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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 2443

03/17/2025

04/21/2025

Authorred by Her
The bill was read for the first time and referred to the Committee on Commerce Finance and Policy
Adoption of Report: Amended and re-referred to the Committee on Ways and Means

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A bill for an act

relating to commerce; appropriating money for Department of Commerce, Office of Cannabis Management, and Legislative Coordinating Commission duties and activities; creating a common interest community ombudsperson; modifying certain private fund adviser registration fees; creating a task force on homeowners and commercial property insurance; requiring a report; amending Minnesota Statutes 2024, sections 80A.58; 80A.65, subdivision 2, by adding a subdivision; Laws 2023, chapter 63, article 9, section 5; proposing coding for new law in Minnesota Statutes, chapter 45.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1

COMMERCE AND OFFICE OF CANNABIS MANAGEMENT FINANCE

Section 1. APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2026" and "2027" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively. "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium" is fiscal years 2026 and 2027. If an appropriation in this act is enacted more than once in the 2025 legislative session or a special session, the appropriation must be given effect only once.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2026</u>	<u>2027</u>

2.1 **Sec. 2. DEPARTMENT OF COMMERCE**

2.2	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>42,442,000</u>	<u>\$</u>	<u>43,093,000</u>
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2.3 **Appropriations by Fund**

2.4		<u>2026</u>	<u>2027</u>
2.5	<u>General</u>	<u>39,534,000</u>	<u>40,185,000</u>
2.6	<u>Workers'</u>		
2.7	<u>Compensation Fund</u>	<u>815,000</u>	<u>815,000</u>
2.8	<u>Special Revenue</u>	<u>2,093,000</u>	<u>2,093,000</u>

2.9 The amounts that may be spent for each
2.10 purpose are specified in the following
2.11 subdivisions.

2.12	<u>Subd. 2. Financial Institutions</u>	<u>3,227,000</u>	<u>3,227,000</u>
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2.13 (a) \$400,000 each year is for a grant to Prepare
2.14 and Prosper to develop, market, evaluate, and
2.15 distribute a financial services inclusion
2.16 program that (1) assists low-income and
2.17 financially underserved populations to build
2.18 savings and strengthen credit, and (2) provides
2.19 services to assist low-income and financially
2.20 underserved populations to become more
2.21 financially stable and secure. Money
2.22 remaining after the first year is available for
2.23 the second year.

2.24 (b) \$735,000 each year is for additional
2.25 advisor and broker-dealer examiners.

2.26	<u>Subd. 3. Administrative Services</u>	<u>11,643,000</u>	<u>12,321,000</u>
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2.27 (a) \$401,000 each year is for unclaimed
2.28 property compliance.

2.29 (b) \$353,000 each year is for information
2.30 technology systems and cybersecurity
2.31 upgrades for the unclaimed property program.

2.32 (c) \$564,000 each year is for modernization
2.33 initiatives for the unclaimed property program.

3.1 (d) \$5,000 each year is for compensating the
3.2 Real Estate Appraisal Advisory Board under
3.3 Minnesota Statutes, section 82B.073.

3.4 (e) \$23,000 each year is for preliminary
3.5 licensing applications.

3.6 (f) \$249,000 each year is for the senior safe
3.7 fraud prevention program.

3.8 (g) \$500,000 each year is to operate the
3.9 Prescription Drug Affordability Board
3.10 established under Minnesota Statutes, section
3.11 62J.87.

3.12 (h) \$75,000 each year is for copper metal
3.13 licensing and enforcement under Minnesota
3.14 Statutes, section 325E.21.

3.15 (i) \$12,000 each year is for the intermediate
3.16 blends of gasoline and biofuels report under
3.17 Minnesota Statutes, section 239.791,
3.18 subdivision 8.

3.19 (j) \$343,000 each year is for the common
3.20 interest community ombudsperson established
3.21 under Minnesota Statutes, section 45.0137.

