

May 3, 2022

The Honorable Mohamud Noor, Chair House Workforce Committee 379 State Office Building St. Paul, MN 55155 The Honorable Eric Pratt, Chair Senate Jobs Committee 3219 Minnesota Senate Building St. Paul, MN 55155

Dear Chairs Noor and Pratt:

We write to urgently request reconsideration of inclusion of <u>HF3550/SF3771</u> (Online Hospitality Training) in the Omnibus Workforce/Jobs bill.

Hospitality has been the hardest hit industry by the workforce shortage. According to the most recent jobs numbers from the Department of Employment and Economic Development, our industry remains down nearly 25,000 workers from pre-pandemic levels. The total jobs deficit for private employment from pre-pandemic levels is approximately 53,000, meaning that losses in the hospitality represents nearly *half of the jobs deficit* in Minnesota.

HF3550/SF3771 is bipartisan legislation that would appropriate \$275,000 to create an online hospitality training program through the University of Minnesota Tourism Center (in partnership with Explore Minnesota Tourism), modeled after the <u>highly successful program in South Dakota</u>. This program would be free to Minnesota residents and is anticipated to train thousands of workers per year. For more information <u>READ OUR ISSUE BRIEF</u>.

This bipartisan legislation passed both the House Workforce and Higher Education committees *unanimously* and received a favorable hearing in the Senate Jobs committee. The bill is supported by:

- Minnesota Chamber of Commerce
- Minnesota Association of Convention and Visitors Bureaus
- MN Tourism Growth Coalition
- Visit St. Paul
- Meet Minneapolis
- Minneapolis Regional Chamber
- Minneapolis Downtown Council
- Brainerd Lakes Chamber

- Rochester Area Chamber
- Duluth Area Chamber
- Visit Mankato
- Greater Minneapolis Hotel
  Association
- Minnesota Licensed Beverage Association (MLBA)
- Minnesota Craft Brewer's Guild

Hospitality Minnesota | 2520 University Avenue SE, Suite 201 | Minneapolis, MN 55414-3367 www.hospitalityminnesota.com | 651.778.2400 There is a significant need for additional training resources and for certification programs that help workers "ladder up" in their career in an industry that has one the fastest paths to management and entrepreneurship. According to federal data, workers who get their start in the tourism and hospitality industry earn more over the course of their career than other industries. 9 out of 10 restaurant managers and 8 out of 10 owners began at the entry level. The workforce shortage provides incredible opportunities for those starting their career to advance rapidly.

Given the historic budget surplus, we think investing this modest amount in training opportunities for Minnesotans in our hospitality industry is smart policy and brings a real-time solution that will help employers while also growing the state economy.

Thank you for your consideration.

Sincerely,

Mig Ramme

Liz Rammer, President & CEO Hospitality Minnesota