



May 13, 2024

The Honorable John Marty, Chair
Senate Finance Committee
3235 Minnesota Senate Building
St. Paul, MN 55155

The Honorable Eric Pratt, Ranking Minority Member
Senate Finance Committee
2217 Minnesota Senate Building
St. Paul, MN 55155

Dear Chair Marty, Ranking Minority Member Pratt, and Members of the Committee:

Hospitality Minnesota represents hospitality businesses in Minnesota, including restaurants, hotels, resorts and campgrounds and more, representing nearly 275,000 employees. We advocate for policies that promote and support the hospitality and tourism industry. Hospitality Minnesota encourages you to fully weigh the impacts that SF 4780 will have on the hospitality and tourism community across Minnesota.

The proposed \$1.27 per mile and \$0.49 per minute in SF 4780 does not have support of the primary rideshare services available today, Lyft and Uber. We encourage elected officials to work with rideshare companies to reach a rate that meets at least minimum wage. **If Minnesota loses existing rideshare services and lacks the availability of affordable, reliable rideshare that can operate at the capacity to meet current demand, this will disproportionately negatively impact hospitality industry employees and patrons.** As our industry is focused on our own economic recovery, we rely on you to implement policies that nurture our growth instead of hindering our workforce or jeopardizing tourism. Below, we have outlined our concerns:

Affordable Pricing: Under the current version of SF 4780, the price of rideshare will increase significantly – with rideshare companies suggesting service will no longer be available in Minnesota. Many hospitality employees depend on rideshare services to get to and from work. It is vital our industry employees and patrons have affordable and reliable transportation options at any hour, day, or night no matter if they are in a city, the suburbs or Greater Minnesota.

Impacts to Safety: Hospitality businesses operate on an extended hours basis, when public transportation may not be available and rideshare use is required. Safety is a concern in areas like Uptown Minneapolis, where the transit station had to be closed due to rider safety issues. In addition, rideshare has provided a well-documented reduction in driving under the influence, serving as a safe alternative mode of transportation for guests of hospitality businesses. Especially in communities without public transit, rideshare is a critical resource in reducing driving under the influence incidents. For the sake of our industry employees, patrons and communities, safe transportation home is critical.

Impacts to Tourism: As we make increased investments in tourism marketing to attract large-scale meetings and events back to Minnesota, the meeting and event planners are evaluating the costs from a holistic perspective. We cannot afford to discourage visitors or event planners from considering Minnesota as a viable option based on our market costs, and lack of necessary amenities. These events are a vital necessity to all of us; rideshare drivers, restaurants, and hotels alike.

We respectfully encourage you to weigh the impacts of this legislation and find a solution that will not harm our workers, patrons, or visitors to Minnesota and keep companies that can meet current rideshare demand in operation. Thank you for your consideration.

Sincerely,

Angie Whitcomb, President & CEO