3.22 Subd. 4. **Enforcement** 7,751,000 7,751,000

3.23 Appropriations by Fund

3.24 General 7,536,000 7,536,000

3.25 Workers'
3.26 Compensation 215,000 215,000

3.27 (a) \$215,000 each year is from the workers'
3.28 compensation fund.

3.29 (b) \$225,000 each year is to operate the Mental
3.30 Health Parity and Substance Abuse
3.31 Accountability Office under Minnesota
3.32 Statutes, section 62Q.465.

4.1 (c) \$197,000 each year is to maintain a student
4.2 loan advocate position under Minnesota
4.3 Statutes, section 58B.011.

4.4 Subd. 5. **Telecommunications** 3,235,000 3,235,000

4.5 Appropriations by Fund

4.6 General 1,142,000 1,142,000

4.7 Special Revenue 2,093,000 2,093,000

4.8 \$2,093,000 each year is from the
4.9 telecommunications access Minnesota fund
4.10 under Minnesota Statutes, section 237.52,
4.11 subdivision 1, in the special revenue fund for
4.12 the following transfers:

4.13 (1) \$1,620,000 each year is to the
4.14 commissioner of human services to
4.15 supplement the ongoing operational expenses
4.16 of the Commission of Deaf, DeafBlind, and
4.17 Hard-of-Hearing Minnesotans. This transfer
4.18 is subject to Minnesota Statutes, section
4.19 16A.281;

4.20 (2) \$290,000 each year is to the chief
4.21 information officer to coordinate technology
4.22 accessibility and usability;

4.23 (3) \$133,000 each year is to the Legislative
4.24 Coordinating Commission for captioning
4.25 legislative coverage. This transfer is subject
4.26 to Minnesota Statutes, section 16A.281; and

4.27 (4) \$50,000 each year is to the Office of
4.28 MN.IT Services for a consolidated access fund
4.29 to provide grants or services to other state
4.30 agencies related to accessibility of web-based
4.31 services.

5.1	<u>Subd. 6. Insurance</u>		<u>13,689,000</u>	<u>13,483,000</u>
5.2	<u>Appropriations by Fund</u>			
5.3	<u>General</u>	<u>13,089,000</u>	<u>12,883,000</u>	
5.4	<u>Workers'</u>			
5.5	<u>Compensation</u>	<u>600,000</u>	<u>600,000</u>	
5.6	<u>(a) \$600,000 each year is from the workers'</u>			
5.7	<u>compensation fund.</u>			
5.8	<u>(b) \$136,000 each year is to advance</u>			
5.9	<u>standardized health plan options.</u>			
5.10	<u>(c) \$105,000 each year is to evaluate</u>			
5.11	<u>legislation for new mandated health benefits</u>			
5.12	<u>under Minnesota Statutes, section 62J.26.</u>			
5.13	<u>(d) \$42,000 each year is to ensure health plan</u>			
5.14	<u>company compliance with Minnesota Statutes,</u>			
5.15	<u>section 62Q.47, paragraph (h).</u>			
5.16	<u>(e) \$432,000 each year is for pharmacy benefit</u>			
5.17	<u>manager licensing and enforcement under</u>			
5.18	<u>Minnesota, Statutes, chapter 62W.</u>			
5.19	<u>(f) \$25,000 each year is to evaluate existing</u>			
5.20	<u>statutory health benefit mandates.</u>			
5.21	<u>Subd. 7. Weights and Measures Division</u>		<u>2,897,000</u>	<u>3,076,000</u>
5.22	<u>Sec. 3. LEGISLATIVE COORDINATING</u>			
5.23	<u>COMMISSION</u>	<u>\$</u>	<u>200,000</u>	<u>\$ -0-</u>
5.24	<u>\$200,000 in fiscal year 2025 is to the</u>			
5.25	<u>Legislative Coordinating Commission to</u>			
5.26	<u>provide administrative support to the task</u>			
5.27	<u>force on homeowners and commercial</u>			
5.28	<u>property insurance under article 2, section 5.</u>			
5.29	<u>Upon request of the task force, the</u>			
5.30	<u>commissioners of the Department of</u>			
5.31	<u>Commerce, Minnesota Housing and Finance</u>			
5.32	<u>Agency, and the Department of Employment</u>			
5.33	<u>and Economic Development must provide</u>			
5.34	<u>technical support and expertise. This is a</u>			

6.1 onetime appropriation and is available until
6.2 June 30, 2026.

