

April 22, 2025

Dear Co-Chair Stephenson, Co-Chair Torkelson, and Ways and Means Committee Members:

Thank you to Rep. Her, Rep. O'Driscoll, and the rest of the Commerce Committee members for the effort that went into HF 2443. With a challenging budget forecast and significant uncertainty at the Federal level, the Department of Commerce appreciates the need for tough choices and limited spending.

We appreciate the inclusion of an operating adjustment for the Department of Commerce. This is an essential investment in good governance that will fund much needed improvements to our IT infrastructure, as well as resources that will help to absorb increasing staffing costs.

HF 2443 also includes a key investment in our Securities Staffing. As of early 2025, Minnesotans had nearly \$12 billion invested through the various licensees overseen by our securities unit. Without a well-resourced primary regulator, consumers are susceptible to harm due to lack of accountability, oversight or enforcement of required safeguards. HF 2443 helps provide these protections by bringing Minnesota's fee structures for Broker Dealers and Investment Advisory Representatives into alignment with other states.

Consumers across the country reported losing more money to investment scams—\$5.7 billion—than any other category in 2024. That amount represents a 24% increase over 2023. Without the capacity to provide oversight and accountability, consumers are more susceptible to fraud or inappropriate administration of their assets by registrants. Thank you for including the full securities package.

As more Minnesotans drive electric vehicles, we must ensure that consumers are getting what they pay for. The EV charging fee in HF 2443 will allow the Department's Weights and Measures team to test and inspect Electric Vehicle Supply Equipment (EVSE) on a routine basis. We hope the House will consider accepting this language in a conference committee.

Thank you to Co-Chairs Her and O'Driscoll for their work in developing the Commerce Omnibus Budget bill. We look forward to continued collaboration on this important piece of legislation.

Sincerely,

A handwritten signature in blue ink that reads 'Grace Arnold'.

Grace Arnold
Commissioner