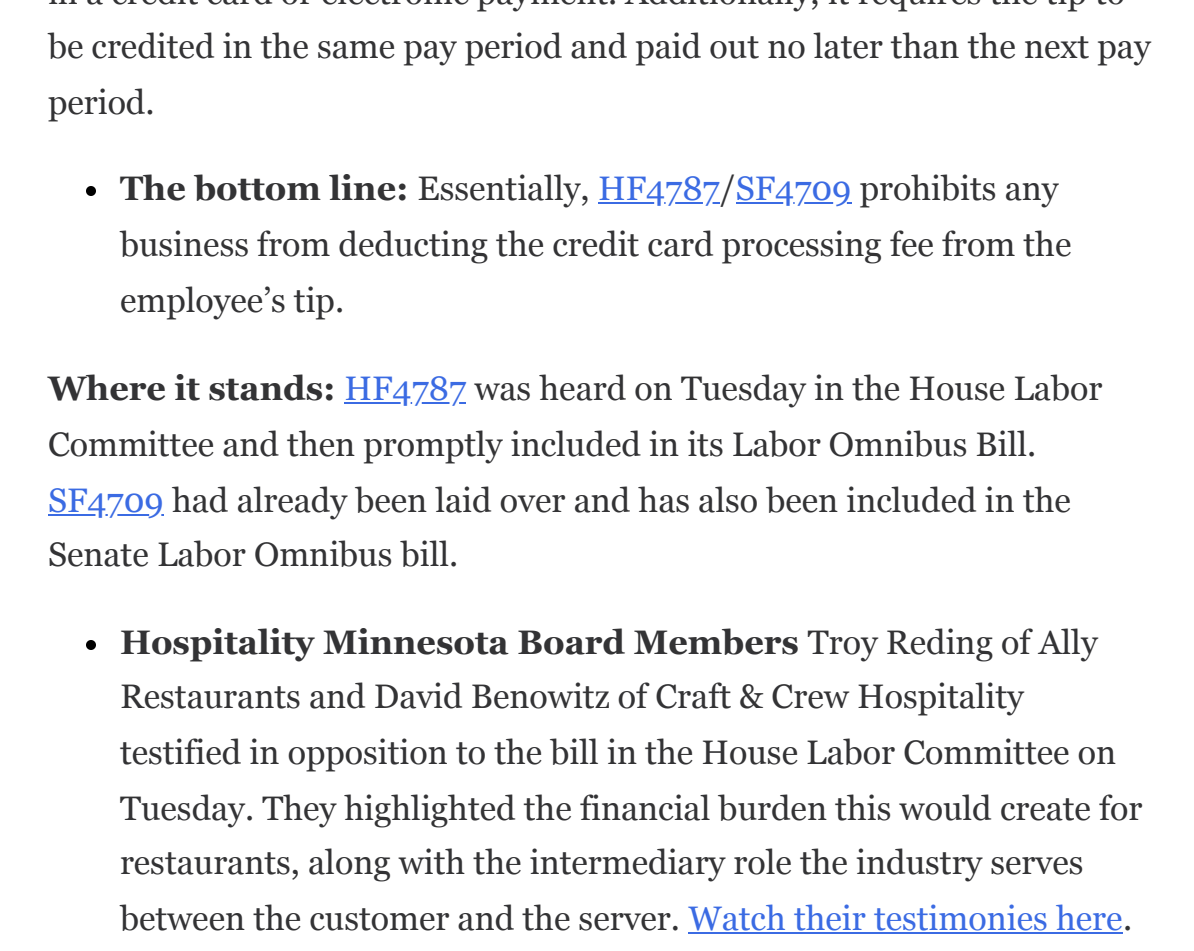
In the meantime: Elected officials at the city and state level are working on a state framework to address driver pay. There is some hope they can come to an agreement based on the state study of rideshare compensation released in early March.

- **Tell Council Members** to bring back rides <https://www.bringridesback.com/>

What next?

- Hospitality Minnesota continues to engage with rideshare companies and elected officials on the importance of having safe, affordable and accessible transportation for our workers and guests.
- We will continue to keep you updated.

Cannabis Correction: 5 Hour Rule Fix For Bars and Restaurants



Oops: In last year's Omnibus Cannabis Bill ([HF100](#)), there is a clause that prevents serving alcohol and a THC beverage to the same customer within 5 hours. The clause would go into effect in 2025 but presents implementation and liability challenges for servers and businesses.