6.3 **Sec. 4. OFFICE OF CANNABIS**
6.4 **MANAGEMENT**

\$ 36,454,000 \$ 39,347,000

6.5 (a) \$14,258,000 each year is for cannabis
6.6 industry community renewal grants under
6.7 Minnesota Statutes, section 342.70. Of these
6.8 amounts, up to three percent may be used for
6.9 administrative expenses incurred by the Office
6.10 of Cannabis Management. The base is
6.11 \$7,500,000 each year beginning in fiscal year
6.12 2028.

6.13 (b) \$1,000,000 each year is for transfer to the
6.14 CanGrow revolving loan account established
6.15 under Minnesota Statutes, section 342.73,
6.16 subdivision 4. Of these amounts, up to three
6.17 percent may be used for administrative
6.18 expenses incurred by the Office of Cannabis
6.19 Management.

6.20 Sec. 5. Laws 2023, chapter 63, article 9, section 5, is amended to read:

6.21 **Sec. 5. OFFICE OF CANNABIS**
6.22 **MANAGEMENT**

\$ 21,614,000 \$ 17,953,000

6.23 The base for this appropriation is \$35,587,000
6.24 in fiscal year 2026 and \$38,144,000 in fiscal
6.25 year 2027.

6.26 \$1,000,000 the second year is for cannabis
6.27 industry community renewal grants under
6.28 Minnesota Statutes, section 342.70. Of these
6.29 amounts, up to three percent may be used for
6.30 administrative expenses. Notwithstanding
6.31 Minnesota Statutes, section 16A.28, the
6.32 amount appropriated in fiscal year 2025 does
6.33 not cancel and is available until June 30, 2026.
6.34 The base for this appropriation is \$15,000,000

7.1 in fiscal year 2026 and each fiscal year
7.2 thereafter.

7.3 \$1,000,000 each year is for transfer to the
7.4 CanGrow revolving loan account established
7.5 under Minnesota Statutes, section 342.73,
7.6 subdivision 4. Of these amounts, up to three
7.7 percent may be used for administrative
7.8 expenses.

7.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

7.10 **ARTICLE 2**
7.11 **COMMERCE POLICY**

7.12 Section 1. **[45.0137] COMMON INTEREST COMMUNITY OMBUDSPERSON.**

7.13 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms defined in this
7.14 subdivision have the meanings given.

7.15 (b) "Association" means an association of apartment owners, as defined in section 515.02,
7.16 subdivision 5, an association, as defined in section 515A.1-103, clause (3), and association
7.17 as defined in section 515B.1-103, clause (4).

7.18 (c) "Common interest community" has the meaning given in section 515B.1-103, clause
7.19 (10).

7.20 (d) "Governing documents" means a common interest community's declaration, articles
7.21 of incorporation, bylaws, and any amendments thereto.

7.22 (e) "Unit owner" means an apartment owner, as defined in section 515.02, subdivision
7.23 3, a unit owner under section 515A.1-103, clause (20), and a unit owner, as defined in
7.24 section 515B.1-103, clause (37).

7.25 Subd. 2. **Establishment.** (a) A common interest community ombudsperson position is
7.26 established within the Department of Commerce to:

7.27 (1) assist unit owners, their tenants, and associations in understanding their rights under
7.28 chapter 515B and their governing documents; and

7.29 (2) facilitate the resolution of disputes between unit owners and associations.

