



April 15, 2024

Senator Matt Klein
Chairman – Commerce and Consumer Protection
2105 Minnesota Senate Bldg.
St. Paul, MN 55155

Dear Chair Klein:

On behalf of over 12,000 members belonging to the North Central States Regional Council of Carpenters (NCSRCC) in Minnesota, I am writing in support for increasing the current Commerce Fraud Bureau (CFB) insurance company assessment found in Article 3, Section 1 of SF 5301 of the Commerce Omnibus bill.

The NCSRCC is a construction labor union representing carpenters, millwrights, floor coverers, pile drivers and industrial workers across Minnesota and the midwestern United States. Our members perform both construction and maintenance work across the energy, mechanical, construction and interior systems sectors.

In 2005, the CFB insurance company assessment covered nearly all the operating revenue. For fiscal year 2024, the assessment will only cover 48 percent of the CFB operating revenue. This proposed additional revenue will be used primarily to support CFB agent salary costs as well as operations and administration of criminal fraud investigations.

The NCSRCC prioritizes this long overdue increase to provide CFB with the necessary funding to investigate, charge, and hold people accountable for defrauding Minnesotans and insurance companies while protecting the public's interest. Having an entity like the CFB that can tackle complex, challenging and non-mainstream cases is a critical need for the Carpenters. This work is vital to protecting workers throughout Minnesota. The CFB has demonstrated their willingness to prosecute a contractor for criminal wage theft and workers comp premium evasion in the construction industry. Unfortunately, the demand for this enforcement has only increased.

NCSRCC requests your and the Commerce and Consumer Protection committee's support for this important statutory change, so the Commerce Fraud Bureau has the resources needed to continue its important work of protecting Minnesotans.

Sincerely,

Richard Kolodziejski
Director of Government Relations
North Central States Regional Council of Carpenters