

SF2205 - 0 - Homeowners & Commercial Prop. Ins. Task Force Est.

Chief Author: **Lindsey Port**
 Committee: **Housing And Homelessness Prevention**
 Date Completed: **3/27/2025 10:57:40 AM**
 Lead Agency: **Legislature**
 Other Agencies:
 Commerce Dept Employment and Economic Dvlpmnt
 Housing Finance Agency

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.
 Reductions shown in the parentheses.

State Cost (Savings)		Biennium		Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Legislature					
General Fund	-	199	-	-	-
State Total					
General Fund	-	199	-	-	-
Total	-	199	-	-	-
Biennial Total			199		-

Full Time Equivalent Positions (FTE)		Biennium		Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Legislature					
General Fund	-	1	-	-	-
Total	-	1	-	-	-

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Chloe Burns **Date:** 3/27/2025 10:57:40 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium		Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Legislature					
General Fund	-	199	-	-	-
Total	-	199	-	-	-
Biennial Total			199		-
1 - Expenditures, Absorbed Costs*, Transfers Out*					
Legislature					
General Fund					
Expenditures	-	231	-	-	-
Absorbed Costs	-	(32)	-	-	-
Total	-	199	-	-	-
Biennial Total			199		-
2 - Revenues, Transfers In*					
Legislature					
General Fund					
	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-

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Chief Author: **Lindsey Port**
 Committee: **Housing And Homelessness Prevention**
 Date Completed: **3/27/2025 10:57:40 AM**
 Agency: **Legislature**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.
 Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium	
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028
General Fund	-	199	-	-	-
Total	-	199	-	-	-
Biennial Total			199		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	1	-	-	-
Total	-	1	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Chloe Burns **Date:** 3/27/2025 10:50:45 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium		Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	199	-	-	-
Total	-	199	-	-	-
Biennial Total			199		-
1 - Expenditures, Absorbed Costs*, Transfers Out*					
General Fund					
Expenditures	-	231	-	-	-
Absorbed Costs	-	(32)	-	-	-
Total	-	199	-	-	-
Biennial Total			199		-
2 - Revenues, Transfers In*					
General Fund	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-

Bill Description

The bill establishes a Task Force on Homeowners and Commercial Property Insurance composed of 13 members. The Legislative Coordinating Commission (LCC) must ensure that the first meeting of the task force convenes no later than August 15, 2025, and must provide meetings space. Amongst its duties, the task force must submit a report that includes findings and recommendations to the legislature and the commissioners of the Department of Commerce, Minnesota Housing and the Department of Employment and Economic Development (DEED) by February 15, 2026. The task force expires upon submission of its report.

The bill provides a general fund appropriation of \$200,000 in FY25 to the LCC to facilitate and administrate the cost of the task force.

Assumptions

1. The task force is composed of 13 members (two senators, two representatives, eight public members, and one employee of the Department of Commerce). This note will address the task force participation cost of the four legislative members and the eight public members.
2. We assume that the fiscal notes by the Department of Commerce will address the state employee task force participation cost.
3. The task force first meeting will be August 15, 2025, and will continue to meet every two weeks until expiration on February 15, 2026. All meetings will be hybrid and will be held within the Capitol campus. This equates to a total of 14 meetings in FY26 with 12 of the meetings being held during legislative interim and two being held during session.
4. Legislative task force member meeting participation costs includes the following expense reimbursement per member, per legislative interim meeting: per diem (\$86/day senators, \$86/day representatives), and \$106 round trip mileage (152 round trip mile average). Half of the legislative members will be reimbursed for lodging cost (\$150/night senators, \$175/night representatives).
5. The task force public member meeting cost including the following per member, per meeting: \$55 per diem, \$106 round trip mileage (152 round trip mile average) and meals (\$42/day). Half of the public members will be reimbursed for lodging cost (\$175/night).
6. We assume that Department of Commerce, Minnesota Housing, and DEED will provide technical assistance, data analysis, and expertise to the task force as needed and will address associated cost in their fiscal notes.