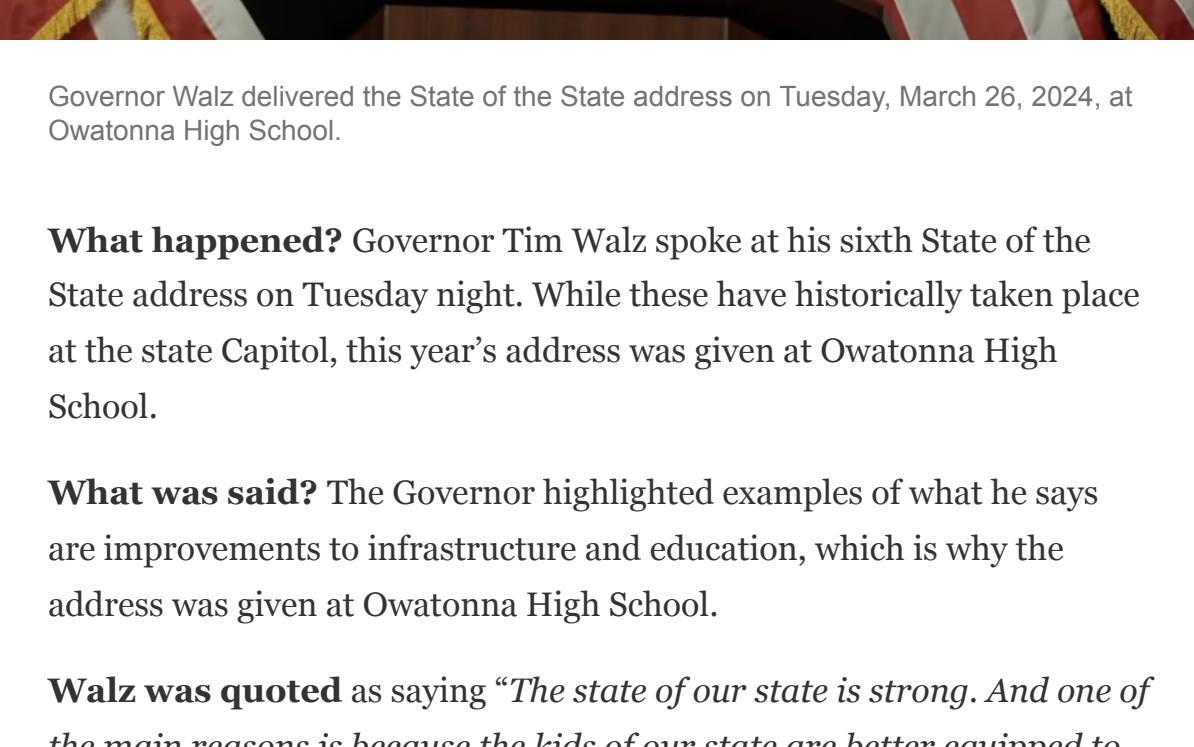
Problem solvers: Hospitality Minnesota has partnered with Craft Brewers Guild, Minnesota Licensed Beverage Association and Minnesota Municipal Beverage Association to introduce legislation to fix this issue. [HF 4029/SF 4239](#) introduced by Representative Brad Tabke and Senator Rob Kupec would alleviate this issue for the hospitality industry in a more thoughtful manner.

The fix: [HF 4029/SF 4239](#) would remove the 5 hour rule and instead put language into statute that would prohibit serving individuals who are overly intoxicated – similar to existing intoxication statutes.

What happened? [HF 4029](#) was heard in the House Commerce Committee on Wednesday that swiftly passed committee. [SF 4239](#) is still waiting for a hearing in the Senate.

Hospitality Minnesota wrote and submitted a letter of support for the committee hearing on Monday as a part of a coalition with our partners on the bill. [Read the letter here.](#)

Legislation To Prevent Taking Credit Card Processing Fees Out of Tips Likely To Pass



Troy Reding of Ally Restaurants and David Benowitz of Craft & Crew Hospitality testified in opposition to HF4787 in the House Labor Committee on Tuesday.

Some background: [HF4787/SF4709](#) would require all businesses, particularly restaurant operators, to pay the full amount of a tip included in a credit card or electronic payment. Additionally, it requires the tip to be credited in the same pay period and paid out no later than the next pay period.

- **The bottom line:** Essentially, [HF4787/SF4709](#) prohibits any business from deducting the credit card processing fee from the employee's tip.

Where it stands: [HF4787](#) was heard on Tuesday in the House Labor Committee and then promptly included in its Labor Omnibus Bill. [SF4709](#) had already been laid over and has also been included in the Senate Labor Omnibus bill.

