



INSTITUTE FOR JUSTICE

March 3, 2026

Housing Finance and Policy Committee
Minnesota House of Representatives
Capitol G3
75 Rev. Dr. Martin Luther King, Jr. Blvd
Saint Paul, MN 55155

Re: Institute for Justice testimony in support of HF 3895

Chair Howard, Chair Igo, Vice Chairs Dotseth and Kozlowski, and Members of the Committee:

My name is Samuel Hooper, and I am Legislative Counsel for the Institute for Justice (IJ), a national nonprofit law firm that works to protect civil and economic liberties, including property rights. Through strategic litigation in courthouses and advocacy in statehouses, IJ's Zoning Justice Project seeks to reform restrictive zoning and land-use regulations that limit housing supply, drive up costs, and infringe upon private property rights.¹

Minnesota faces a significant and well-documented housing shortage that has made it harder for working families, young professionals, retirees, and first time homebuyers to find attainable homes in their local communities. Rising rents and home prices are a predictable consequence of zoning rules that make it difficult or unlawful to build modest, middle-income housing in large portions of our cities and suburbs. When government restricts how land can be used, it inevitably restricts who can afford to live there.

HF 3895 takes a careful, market-oriented approach to addressing this problem. Rather than relying on new subsidies or expansive spending programs, it reduces regulatory barriers that currently prevent the private sector from responding to demand. By requiring that a meaningful share of residential land in qualifying municipalities allow a broader range of housing types (including small-scale “missing middle” options) and guaranteeing the legality of accessory dwelling units, the bill expands housing choice while preserving local authority over health, safety, and infrastructure standards. It also helps ensure that multifamily housing is not categorically excluded from commercial areas where it often makes practical and economic sense.

This legislation advances a core principle: economic liberty and property rights matter, not just in the abstract but in terms of expanding housing options for all Minnesotans. Excessively restrictive zoning not only limits what property owners may do with their land, it also locks out families who would otherwise choose to live in these communities. Reforming those rules is not about mandating density or imposing a “one-size-fits-all” development pattern over local preference – quite the opposite. It is about

¹ Institute for Justice – Zoning Justice Project: <https://ij.org/issues/zoning-justice/>



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restoring flexibility so that homeowners, small builders, and communities themselves can adapt to changing needs.

The reforms contained within HF 3895 are modeled after those which have already been implemented, and are bearing fruit, in states as diverse as Texas, Montana, New Hampshire, and Washington. While committee members may represent districts with differing concerns about growth, infrastructure, and community character, HF 3895 reflects an effort to strike a workable balance. It does not require cities to build any particular project or mandate a specific level of density. Rather, it establishes clear guardrails to ensure that zoning codes do not function as blanket prohibitions on common, modest housing forms. That is a restrained and pragmatic step in the direction of broader housing opportunity.

For members who are rightly concerned about fiscal responsibility, this approach relies on markets rather than subsidies to increase supply. For members concerned about affordability and access, expanding lawful housing types is one of the most durable ways to promote housing stability and upward mobility for working families. And for those concerned about preserving the strengths of Minnesota's unique communities, the bill leaves substantial room for local implementation while recognizing that housing affordability is a matter of statewide importance.

Minnesotans across the political spectrum agree that their children and neighbors should have a fair opportunity to live near jobs, schools, and family. HF 3895 is a meaningful, measured reform that moves the state toward that goal by modernizing outdated zoning constraints and restoring room for incremental, neighborhood-scale growth.

For these reasons, the Institute for Justice respectfully urges the Committee to advance HF 3895. Thank you for your consideration.

Sincerely,

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