7. The LCC will hire an analyst to support the task force. The limited term of the full-time analyst will begin July 1, 2025, and conclude June 30, 2026. The analyst term continues through the 2026 legislative session to be the task force contact, provide testimony and track legislation. This equates to a 1.0 FTE in FY26. Costs include salary and fringe.
8. The newly hired analyst will be housed in existing LCC office space. Existing cubicle work areas will be provided. Computer, phone, and other office equipment will be needed to be procured. Software and other supplies will be need along with resources to support training and travel cost. Cost will be incurred in FY26. Operational cost such as supplies will also be incurred in FY26.
9. Existing LCC staff will provide assistance to the task force and costs will be absorbed. The executive director will dedicate 0.04 FTE for management and support of task force staff in FY26. The fiscal services office will provide financial, human resource, and payroll processing support to the task force. This will equate to .08 FTE in FY26. The information services office will provide technical support for to stream task force meetings. This will equate to .02 FTE in FY26. For this fiscal note we assume existing LCC staff will be utilized, and costs may be absorbed, although that will depend on the priorities of the legislature and staff time required for competing projects.
10. Senate Counsel, Research and Fiscal Analysis will provide support of a composite of staff time of .02 FTE in FY26 (approximately 40 hours) to follow the work of the task force. For this fiscal note we assume existing Senate staff will be utilized, and costs may be absorbed, although that will depend on the priorities of the legislature and staff time required for competing projects.
11. House Research Department and House Fiscal Analysis Department will provide support of a composite of staff time of .02 FTE in FY26 (approximately 40 hours) to follow the work of the task force. For this fiscal note we assume existing House staff will be utilized, and costs may be absorbed, although that will depend on the priorities of the legislature and staff time required for competing projects.

Expenditure and/or Revenue Formula

Task Force Member Meeting Participation Cost					
Cost Category	FY25	FY26	FY27	FY28	FY29
Senate Member Mtg Participation Cost	0	6,418	0	0	0
House Member Mtg Participation Cost	0	6,718	0	0	0
Public Member Mtg Participation Cost	0	32,581	0	0	0
Total Task Force Member Mtg Participation Cost (rounded)	0	46,000	0	0	0
Staffing Cost					
Cost Category	FY25	FY26	FY27	FY28	FY29
SCRFA staff support - Counsel & Analyst II (.02 FTE FY26, cost absorbed by Senate)	0	3,161	0	0	0
HRD & HFA staff support - Counsel & Analyst II (.02 FTE FY26, cost absorbed by the House)	0	3,153	0	0	0
LCC Executive Director (.04 FTE FY26, cost absorbed by the LCC)	0	10,621	0	0	0
LCC Fiscal/Administrative support (.08 FTE FY26, cost absorbed by the LCC)	0	12,543	0	0	0
LCC IS support (.02 FTE FY26, cost absorbed by the LCC)	0	2,627	0	0	0
New Hire Task Force Analyst (1.0 FTE FY26)	0	142,705	0	0	0

Total Staff Cost (rounded)	0	175,000	0	0	0
Senate Staff Cost Absorbed	0	(3,161)	0	0	0
House Staff Cost Absorbed	0	(3,153)	0	0	0
LCC Staff Cost Absorbed	0	(25,791)	0	0	0
Total Staff Cost Absorbed (rounded)	0	(32,000)	0	0	0
Net Staff Cost (rounded)	0	143,000	0	0	0
New Staff Equipment Set Up Cost					
Cost Category	FY25	FY26	FY27	FY28	FY29
Phone Laptop, Docking Station, Monitors	0	4,690	0	0	0
Total New Staff Equipment Set Up Cost (rounded)	0	5,000	0	0	0
Operational Cost					
Cost Category	FY25	FY26	FY27	FY28	FY29
Maintenance, Repairs and Services	0	1,698	0	0	0
Software (Operational, Document Storage, Server, VPN)	0	908	0	0	0
Staff Travel, Training, and Supplies	0	2,000	0	0	0
Total Operational Cost (rounded)	0	5,000	0	0	0
Total Cost					
Cost Category	FY25	FY26	FY27	FY28	FY29
Total Task Force Member Mtg Participation Cost (rounded)	0	46,000	0	0	0
Total Staff Cost (rounded)	0	175,000	0	0	0
Total New Staff Equipment Start Up Cost (rounded)	0	5,000	0	0	0
Total Operational Cost (rounded)	0	5,000	0	0	0

Total Cost (meetings, staff, start up and operational) (rounded)	0	231,000	0	0	0
Total Cost Absorbed (existing legislative staff) (rounded)	0	(32,000)	0	0	0
Net Total Cost (rounded)	0	199,000	0	0	0
	FY25	FY26	FY27	FY28	FY29
Total New FTEs	0.00	1.00	0.00	0.00	0.00

Long-Term Fiscal Considerations

N/A

Local Fiscal Impact

N/A

References/Sources

Emily Adriaens, House of Representatives
Matt Gehring, House of Representatives
Eric Nauman, Minnesota Senate
Alexis Stangl, Minnesota Senate
Michelle Yurich, Legislative Coordinating Commission

Agency Contact: Diane Henry-Wangenstein

Agency Fiscal Note Coordinator Signature: Diane Henry

Phone: 651-296-1121

Date: 3/26/2025 11:04:22 PM

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SF2205 - 0 - Homeowners & Commercial Prop. Ins. Task Force Est.

