



March 13, 2023

The Honorable Bobby Joe Champion, Chair  
Jobs and Economic Development Committee  
3401 Minnesota Senate Bldg  
St. Paul, MN 55155

The Honorable Rich Draheim, Ranking Minority Member  
Jobs and Economic Development Committee  
2225 Minnesota Senate Bldg  
St. Paul, MN 55155

Dear Chair Champion, Ranking Minority Member Draheim and Members of the Committee:

We are writing to respectfully request your full support of SF1794. In particular, the section establishing \$10 million in tourism industry recovery grants. These grants would appropriate funds that are vital to the recovery of Minnesota's tourism and hospitality industries, which are a major economic engine of our state. Hospitality Minnesota is a trade association representing Minnesota's restaurants and food service, hotels and lodges, resorts and campground sectors and a longtime collaborator with Explore Minnesota Tourism.

The pandemic shutdowns had an outsized impact on tourism and hospitality businesses, especially through the extended closures. While our industry has reopened for business, recovery has been slow and uneven and is still quite fragile. Data from a 2022 study by the U.S. Travel Association indicates that Minnesota's tourism industry has suffered **at least \$11.7 billion in travel spending losses since 2019**.

Additionally, a February 2023 study by the American Hotel and Lodging Association projects the **Minnesota hotel market will be down 6.0%** for occupancy rates in 2023 compared to 2019. This makes it one of the worst performing markets in the country. The investments called for in this legislation are crucial to bringing back the events and conferences to stimulate growth for restaurants, hotels and the entire hospitality and tourism ecosystem in our markets.

SF1794 will provide grant opportunities to organizations within the tourism industry to attract and retain meetings, conventions and high visibility events. This is an important opportunity to propel hospitality businesses forward after an extremely challenging period.

We encourage members of the committee to support SF1794. Thank you.

Sincerely,

Liz Rammer, President & CEO  
Hospitality Minnesota