- **Hospitality Minnesota Board Members** Troy Reding of Ally Restaurants and David Benowitz of Craft & Crew Hospitality testified in opposition to the bill in the House Labor Committee on Tuesday. They highlighted the financial burden this would create for restaurants, along with the intermediary role the industry serves between the customer and the server. [Watch their testimonies here.](#)

One more thing: Hospitality Minnesota submitted a joint letter with the Minnesota Licensed Beverage Association (MLBA) and the Minnesota Municipal Beverage Association (MMBA) on the impact credit card processing fees have on the industry.

- **Go deeper:** The letter also encouraged flexibility for operators. [Read more here.](#)

Repeal of Prohibition on Plastic Bag Bans

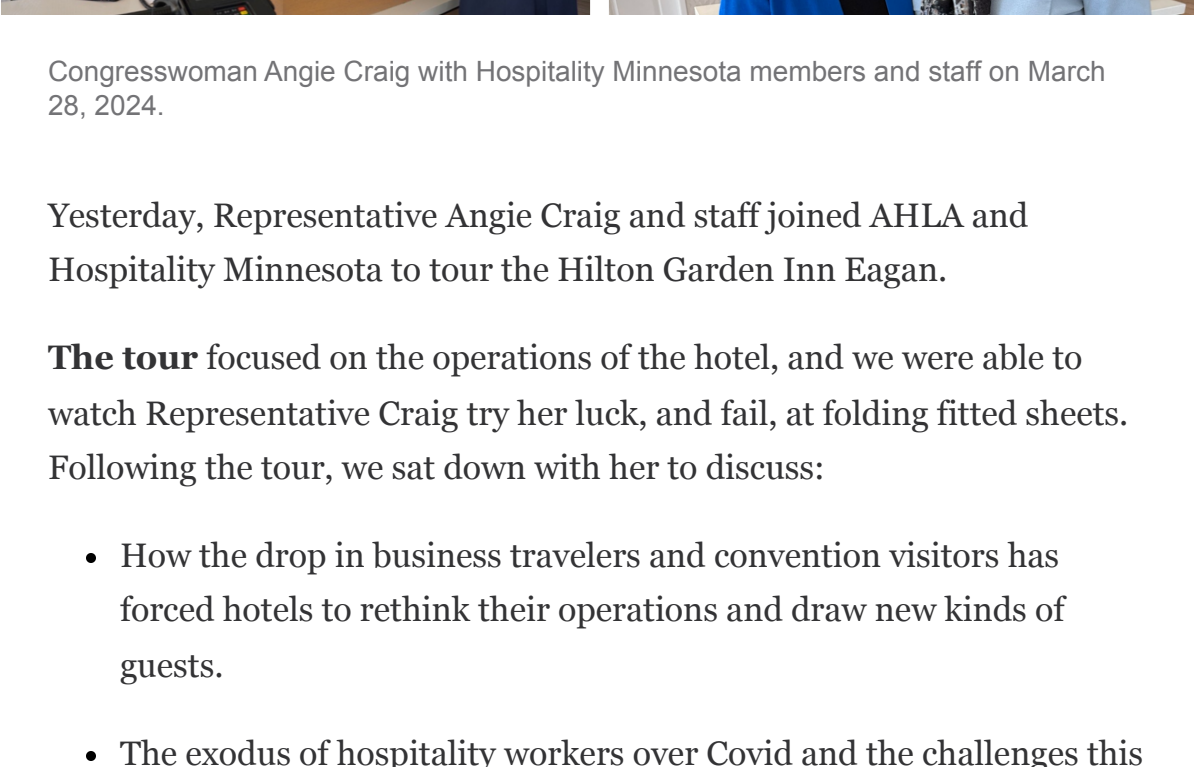


Some background: [HE 3345/SF 3677](#) are bills that would prohibit a statewide ban on bag bans – meaning, if passed, municipalities would have the authority to ban plastic bags.

- **What happened:** This week, [HF 3345](#) was laid over for possible inclusion in an omnibus bill after a hearing in the House State and Local Government Finance and Policy committee on Tuesday. [SF 3677](#) has been introduced but has not yet been scheduled for a hearing in the Senate.

What's next: Hospitality Minnesota anticipates this legislation to pass, and also anticipates that upon passage, municipalities will begin banning plastic bags and that food will likely not be exempted from those ordinances.

Walz's Gives State of the State Address



Governor Walz delivered the State of the State address on Tuesday, March 26, 2024, at Owatonna High School.

