

March 9, 2026

Workforce, Labor, and Economic Development Finance and Policy Committee
Minnesota House of Representatives
2840 Centennial Office Building
St. Paul, MN 55155

RE: HF3545 (oppose)

Dear Co-Chairs Baker and Pinto and members of the Workforce, Labor, and Economic Development Finance and Policy Committee:

I am writing to share the City of St. Louis Park's opposition to HF3545, a bill that weakens Minnesota's commitment to residential energy efficiency. Local government is limited in its ability to protect energy affordability, but enforcing a strong state energy code is one of our strongest tools.

Our city is dedicated to the principles of energy affordability and sustainability. In 2018, the St. Louis Park City Council passed a bold Climate Action Plan to reach net zero greenhouse gas emissions citywide by 2040, including subgoals to reduce energy consumption in residential buildings 35% by 2030 and design all new construction to be net-zero energy. The city must have multiple programs and policies in place at the city, regional, and state level to support and advance these ambitious goals.

Minnesota is viewed as a national leader in climate and energy policy. The state's newly updated Climate Action Framework—a document drafted with input from hundreds of individuals and organizations from around the state over the course of 15 months—includes a target to reduce greenhouse gas emissions from residential buildings by 40% by 2050. This hinges on initiatives that include reducing energy use in new commercial buildings by 80% by 2036 and in new residential buildings by 70% by 2038.

Our energy code is critical not only to reduce future climate emissions, but also to adapt to an already changing climate. Efficient buildings are the best way to provide critical safety during peak events without causing unnecessary grid strain; they reduce peak demand and unlock additional load management strategies. Reducing peak demand also reduces the need for costly utility infrastructure and power generation investments, which require utility rate increases.

HF3545 undermines energy affordability at the worst possible time. Too many of our residents are struggling to afford their utility bills at the end of a very cold winter while grocery and gas prices have surged upward. Uncertainty is increased by federal policies retreating from efficiency and renewables, as well as global volatility in oil and gas markets.

While stringent energy codes *can* add additional upfront to the cost of construction, many measures are both more energy efficient and more cost effective than standard construction (a greater level of insulation, for example, is one). Further, the energy code is one small factor in the total cost of residential construction; other factors much more dramatically impact the cost, including land value, supply chain constraints, taxes, interest rates, and tariffs. Compliance with the residential energy code is a one-time cost for developers while the ongoing utility bills and health costs are borne by the residents

of the home in perpetuity. For that reason, spending more upfront to save residents in the long term is in the best interest of Minnesotans.

For these reasons and more, St. Louis Park strongly supports keeping current law in place, which creates a predictable pathway for code officials, residents, and industry to highly efficient new homes by 2040, and asks you to oppose HF3545 to ensure all new homes provide the comfort and safety Minnesotans expect regardless of income.

Thank you.

Sincerely,



Emily Ziring
Sustainability Manager