



February 15, 2024

Chair McEwen and Members of the Senate Labor Committee –

On behalf of the Associated Builders and Contractors of Minnesota, a statewide trade association made up of 340 merit shop construction industry members and their 20,000 employees, we respectfully request a NO vote on SF 3554. Our local contractor members, and the men and women that they employ, are part of the 75% of workers in the Minnesota construction industry that choose to be merit shop craft professionals. Our members are located throughout Minnesota and build our schools, multi-family housing, retail and commercial spaces, medical facilities, energy, and other critical infrastructure, and much more.

ABC is opposed to SF 3554, which would create a state Paint Contractors Board and impose new licensing requirements to perform painting services in Minnesota. On a high-level, it is unclear as to what problem this legislation is looking to solve. ABC has several members who perform painting services, and they already provide their workers with the training and skills needed to do the job well. This legislation will create an additional barrier to entry, increase the cost of doing business, and result in an additional layer of bureaucracy that our members, and painters across the State, will be forced to navigate.

First and foremost, we do not believe that this proposed licensing system is necessary. If you are a residential painting contractor, you are likely already licensed as a “residential contractor.” The Minnesota Department of Labor & Industry already requires a residential construction contractor license for an individual or company that contracts directly with an owner of residential property to provide work in more than one special skill area. Commercial contractors are already required to register with the State as a Construction Contractor. There are also additional licensing requirements for work involving lead paint.

A new licensing requirement will create an additional barrier to entry for those seeking to enter the trade. The broad nature of this bill makes it so that anyone contracting to perform painting services on residential and commercial real estate must first be licensed. Contractors will be required to have both a master painter and a sufficient number of journeyworker painters to supervise any unlicensed individuals who may be available to do the work. These limitations will restrict an already tight labor market and will create an additional barrier to employment for individuals who are otherwise qualified to do the work.

We are also concerned that the fees for licensing and registration will be an additional cost that will be borne by painting contractors. As currently written, the legislation is silent as to what the fees will be and instead gives the Paint Contractor Board the authority to recommend the fees for licenses and registrations. However, additional fees for licensing and registration, along with costs associated with continuing education and license renewal every two years, are yet another barrier for individuals who are looking to enter the trade and an additional cost for paint contractors who are looking to build their business.

Finally, we are concerned that this legislation will create another state licensing board that will be granted rulemaking authority to oversee the regulation of licensing, standards, and continuing education. With five members of the board being appointed by the Governor, we are concerned that there is potential for the board to be politicized with little to no input from the merit shop construction industry. We are concerned that, with the creation of a new board, the voice of the merit shop construction industry will not be adequately represented when it comes to promulgating standards and regulations for licensing and continuing education.

We appreciate the opportunity to submit comments on SF 3554, and we are hopeful that the Committee will take our comments into consideration.

In closing, we strongly urge you to vote **NO** on SF 3554.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jon Boesche', with a stylized, flowing script.

Jon Boesche
Director of Government & Public Affairs
Associated Builders and Contractors MN/ND Chapter