7.30 (b) The ombudsperson is appointed by the governor, serves in the unclassified service,
7.31 and may be removed only for just cause.

8.1 Subd. 3. **Qualifications.** The ombudsperson must be selected without regard to political
8.2 affiliation, must be qualified and experienced to perform the duties of the office, and must
8.3 be skilled in dispute resolution techniques. The ombudsperson must not be a unit owner,
8.4 be employed by a business entity that provides management or consulting services to an
8.5 association, or otherwise be affiliated with an association or management company. A
8.6 person is prohibited from serving as ombudsperson while holding another public office.

8.7 Subd. 4. **Duties.** (a) The ombudsperson must execute the duties under subdivision 2,
8.8 paragraph (a), by taking the following actions:

8.9 (1) creating plain language explanations of common provisions in governing documents;
8.10 and

8.11 (2) identifying and providing resources and referrals related to the rights and
8.12 responsibilities of unit owners and associations.

8.13 (b) Upon the request of a unit owner or an association, the ombudsperson must provide
8.14 dispute resolution services, including acting as a mediator, in disputes concerning chapter
8.15 515B and governing documents, except where:

8.16 (1) a complaint based on the same dispute is pending in a judicial or administrative
8.17 proceeding;

8.18 (2) the same disputed issue has been addressed or is currently in arbitration, mediation,
8.19 or another alternative dispute resolution process; or

8.20 (3) the association notifies the ombudsperson that an order under section 609.748 is in
8.21 effect against the unit owner.

8.22 (c) The ombudsperson must compile and analyze complaints received to identify issues
8.23 and trends.

8.24 (d) The ombudsperson must maintain a website containing, at a minimum:

8.25 (1) the text of chapter 515B and any other relevant statutes or rules;

8.26 (2) a plain language explanation of common provisions of governing documents;

8.27 (3) information regarding the services provided by the common interest community
8.28 ombudsperson, including assistance with dispute resolution;

8.29 (4) information and referrals regarding alternative dispute resolution methods and
8.30 programs, and resources regarding the rights and responsibilities of unit owners and
8.31 associations; and

(5) any other information that the ombudsperson determines is useful to unit owners, their tenants, associations, and common interest community property management companies.

(e) When requested or as the ombudsperson deems necessary, the ombudsperson must provide reports and recommendations to the legislative committees with jurisdiction over common interest communities.

(f) In the course of assisting to resolve a dispute, the ombudsperson may, at reasonable times and with 24 hours prior notice, enter and view premises within the control of the common interest community.

Subd. 5. **Powers limited.** The ombudsperson and the commissioner are prohibited from rendering a formal legal opinion regarding a dispute between a unit owner and an association. The ombudsperson and commissioner are prohibited from making a formal determination or issuing an order regarding disputes between a unit owner and an association. Nothing in this paragraph limits the ability of the commissioner to execute duties or powers under any other law.

Subd. 6. **Cooperation.** Upon request, unit owners and associations must participate in the dispute resolution process under this section and make good faith efforts to resolve disputes.

Subd. 7. **Landlord and tenant law.** Nothing in this section modifies, supersedes, limits, or expands the rights and duties of landlords and tenants established under chapter 504B or any other law.

Sec. 2. Minnesota Statutes 2024, section 80A.58, is amended to read:

**80A.58 SECTION 403; INVESTMENT ADVISER REGISTRATION
REQUIREMENT AND EXEMPTIONS.**

(a) Registration requirement. It is unlawful for a person to transact business in this state as an investment adviser or investment adviser representative unless the person is registered under this chapter or is exempt from registration under subsection (b).

