

Strong, Fair Insurance for All Minnesotans

Access to stable and affordable property insurance coverage is a critical foundation for strong, resilient communities across the state. From affordable housing developers who operate homes for thousands of families, to the first time homeowners, and small businesses that drive our local economies, Minnesotans rely on insurance to safeguard their properties and comply with requirements from their investors and lenders. Right now, the spiraling cost of insurance has become an alarming burden on property owners of all kinds. **That's why we need funding for the Strengthen Minnesota Homes Program and to Expand the Minnesota FAIR Plan.**

SF 4632 | HF 4223



\$35 million for the Strengthen Minnesota Homes Program

Created in 2023, the Strengthen Minnesota Homes Program provides financial assistance to help homeowners strengthen their roofs, so homes are better protected against high winds, hail, and other extreme weather.

\$35 million will help protect Minnesota homeowners by reducing their risk of damage and lowering their property insurance costs.

+38%

Homeowners in Minnesota pay 38% more for home insurance than the national average.

+45%

From 2021 to 2024, premiums increased by an average of 45% for multifamily housing operators in Minnesota.

-60%

These upgrades have been shown to reduce the costs of hail and wind-related damages by up to 60%.



Strengthen & Expand the Minnesota FAIR Plan

Right now, the private market is failing too many Minnesotans and we have the opportunity to utilize an existing entity established by the legislature in 1969 to help fill critical gaps in the property insurance market. **The legislature can strengthen the Minnesota FAIR Plan and expand its product offerings to help meet the needs of Minnesotans across our state.**

Proposed Legislation Includes:

- **Increase the number of FAIR Plan Board seats** and make the board majority public members
- **Expand Product Offerings** to address market failures (including diversion to the non-admitted or surplus lines market) by offering high-value policies for affordable multi-family housing properties
- **Require FAIR Plan to utilize surplus for activities** to help lower premiums for FAIR Plan policyholders

***Bill language has not yet been introduced*

CONTACT

Kari Johnson, Director of Policy & Field Building
kjohnson@mccdmn.org | (612) 387-6398

THE IMPACT OF UNPREDICTABLE PROPERTY INSURANCE

In 2025, MCCD worked across sectors and with Republican and DFL legislators, to pass a bill establishing a Task Force on Homeowners & Commercial Property Insurance. Testimony from key stakeholders revealed how the availability and affordability of insurance is impacting individual homeowners (especially low-income families) and affordable housing developers.

"We have submitted as many as 50 applications, to get just one quote with a high premium and deductible. This has resulted in unsustainable premium growth as a provider of affordable housing. For example, in the last 4 years we have seen premiums grow 60%, when we used to see single digit year-over-year increases."

- Mary Novak, Executive Director
Riverton Community Housing

"Habitat for Humanity homeowners and homebuyers across the state are reporting that rising insurance premiums are causing concerns about the long-term affordability of their homes or pricing first-time homebuyers out of their monthly budgets. It is deeply concerning that rising rates and higher deductibles are having such an impact on hard-working Minnesotans, potentially making it even harder for them to realize and maintain the dream of homeownership."

- Cristen Incitti, CEO
Habitat for Humanity of Minnesota

 **MCCD**
Minnesota Consortium
of **Community** Developers

MCCDMN.ORG