



Subject: Opposition to SF 3554: Unnecessary Cost and Complexity for Minnesota Homeowners

Dear Honorable Senators and Chair McEwen,

The Builder Association of Minnesota (BAM), representing over 1,000 members across the state's home-building industry, strongly opposes Senate File 3554. This bill poses a significant threat to affordable housing in Minnesota by increasing costs for new homes, remodeling, and repairs, impacting all homeowners and jeopardizing the dream of homeownership.

Key Concerns:

- **Cost Increases:** SF 3554 mandates unnecessary licensing and insurance requirements, adding substantial costs for painters and ultimately homeowners. The "one-size-fits-all" insurance approach disregards the size and risk of individual firms, further inflating costs.
- **Unnecessary Complexity:** The bill creates an overly complex system with various classifications (Master Painter, Journeyworker, etc.) and rulemaking processes, adding administrative burdens and delays for both painters and homeowners. This system lacks a clear justification and appears to prioritize bureaucracy over actual problems.
- **Lack of Transparency:** The bill lacks clarity on several crucial aspects, including test development, board composition, and funding. The requirement to appoint board members by July 2024, before rules are even established, raises serious concerns about transparency and feasibility.
- **Funding Shortfalls:** The bill assigns responsibilities to the Department of Labor and Industry (DOLI) without providing additional funding. This could divert resources from other vital DOLI programs, further impacting the state's housing economy.

Call to Action:

BAM urges you to reject SF 3554. This bill fails to address any demonstrable need and instead adds unnecessary costs, complexity, and administrative burdens to the home-building industry. Instead of creating obstacles to affordable housing, let's focus on solutions that promote homeownership and strengthen Minnesota's economy

Sincerely,

The Builders Association of Minnesota