(b) Exemptions from registration. The following persons are exempt from the registration requirement of subsection (a):

(1) any person whose only clients in this state are:

(A) federal covered investment advisers, investment advisers registered under this chapter, or broker-dealers registered under this chapter;

10.1 (B) bona fide preexisting clients whose principal places of residence are not in this state
10.2 if the investment adviser is registered under the securities act of the state in which the clients
10.3 maintain principal places of residence; or

10.4 (C) any other client exempted by rule adopted or order issued under this chapter;

10.5 (2) a person without a place of business in this state if the person has had, during the
10.6 preceding 12 months, not more than five clients that are resident in this state in addition to
10.7 those specified under paragraph (1);

10.8 (3) A private fund ~~adviser~~ adviser, subject to the additional requirements of subsection
10.9 (c), if the private fund adviser satisfies each of the following conditions:

10.10 (i) neither the private fund adviser nor any of its advisory affiliates are subject to a
10.11 disqualification as described in Rule 262 of SEC Regulation A, Code of Federal Regulations,
10.12 title 17, section 230.262;

10.13 (ii) the private fund adviser files with the state each report and amendment thereto that
10.14 an exempt reporting adviser is required to file with the Securities and Exchange Commission
10.15 pursuant to SEC Rule 204-4, Code of Federal Regulations, title 17, section 275.204-4; ~~or~~
10.16 and

10.17 (iii) the private fund adviser pays the fees under section 80A.65, subdivision 2b; or

10.18 (4) any other person exempted by rule adopted or order issued under this chapter.

10.19 (c) **Additional requirements for private fund advisers to certain 3(c)(1) funds.** In
10.20 order to qualify for the exemption described in subsection (b)(3), a private fund adviser
10.21 who advises at least one 3(c)(1) fund that is not a venture capital fund shall, in addition to
10.22 satisfying each of the conditions specified in subsection (b)(3), comply with the following
10.23 requirements:

10.24 (1) The private fund adviser shall advise only those 3(c)(1) funds, other than venture
10.25 capital funds, whose outstanding securities, other than short-term paper, are beneficially
10.26 owned entirely by persons who, after deducting the value of the primary residence from the
10.27 person's net worth, would each meet the definition of a qualified client in SEC Rule 205-3,
10.28 Code of Federal Regulations, title 17, section 275.205-3, at the time the securities are
10.29 purchased from the issuer;

10.30 (2) At the time of purchase, the private fund adviser shall disclose the following in
10.31 writing to each beneficial owner of a 3(c)(1) fund that is not a venture capital fund:

10.32 (i) all services, if any, to be provided to individual beneficial owners;

11.1 (ii) all duties, if any, the investment adviser owes to the beneficial owners; and

11.2 (iii) any other material information affecting the rights or responsibilities of the beneficial
11.3 owners; and

11.4 (3) The private fund adviser shall obtain on an annual basis audited financial statements
11.5 of each 3(c)(1) fund that is not a venture capital fund and shall deliver a copy of such audited
11.6 financial statements to each beneficial owner of the fund.

11.7 (d) **Federal covered investment advisers.** If a private fund adviser is registered with
11.8 the Securities and Exchange Commission, the adviser shall not be eligible for the private
11.9 fund adviser exemption under paragraph (b), clause (3), and shall comply with the state
11.10 notice filing requirements applicable to federal covered investment advisers in section
11.11 80A.58.

11.12 (e) **Investment adviser representatives.** A person is exempt from the registration
11.13 requirements of section 80A.58, paragraph (a), if he or she is employed by or associated
11.14 with an investment adviser that is exempt from registration in this state pursuant to the
11.15 private fund adviser exemption under paragraph (b), clause (3), and does not otherwise
11.16 engage in activities that would require registration as an investment adviser representative.

11.17 (f) **Electronic filings.** The report filings described in subsection (b)(3)(ii) shall be made
11.18 electronically through the IARD. A report shall be deemed filed when the report and the
11.19 fee required by sections 80A.60 and 80A.65 are filed and accepted by the IARD on the
11.20 state's behalf.

11.21 (g) **Transition.** An investment adviser who becomes ineligible for the exemption provided
11.22 by this section must comply with all applicable laws and rules requiring registration or
11.23 notice filing within 90 days from the date of the investment adviser's eligibility for this
11.24 exemption ceases.

