



MINNESOTA GROCERS ASSOCIATION

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February 7, 2022

Chair Pratt and the Senate Jobs and Economic Growth Finance and Policy Committee,

The Minnesota Grocers Association thanks you for your commitment to resolving the Unemployment Trust Fund deficit that has arisen due to the huge demand for Unemployment Insurance payouts during the COVID-19 pandemic. Legislative action to address this deficit is of vital importance to businesses across this state who are still facing enormous struggles.

The Minnesota Grocers Association is the only state trade association representing the food industry of Minnesota from farm to fork. Minnesota has a unique culture of hundreds of hometown grocers and convenience stores, many of whom are independent, multi-generational, and locally owned. The MGA is their state trade association, celebrating 125 years of advancing industry. We have over 300 members with over 1,300 locations statewide, as well as food producers, manufacturers, brokers, and wholesaler members. Our industry provides over 150,000 jobs in the state – both union and non-union.

On behalf of our membership, we fully support SF2677, and thank Senator Pratt for his leadership. This bill would replenish the accrued \$2.7 billion in pandemic related debt in the state's Unemployment Insurance Trust Fund without punishing businesses that are already facing historic challenges in labor shortages, supply chain disruptions, and inflation.

Without immediate legislative action businesses across the states will be hit with massive increases in their UI costs, with payments beginning in April. We ask that legislators come together to provide relief to both workers and employers by supporting SF2677. Passage and advancement of this bill will ensure the fund has solvency and can rebuild for future needs.

The MGA asks that you support SF2677 as a stand-alone bill and not make it part of a larger policy debate. According to MN DEED, from the start of the pandemic through September 2021, over 873,707 Minnesotans received UI benefits. And, the short falls are directly linked to supporting Minnesota's workforce – as 1 in 5 Minnesotans applied for unemployment insurance.

Thank you for your immediate attention to resolving this issue as it benefits workers and businesses all across Minnesota. Please do not hesitate to contact us if we can be a resource or answer any questions. We look forward to working with you and promoting a strong economy that has positive outcomes for everyone.

Sincerely,

Jamie L. Pfuhl
President
Minnesota Grocers Association