

HF3540 - 0 - Protections for Veteran or Military Status Est.

Chief Author: **Matt Bliss**
 Committee: **State Government Finance And Policy - Veterans And Military Affairs Division**
 Date Completed: **2/24/2026 1:44:29 PM**
 Agency: **Human Rights 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)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	228	220	227	
Total	-	-	228	220	227	
Biennial Total			228		447	

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	1.5	1.5	1.5
Total	-	-	1.5	1.5	1.5

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: Susan Nelson **Date:** 2/24/2026 1:44:29 PM
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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	-	-	228	220	227	227
Total		-	-	228	220	227
Biennial Total				228		447
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	-	228	220	227	227
Total		-	-	228	220	227
Biennial Total				228		447
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

This bill would expand MHRA to include protections from discrimination in the areas of employment, housing, public accommodation, public services, and education based on veteran and military status.

Assumptions

- If signed into law this change would increase the number of charges filed with the Department in a given year.
- While MDHR cannot definitively project how many veterans or military servicemembers will file complaints of discrimination with the Department, even a marginal increase in the number of complaints would require additional capacity.
- According to US Census data from 2020, there are approximately 300,000 veterans living in the state of Minnesota.
- According to the MN National Guards 2024 Annual Report, there are “nearly 13,000 citizen-soldiers and airmen” living in Minnesota.
- The Minnesota Human Rights Act recognizes that discrimination can occur on the basis of multiple characteristics within a single instance of discrimination. When reaching out to the Department, charging parties will often assert that they’ve been discriminated against based on multiple protected characteristics.

- For example, charging parties may allege they’ve been subject to workplace discrimination based on their sex and age, or education discrimination based on their race and disability.

As there is little data on the prevalence of military or veteran status discrimination, MDHR has to make projections based on the number and type of complaints the Department receives in a given year. Disability is consistently the most common basis of discrimination reported to MDHR. Statistically speaking, most people will experience a disability during their lifetime.

In calendar year 2025, MDHR received 907 complaints of discrimination on the basis of disability. Census data suggests that between 5-7% of Minnesotans are military veterans.

For the purposes of estimation, if we assume that veterans are *at least* as likely as anybody else to be living with a disability, and we assume that the 907 disability complaints filed with the Department in 2025 are representative of the broader population, it would be reasonable to conclude that 5%-7% of complaints (45-63) bringing a disability charge may also be veterans.

While it is presently impossible to say how many of 907 complainants with disabilities may have also been subject to discrimination on account of their veteran or military status, or how many of the folks who brought the **140 age discrimination complaints** we received in 2025 may have also been discriminated against on account of their veteran or active military status, we can reasonably expect that the department will receive *at least* an additional 50 charges filed annually.

- As of December of 2025, MDHR had a investigations case inventory of 1232 cases; the department has 31 full-time employees who work on further department investigations, which comes out to an average caseload of 40 cases.
 - o Employees who work on case inventory include intake staff who assist Minnesotans with filing the charge of discrimination, investigators, case support staff who help move cases forward efficiently and effectively, and the legal team.

Expenditure and/or Revenue Formula

Staffing:

- The Department would hire 1 FTE investigator (~\$75,000 annual salary) for the increased workload resulting from the new area of protection. This investigator would specialize in this new area of the law. Furthermore, they would carry the caseload associated with the anticipated influx of charges filed after the effective date of this new law.
- The Department would also hire a 0.5 FTE Associate General Counsel (\$94,000 annual salary) to deal with the novel legal issues involved with these expanded MHRA protections veterans and military servicemembers. This provision would provide technical assistance internally and externally, as well as provide internal and external training. As with all determinations issued by MDHR, this position will provide final legal review of all investigations associated with enforcing this new law before the determination is finalized. Additionally, this position will help train MDHR staff and help with external education by drafting educational materials to bolster public awareness around the new requirements associated with this change.

Revenue:

- It is highly unlikely that this change would precipitate any meaningful revenue for either the state general fund or the department directly.

FY	2026	2027	2028	2029
Staff Salary Costs:		\$122,000	\$122,000	\$122,000
-1 Investigators				
-0.5 Assistant General Counsel				
Fringe Costs:		\$76,804	\$84,832	\$91,683
FICA, Retirement, Insurance, Medicare				
Staff Costs (Non-Salary):		\$28,747	\$13,347	\$13,347
Rent, IT support, softphone services, as well as one-time purchases equipment, office furniture, and assorted supplies.				
Total:		\$227,551	\$220,179	\$227,030

The non-salary/fringe “staff costs” shown in the table represent includes the recurring cost of rent for office space, IT support, softphone services, as well as one-time purchases in FY27 for equipment, office furniture, and assorted supplies.

The increase year-to-year in the Fringe Costs represents the anticipated increase in the cost of insurance per position:

- **FY27:** \$33,669
- **FY28 & FY29** - \$37,094

Long-Term Fiscal Considerations

It is very possible that the total number of charges filed with MDHR relating to this specific area of the law will decrease as precedent is established and the public becomes more aware of these new requirements under the law.

Local Fiscal Impact

References/Sources

- MDHR's "Biannual Report: July Dec. 2025" Accessed February 9, 2026
https://mn.gov/mdhr/assets/MDHR_January%20Legislative%20Report_1.30.2026_tcm1061-721916.pdf
- U.S. Census Bureau. "QuickFacts: Minnesota; Veterans, 2019-2023." Accessed February 11, 2026.
<https://www.census.gov/quickfacts/fact/table/MN/VET605224>.
- Minnesota National Guard "2024 Annual Report 2025 Objectives" Accessed February 11,2026
<https://www.lrl.mn.gov/docs/2025/mandated/250190.pdf>

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