Chief Author: **Lindsey Port**
 Committee: **Housing And Homelessness Prevention**
 Date Completed: **3/27/2025 10:57:40 AM**
 Agency: **Commerce Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.
 Reductions shown in the parentheses.

State Cost (Savings) Dollars in Thousands	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-
Biennial Total			-		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Karl Palm **Date:** 3/26/2025 11:13:16 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
Total		-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total		-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

Senate File 2205 establishes a task force to study the affordability and accessibility of Minnesota's insurance markets for housing.

Section 1, subdivision 2 of the bill provides for a task force membership of 15 appointees, one of which would represent Commerce.

Section 1, subdivision 3 of the bill establishes the task force's duties and scope of work.

Section 1, subdivision 4 of the bill requires the Legislative Coordinating Commission (LCC) to convene the first meeting of the task force by August 15, 2025. It also requires the task force membership to elect a chair or co-chairs, establish a meeting schedule, and specifies that the task force is subject to Minnesota's open meeting law.

Section 1, subdivision 5 requires the task force to complete a report with findings, recommendations and draft legislation by February 15, 2026.

Section 2 provides a \$200,000 one-time general fund appropriation to the LCC to support the work of the task force.

Assumptions

While Commerce assumes significant staff time and resources will be required to support the work of the task force, Commerce assumes no new fiscal impact as a result of this bill. Commerce assumes existing resources will be used. Commerce assumes that agency staff will consult with LCC staff and task force members regarding any potential contracting needs necessary to complete the work duties assigned to the task force.

Expenditure and/or Revenue Formula

N/A

Long-Term Fiscal Considerations**Local Fiscal Impact****References/Sources**

Agency Contact:

Agency Fiscal Note Coordinator Signature: Amy Trumper

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Date: 3/26/2025 11:02:10 AM

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SF2205 - 0 - Homeowners & Commercial Prop. Ins. Task Force Est.

Chief Author: **Lindsey Port**
 Committee: **Housing And Homelessness Prevention**
 Date Completed: **3/27/2025 10:57:40 AM**
 Agency: **Employment and Economic Dvlpmt**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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 Reductions shown in the parentheses.

State Cost (Savings)		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
Total		-	-	-	-	-
Biennial Total				-		-

Full Time Equivalent Positions (FTE)		Biennium			Biennium	
		FY2025	FY2026	FY2027	FY2028	FY2029
Total		-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Karl Palm **Date:** 3/24/2025 7:28:46 PM
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State Cost (Savings) Calculation Details

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State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
Total		-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total		-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

SF 2205 establishes a Task Force on Homeowners and Commercial Property Insurance.

Assumptions

The Department of Employment and Economic Development assumes no fiscal impact. The agency is not identified as one of the members under subd. 2, but is identified as one of the state agencies the Task Force must consult with. DEED assumes this consultation will not be extensive and therefore are not estimating a fiscal impact.

Expenditure and/or Revenue Formula**Long-Term Fiscal Considerations****Local Fiscal Impact****References/Sources****Agency Contact:**

Agency Fiscal Note Coordinator Signature: Matthew Dobratz

Phone: 651-259-7153

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SF2205 - 0 - Homeowners & Commercial Prop. Ins. Task Force Est.

Chief Author: **Lindsey Port**
 Committee: **Housing And Homelessness Prevention**
 Date Completed: **3/27/2025 10:57:40 AM**
 Agency: **Housing Finance Agency**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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 Reductions shown in the parentheses.

State Cost (Savings)		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
Total		-	-	-	-	-
Biennial Total				-		-

Full Time Equivalent Positions (FTE)		Biennium			Biennium	
		FY2025	FY2026	FY2027	FY2028	FY2029
Total		-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Steve McDaniel **Date:** 3/20/2025 12:18:56 PM
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State Cost (Savings) Calculation Details

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State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
Total		-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total		-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

SF 2205 establishes a Task Force on Homeowners and Commercial Property Insurance.

Section 1:

- Subdivision 1 establishes the task force
- Subdivision 2 details the membership
- Subdivision 3 provides the duties of the task force
- Subdivision 4 details the meet requirements
- Subdivision 5 requires a report
- Subdivision 6 includes the expiration of the task force

Section 2 appropriates \$200,000 to the Legislative Coordinating Commission

Assumptions

Minnesota Housing assumes no fiscal impact. The agency is not identified as one of the members under subd. 2, but is identified as one of the state agencies the Task Force must consult with. We assume this consultation will not be extensive and therefore are not estimating a fiscal impact.

Expenditure and/or Revenue Formula

Not applicable

Long-Term Fiscal Considerations

Not applicable

Local Fiscal Impact

Not applicable

References/Sources

Not applicable

Agency Contact:

Agency Fiscal Note Coordinator Signature: Ryan Baumtrog

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