

April 30, 2021

RE: Emergency Rehire and Retention Provisions

FROM: Minnesota Council on Latino Affairs
Council for Minnesotans of African Heritage

TO: Senator Pratt	Representative Noor
Senator Rarick	Representative Ecklund
Senator Draheim	Representative Olson
Senator Housley	Representative Hamilton
Senator Eken	Representative Berg

Dear Members of the Jobs/Labor Omnibus Bill Conference Committee,

The Minnesota Council on Latino Affairs (MCLA) and the Council for Minnesotans of African Heritage (CMAH) strongly support the Emergency Rehire and Retention provisions in the omnibus workforce and business development finance and policy bill (SF1098/HF1342). These provisions give rehire and retention protections to laid off employees in the hospitality industry. Based on available research, the Councils believe that the Emergency Rehire and Retention provisions would provide protections for a vulnerable subset of Minnesota workers and benefit the productivity of hospitality businesses.

Though workers in many sectors have been negatively affected by the pandemic, Minnesota hospitality workers have been hit especially hard and continue to face long-term joblessness. According to recent economic data from the U.S. Bureau of Labor Statistics, employment in Minnesota's hospitality and leisure sector in December 2020 was down 44 percent relative to December 2019. While employment levels statewide declined over the same period, the employment decline in the hospitality sector (44 percent) was more the five times the magnitude of the employment decline statewide (8 percent).¹ According to a recent report by Unite Here Local 17 Hospitality Union,² people of color and women have been disproportionately impacted by the decline in leisure and hospitality sector employment because they make up a large share of this sector's workforce.

Emergency Rehire and Retention provisions also advance the interests of hospitality workers and businesses. Instead of being forced to navigate a challenging labor market, these protections would

¹ [U.S. Bureau of Labor Statistics](#). Series IDs: SMU2700000000000001 (MN total nonfarm employees, not seasonally adjusted) and SMU27000007000000001 (MN leisure and hospitality employees, not seasonally adjusted). Data extracted on March 6, 2021.

² Luneburg, W. (2021, January). *Minnesota hospitality workers face a jobs crisis. Women of color are particularly impacted.* UNITE HERE Local 17.

ensure that tens of thousands of hospitality workers have the opportunity to return to their pre-pandemic jobs as the sector recovers. Hospitality businesses would also benefit. Research suggests that maintaining established employer-employee relationships through a recession accelerates economic recovery.³ As the nationwide vaccination campaign progresses and the economy recovers, demand for hospitality and leisure activities will likely soar. Hiring experienced hospitality workers will enable businesses in this sector to scale up quickly and meet the increased demand for services.

Emergency Rehire and Retention provisions in the Jobs/Labor Omnibus Bill are ultimately a win-win for workers and businesses. MCLA and CMAH urge you to support these provisions and thank you for your leadership in considering these issues.

Sincerely,

Rosa Tock
Executive Director
Minnesota Council on Latino Affairs

Linda Sloan
Executive Director
Council for Minnesotans of African Heritage

³ Wolcott, E. et al. (2020, November 16). [Temporary Layoffs and Unemployment in the Pandemic](#). Federal Reserve Bank of San Francisco.