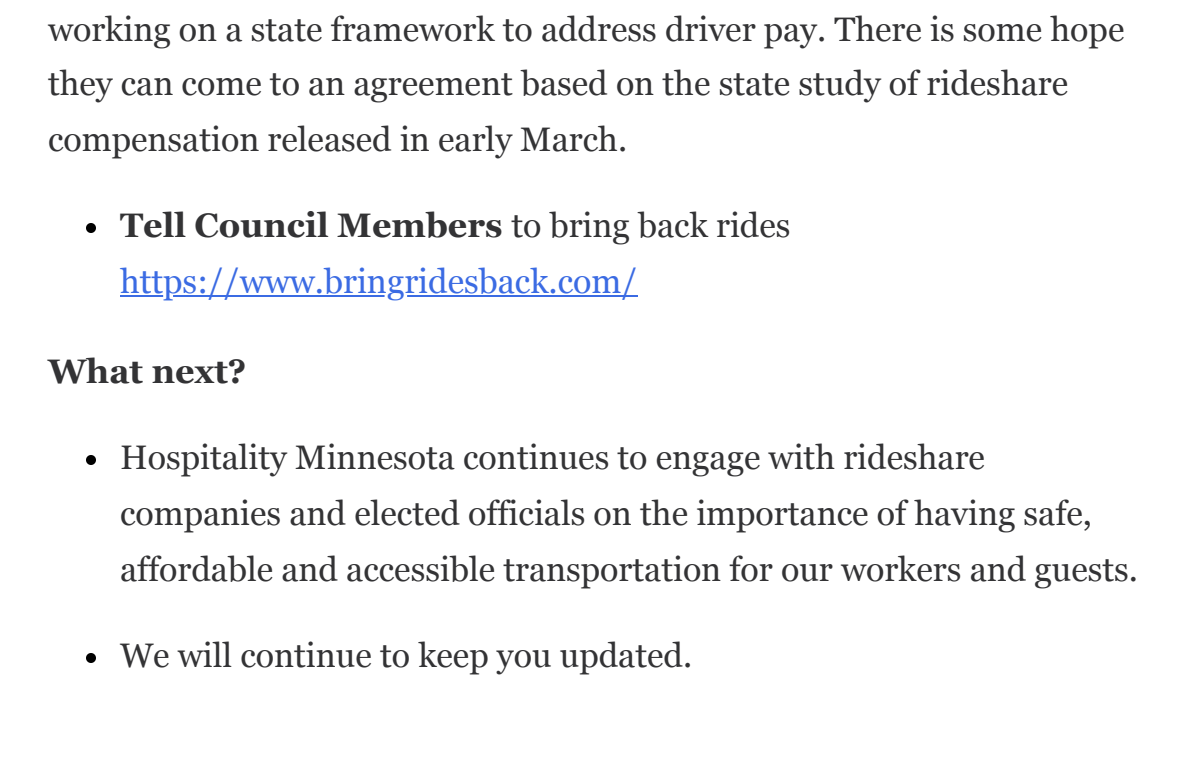
What happened? Governor Tim Walz spoke at his sixth State of the State address on Tuesday night. While these have historically taken place at the state Capitol, this year's address was given at Owatonna High School.

What was said? The Governor highlighted examples of what he says are improvements to infrastructure and education, which is why the address was given at Owatonna High School.

Walz was quoted as saying *"The state of our state is strong. And one of the main reasons is because the kids of our state are better equipped to thrive."* Watch the full address [here](#).

Republican Leaders released their own statements following the State of the State address, which can be watched [here](#).

Beyond the Headlines: Minnesota's Political Landscape



Dig Deeper Into Walz's State of the State: <https://www.minnpost.com/state-government/2024/03/speech-analysis-walz-celebrates-owatonna-school-defends-trifecta-via-listicle-and-pitches-democrats-for-2024/>

Funding for Anerobic Digestors to Turn Food Waste to Fuel: <https://www.house.mn.gov/SessionDaily/Story/18243>

Water Park Plans Return to Mall of America: <https://www.axios.com/local/twin-cities/2024/03/25/mall-of-america-water-park-mystery-cove-new-plans-retractable-roof>

Have a great weekend!

Interested in sponsoring this newsletter? Get your company's logo on our banner. [Click here](#) to learn more and contact [Tony](#) if interested.

Feedback

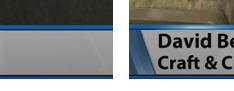
Anonymously tell us what you thought of this edition. Your responses will help us create better content for you!

Was this edition useful?



[Unsubscribe](#)

This newsletter is powered by



Like this email style and format?
It's called Smart Brevity®. Hundreds of orgs use it — in a tool called [Axios HQ](#) — to drive productivity with clearer workplace communications.