11.25 (h) **Grandfathering for investment advisers to 3(c)(1) funds with nonqualified**
11.26 **clients.** An investment adviser to a 3(c)(1) fund (other than a venture capital fund) that has
11.27 one or more beneficial owners who are not qualified clients as described in paragraph (c),
11.28 clause (1), is eligible for the exemption contained in paragraph (b), clause (3), if the following
11.29 conditions are satisfied:

11.30 (1) the subject fund existed prior to August 1, 2013;

11.31 (2) as of August 1, 2013, the subject fund ceases to accept beneficial owners who are
11.32 not qualified clients, as described in paragraph (c), clause (1);

12.1 (3) the investment adviser discloses in writing the information described in paragraph
12.2 (c), clause (2), to all beneficial owners of the fund; and

12.3 (4) as of August 1, 2013, the investment adviser delivers audited financial statements
12.4 as required by paragraph (c), clause (3).

12.5 (i) **Limits on employment or association.** It is unlawful for an investment adviser,
12.6 directly or indirectly, to employ or associate with an individual to engage in an activity
12.7 related to investment advice in this state if the registration of the individual is suspended
12.8 or revoked or the individual is barred from employment or association with an investment
12.9 adviser, federal covered investment adviser, or broker-dealer by an order under this chapter,
12.10 the Securities and Exchange Commission, or a self-regulatory organization, unless the
12.11 investment adviser did not know, and in the exercise of reasonable care could not have
12.12 known, of the suspension, revocation, or bar. Upon request from the investment adviser and
12.13 for good cause, the administrator, by order, may waive, in whole or in part, the application
12.14 of the prohibitions of this subsection to the investment adviser.

12.15 Sec. 3. Minnesota Statutes 2024, section 80A.65, subdivision 2, is amended to read:

12.16 Subd. 2. **Registration application and renewal filing fee.** Every applicant for an initial
12.17 or renewal registration shall pay a filing fee of \$200 in the case of a broker-dealer, \$65 in
12.18 the case of an agent, \$100 in the case of an investment adviser, and \$50 in the case of an
12.19 investment adviser representative. When an application is denied or withdrawn, the filing
12.20 fee shall be retained. A registered agent who has terminated employment with one
12.21 broker-dealer shall, before beginning employment with another broker-dealer, pay a transfer
12.22 fee of ~~\$25~~ \$65. A registered investment adviser representative who has terminated
12.23 employment with one investment adviser must, before beginning employment with another
12.24 investment adviser, pay a \$50 transfer fee.

12.25 Sec. 4. Minnesota Statutes 2024, section 80A.65, is amended by adding a subdivision to
12.26 read:

12.27 Subd. 2b. **Private fund adviser filings.** A private fund adviser must pay a \$100 filing
12.28 fee when filing an initial or renewal notice required under section 80A.58.

12.29 Sec. 5. **TASK FORCE ON HOMEOWNERS AND COMMERCIAL PROPERTY**
12.30 **INSURANCE.**

12.31 Subdivision 1. **Establishment.** A task force is established to evaluate issues and provide
12.32 recommendations relating to insurance affordability with respect to single-family housing,

13.1 multifamily rental housing, common interest communities, cooperatives, and small
13.2 businesses, and preventing disruptions or loss to the development, preservation, and long-term
13.3 sustainability of Minnesota's housing infrastructure and small businesses.

