



2025 Governor's Budget Recommendations

Commissioner Grace Arnold

April 10, 2025

Commerce 2025 Budget Overview

FY26-FY27 priorities

- \$3 million - Operating Increase: \$1 million – FY26, \$2 million – FY27
- \$235 million – Premium Security Plan FY27
- \$1.47 million (budget neutral) – Office of Securities staffing needs FY26-FY27
- \$ 178,000 (budget neutral) – Electric Vehicle Supply Equipment (EVSE) Testing FY27
- \$ 220,000 (budget neutral) – Earned Wage Services Act FY26-FY27
- State Benchmarking Plan – Savings of \$7.9 million starting in FY 2028-29

Operating Increase

Operating Adjustment

FY26 - \$1,162,000

FY27 - \$1,840,000

General Fund support for:

- Current services
- Increases in employee compensation and insurance
- IT services and other operating costs



Premium Security Plan (Cost-Neutral)

Premium Security Plan:

Lowers premiums for the 187,000 Minnesotans who purchase health insurance in the individual market.

- **Reinsurance Issuer Fee on MCHA Plans:**
 - FY27 - \$235 million
 - FY28 - \$276 million
- The assessment is based on how much health-related business an insurance company does here in Minnesota.
- Ongoing, stable funding source for a program that is currently funded through the state's general fund.
- No impact on MinnesotaCare.

Security Staffing Needs (Cost-Neutral)

Security Staffing Needs

- \$735,000 - FY26 and ongoing – from General Fund

Proposal:

- Add 4 FTEs in FY26, 1 FTE FY27 – Office of Securities currently has 4 FTEs with oversight responsibilities for industry with **\$11 billion in assets**
- Allow the Securities unit to provide more timely examinations
- Expenditures offset by increased licensing fees on investment advisors and brokers

Electric Vehicle Supply Equipment Testing (Cost-Neutral)

Electric Vehicle Supply Equipment (EVSE) Testing

- \$178,000 - FY27 – for one FTE; \$312,000 – FY28 – for one additional FTE
- Authorizes Weights & Measures to test and inspect EVSEs
- New section in Chapter 239 and establish Commerce’s need to conduct rulemaking to adopt the 2025 Edition of NIST Handbook 44 in MN Chapter 7601 (released in January 2025)
- New Special Revenue Account for inspections and equipment
- Expenditures will be more than offset by the fees collected from businesses undergoing EVSE inspections

Questions?

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