

Statewide Hospitality Fee

Background

In 2005, the Minnesota Legislature passed a law requiring a **Statewide Hospitality Fee**.

The law requires the Minnesota Department of Health (MDH) to collect a \$35 fee from every food, beverage and lodging establishment in the state of Minnesota. This fee applies to **all licensed food, beverage and lodging establishments** in Minnesota.

The following language about the Statewide Hospitality Fee is found in *Minnesota Statutes, section 157.16, subd. 3a*:

Every person, firm, or corporation that operates a licensed boarding establishment, food and beverage service establishment, seasonal temporary or permanent food stand, special event food stand, mobile food unit, food cart, resort, hotel, motel, or lodging establishment in Minnesota must submit to the commissioner a \$35 annual statewide hospitality fee for each licensed activity. The fee for establishments licensed by the Department of Health is required at the same time the licensure fee is due. For establishments licensed by local governments, the fee is due by July 1 of each year.

Why is this fee being collected?

This fee was created to accomplish three very important objectives to ensure a safe and secure hospitality industry:

- Training for state and local inspection staff;
- Technical assistance; and
- Maintenance of a statewide, food safety notification system.

How are the fees used?

MDH oversees state and local food and lodging programs, in order to assure that food, beverage and lodging programs and establishments are meeting public health standards. Activities of the Environmental Health Services program include:

- Evaluating licensing and inspection programs.
- Providing training for food, beverage and lodging establishments, inspectors and others.
- Providing technical support for pool construction and plan review for other licensed facilities.
- Assisting in the response to illness, natural disasters, and infestations.
- Performing research and analysis of outbreaks and their causes.
- Creating and distributing educational and informational materials.
- Providing training for state and local environmental health professionals to maintain effective and sustainable programs.
- Creating and maintaining statewide database and emergency notification systems.

How much does it cost?

The fee is \$35 per year for each licensed food, beverage and lodging establishment. Each licensed establishment is required to pay one fee. Therefore, operators of multiple establishments may be required to pay more than one fee. Each special event stand is required to pay one fee per stand per year.

How often is this fee collected?

This is an annual fee. By statute, the full fee is collected for each calendar year that an establishment was in operation, including the partial year in which an establishment begins operations.

(over)



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How is the fee collected?

The fee became effective in 2005. MDH collects information on licensed facilities from state and local public health authorities each year. This information indicates that the holder of a license has operated a food, beverage and lodging establishment in the current calendar year.

This annual list of license holders is used to collect the Statewide Hospitality Fee. Although local authorities license some establishments, MDH bills each establishment directly for this fee.

Are the data used in other ways?

The same license information data is being used as part of a statewide safety-and-security information system. One purpose of the system is to allow MDH to notify all licensed establishments by phone or e-mail, in the event of an emergency that may cause illness or injury to customers.

Two emergency notifications occurred in 2006. In September, MDH notified approximately 17,000 establishments when the FDA recalled fresh spinach after an E-Coli outbreak. In November, an unusual number of Norovirus illnesses prompted staff to notify almost 17,000 partners of the potential for outbreaks. In 2007, southwestern Minnesota licensed establishments were notified of a Hepatitis A outbreak.

Is there a penalty for non-payment?

MDH will not require a penalty of those who failed to pay the Hospitality Fee during the first year that they received an invoice. However, unpaid fees are still due. The names of those establishments from which fees are not recovered will be turned over to the licensing agency, if other than MDH.

For more information

Please call MDH at (651) 201-4504, with questions regarding the Statewide Hospitality Fee. Licensees who believe they have received incorrect or duplicate billings may call MDH or go to the following web page:

www.health.state.mn.us/divs/eh/food/license/shf-review.html

For further information about the Hospitality Fee or MDH programs and services, contact any of the following MDH District Offices:

Bemidji	..	(218) 308-2100
Duluth	..	(218) 723-4642
Fergus Falls	..	(218) 332-5150
Mankato	..	(507) 344-2700
Metro	..	(651) 201-4500
Rochester	..	(507) 206-2700
St. Cloud	..	(320) 223-7300

To request this document in another format, call 651-201-4500, TTY 651-201-5797.

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