13.4 Subd. 2. **Membership.** (a) The task force consists of the following:

13.5 (1) one member appointed by the commissioner of commerce;

13.6 (2) one member appointed by the speaker of the house;

13.7 (3) one member appointed by the speaker emerita of the house;

13.8 (4) one member appointed by the senate majority leader;

13.9 (5) one member appointed by the senate minority leader;

13.10 (6) one member appointed by the Minnesota Consortium of Community Developers;

13.11 (7) four members with expertise in property and casualty insurance and reinsurance for
13.12 single-family and multifamily housing markets, including nonprofit and cooperative housing,
13.13 appointed by the Insurance Federation of Minnesota;

13.14 (8) one member appointed by Big I Minnesota;

13.15 (9) one member appointed by the Minnesota Realtors;

13.16 (10) one member appointed by the Minnesota Community Development Financial
13.17 Institutions Coalition;

13.18 (11) one member appointed by the Minnesota Homeownership Center;

13.19 (12) one member appointed by the Greater Minneapolis Building Owners and Managers
13.20 Association;

13.21 (13) one member appointed by the Minnesota chapter of the Community Associations
13.22 Institute;

13.23 (14) one member appointed by the Minnesota Multi Housing Association;

13.24 (15) one member appointed by the Housing Justice Center; and

13.25 (16) one member with climate science expertise appointed by the Legislative Coordinating
13.26 Commission.

13.27 (b) The appointing authorities must make the appointments by August 15, 2025.

13.28 Subd. 3. **Duties.** (a) The task force must identify recommendations to strengthen and
13.29 stabilize the homeowners and commercial property insurance industry.

14.1 (b) The task force must consult with the commissioners of the Minnesota Housing
14.2 Finance Agency, the Department of Employment and Economic Development, and other
14.3 key stakeholders in the homeowners and commercial property insurance and housing
14.4 industries.

14.5 (c) The task force must review:

14.6 (1) risk mitigation methodologies;

14.7 (2) liability laws impacting insurance costs;

14.8 (3) minimum notice for coverage changes, including enforcement and oversight;

14.9 (4) public reporting of aggregated data relating to insurance plan costs and coverage;

14.10 (5) the reinsurance market for homeowners and commercial property insurance;

14.11 (6) the current state-supported insurance program and the potential to expand the program
14.12 to include a catastrophic reinsurance fund and a self-insured pool;

14.13 (7) factors that increase claim costs, including but not limited to post-loss contractors,
14.14 fraudulent claims, climate, inflation, and discontinued building materials; and

14.15 (8) other areas that would strengthen and stabilize the homeowners and commercial
14.16 property insurance industry.

14.17 Subd. 4. **Meetings.** (a) The Legislative Coordinating Commission must ensure the first
14.18 meeting of the task force convenes no later than September 15, 2025, and must provide
14.19 accessible physical or virtual meeting space as necessary for the task force to conduct work.

14.20 (b) At the first meeting, the task force must elect a chair or cochair from the members
14.21 appointed by the house of representatives and senate by a majority vote of the members
14.22 present and may elect a vice-chair as necessary.

14.23 (c) The task force must establish a schedule for meetings and must meet as necessary
14.24 to accomplish the duties under subdivision 3.

14.25 (d) The task force is subject to Minnesota Statutes, chapter 13D.

14.26 Subd. 5. **Report required.** (a) The task force must submit a report to the commissioners
14.27 of the Department of Commerce, Minnesota Housing Finance Agency, and the Department
14.28 of Employment and Economic Development, and the chairs and ranking minority members
14.29 of the legislative committees having jurisdiction over the agencies listed in this paragraph
14.30 by February 15, 2026.

14.31 (b) The report must:

- 15.1 (1) summarize the activities of the task force;
- 15.2 (2) provide findings and recommendations adopted by the task force;
- 15.3 (3) list recommended administrative changes to the relevant agencies;
- 15.4 (4) include draft legislation to implement nonadministrative recommendations; and
- 15.5 (5) include other information the task force believes is necessary to report.
- 15.6 Subd. 6. **Expiration.** The task force expires upon submission of the report required
- 15.7 under subdivision 5.
- 15.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

APPENDIX
Article locations for H2443-1

	COMMERCE AND OFFICE OF CANNABIS MANAGEMENT	
ARTICLE 1	FINANCE.....	Page.Ln 1.11
ARTICLE 2	COMMERCE POLICY.....	Page.Ln 7.10