

**HF9109 - 0 - Veteran Residential Improvement Fees Prohibited**

Chief Author: **Kari Rehrauer**  
 Committee: **State Government Finance And Policy - Veterans And Military Affairs Division**  
 Date Completed: **3/9/2026 10:27:31 AM**  
 Agency: **Labor and Industry 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
Construction Code	-	-	63	63	63	63
<b>Total</b>	-	-	<b>63</b>	<b>63</b>	<b>63</b>	<b>63</b>
<b>Biennial Total</b>			<b>63</b>			<b>126</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Construction Code	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**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:** Karl Palm      **Date:** 3/9/2026 10:27:31 AM  
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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 Dollars in Thousands	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Construction Code	-	-	63	63	63
<b>Total</b>	-	-	<b>63</b>	<b>63</b>	<b>63</b>
<b>Biennial Total</b>			<b>63</b>		<b>126</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>					
Construction Code	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-
<b>2 - Revenues, Transfers In*</b>					
Construction Code	-	-	(63)	(63)	(63)
<b>Total</b>	-	-	<b>(63)</b>	<b>(63)</b>	<b>(63)</b>
<b>Biennial Total</b>			<b>(63)</b>		<b>(126)</b>

**Bill Description**

The proposal would prohibit a municipality from charging construction plan review and construction permit fees for residential construction improvement work that is required to accommodate the disability of a veteran that resides in the property. An individual must still apply for and the municipality must issue where necessary a license, building permit or other approval to complete the residential remodel or renovation required to accommodate the veteran’s disability.

**Assumptions**

DLI assumes the waiver includes all residential housing types including multi-family housing, assisted living, supervised living facilities, and residential hospice designated for serving veterans. The U.S. Dept. of Veteran Affairs reports that 6.1% of Minnesota’s population are veterans (321,809-SFY19) and of those 100,158 are receiving disability benefits (as of 9/30/2020).

Since January 2020 DLI has processed 52 fees specific to veteran’s residential facilities where DLI/CCLD permit technicians would interpret that the fees would be waived under this bill. The average fee per event was \$7,410. MNDLI assumes 8.5 fees per year to now be uncollectable under this bill resulting in \$62,985 lost revenue annually.

**Expenditure and/or Revenue Formula**

Revenues	2026	2027	2028	2029
Construction Plan and Permit Fees per Year		8.5	8.5	8.5
Average Fee uncollectable per event		(7,410)	(7,410)	(7,410)
<b>Total Revenues</b>	-	(62,985)	(62,985)	(62,985)

**Long-Term Fiscal Considerations**

NA

**Local Fiscal Impact**

Local municipalities will see a reduction in fee revenue. The counties with the largest veteran population will likely see the largest reduction in revenue.

**References/Sources**

[https://www.data.va.gov/stories/s/State-Summaries\\_Minnesota/5ju7-gp5z/](https://www.data.va.gov/stories/s/State-Summaries_Minnesota/5ju7-gp5z/)

S. Minnesota Department of Labor and Industry permitting management software iMSave

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