

STATE OF MINNESOTA

NINETY-FIRST SESSION — 2020

 EIGHTY-FOURTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, APRIL 28, 2020

Pursuant to the Speaker of the House of Representatives, acting in accordance with Senate Concurrent Resolution No. 7, the House of Representatives convened at 12:00 noon and was called to order by Melissa Hortman, Speaker of the House.

Prayer was offered by Representative Ryan Winkler, District 46A, Golden Valley, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

| | | | | | |
|-------------|------------|-----------------|-----------|------------|--------------|
| Acomb | Davnie | Hansen | Lesch | Nelson, M. | Sandstede |
| Albright | Dehn | Hassan | Liebling | Nelson, N. | Sauke |
| Anderson | Demuth | Hausman | Lien | Neu | Schomacker |
| Backer | Dettmer | Heinrich | Lillie | Noor | Schultz |
| Bahner | Drazkowski | Heintzeman | Lippert | Nornes | Scott |
| Bahr | Ecklund | Her | Lislegard | Novotny | Stephenson |
| Baker | Edelson | Hertaus | Long | O'Driscoll | Sundin |
| Becker-Finn | Elkins | Hornstein | Lucero | Olson | Swedzinski |
| Bennett | Erickson | Howard | Lueck | O'Neill | Tabke |
| Bernardy | Fabian | Huot | Mann | Pelowski | Theis |
| Bierman | Fischer | Johnson | Mariani | Persell | Torkelson |
| Boe | Franson | Jordan | Marquart | Petersburg | Urdahl |
| Brand | Freiberg | Jurgens | Masin | Pierson | Vang |
| Cantrell | Garofalo | Kiel | McDonald | Pinto | Vogel |
| Carlson, A. | Gomez | Klevorn | Mekeland | Poppe | Wagenius |
| Carlson, L. | Green | Koegel | Miller | Poston | Wazlawik |
| Christensen | Grossell | Kotzya-Witthuhn | Moller | Pryor | West |
| Clafin | Gruenhagen | Koznick | Moran | Quam | Winkler |
| Considine | Gunther | Kresha | Morrison | Richardson | Wolgamott |
| Daniels | Haley | Kunesh-Podein | Munson | Robbins | Xiong, T. |
| Daudt | Halverson | Layman | Murphy | Runbeck | Youakim |
| Dauids | Hamilton | Lee | Nash | Sandell | Spk. Hortman |

A quorum was present.

Mahoney and Xiong, J., were excused.

The Chief Clerk proceeded to read the Journals of the preceding days. There being no objection, further reading of the Journals was dispensed with and the Journals were approved as corrected by the Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 2184 and H. F. No. 2150, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Schomacker moved that S. F. No. 2184 be substituted for H. F. No. 2150 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3125 and H. F. No. 3026, which had been referred to the Chief Clerk for comparison, were examined and found to be not identical.

Mann moved that S. F. No. 3125 be substituted for H. F. No. 3026 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Lesch from the Judiciary Finance and Civil Law Division to which was referred:

H. F. No. 1246, A bill for an act relating to health; establishing the Prescription Drug Price Transparency Act; requiring drug manufacturers to submit drug price information to the commissioner of health; providing civil penalties; requiring a report; proposing coding for new law in Minnesota Statutes, chapter 62J.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 6, H. F. No. 1246 was re-referred to the Committee on Rules and Legislative Administration.

Sundin from the Committee on Labor to which was referred:

H. F. No. 1741, A bill for an act relating to health; prohibiting discrimination based on status as a living organ donor; extending paid leave benefits to living organ donors; requiring unpaid leave for organ donors; making a conforming change; amending Minnesota Statutes 2018, section 181.945; Minnesota Statutes 2019 Supplement, section 424A.01, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 62A; repealing Minnesota Statutes 2018, section 181.9456.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Commerce.

The report was adopted.

Wagenius from the Energy and Climate Finance and Policy Division to which was referred:

H. F. No. 1842, A bill for an act relating to energy; clarifying an arbiter of disputes for certain utilities; amending Minnesota Statutes 2018, section 216B.164, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2019 Supplement, section 116C.7792, is amended to read:

116C.7792 SOLAR ENERGY INCENTIVE PROGRAM.

(a) The utility subject to section 116C.779 shall operate a program to provide solar energy production incentives for solar energy systems of no more than a total aggregate nameplate capacity of 40 kilowatts alternating current per premise. The owner of a solar energy system installed before June 1, 2018, is eligible to receive a production incentive under this section for any additional solar energy systems constructed at the same customer location, provided that the aggregate capacity of all systems at the customer location does not exceed 40 kilowatts.

(b) ~~The program shall be operated for eight consecutive calendar years commencing in 2014. \$5,000,000 shall be allocated in each of the first four years, \$15,000,000 in the fifth year, \$10,000,000 in each of the sixth and seventh years, and \$5,000,000 in the eighth year from funds~~ is funded by money withheld from transfer to the renewable development account under section 116C.779, subdivision 1, paragraphs (b) and (e), and. Program funds must be placed in a separate account for the purpose of the solar production incentive program operated by the utility and not for any other program or purpose.

(c) The following amounts are allocated for the solar production incentive program:

(1) funds allocated to the program in 2019 but that remain unspent;

(2) \$3,000,000 in 2020, in addition to any allocation required by statute that was previously made in 2020;

(3) \$15,000,000 in 2021;

(4) \$9,000,000 in 2022;

(5) \$9,000,000 in 2023; and

(6) in 2024, any unspent amount remaining from program years 2020 through 2023.

Any unspent amount allocated ~~in the fifth during a specific program year~~ is available until December 31 of the sixth year for use during any subsequent program year. Any unspent amount remaining ~~at the end of any other allocation year~~ on January 1, 2025, must be transferred to the renewable development account.

(d) The solar system must be sized to less than 120 percent of the customer's on-site annual energy consumption when combined with other distributed generation resources and subscriptions provided under section 216B.1641 associated with the premise. The production incentive must be paid for ten years commencing with the commissioning of the system.

(e) The utility must file a plan to operate the program with the commissioner of commerce. The utility may not operate the program until it is approved by the commissioner. A change to the program to include projects up to a nameplate capacity of 40 kilowatts or less does not require the utility to file a plan with the commissioner. Any plan approved by the commissioner of commerce must not provide an increased incentive scale over prior years unless the commissioner demonstrates that changes in the market for solar energy facilities require an increase.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. **[216C.376] SOLAR FOR SCHOOLS PROGRAM.**

Subdivision 1. Establishment; purpose. The utility subject to section 116C.779 must operate a program to develop, and to supplement with additional funding, financial arrangements that allow schools to benefit from state and federal tax and other financial incentives that schools are ineligible to receive directly, in order to enable schools to install and operate solar energy systems that can be used as teaching tools and integrated into the school curriculum.

Subd. 2. Required plan. (a) By October 1, 2020, the public utility must file a plan for the solar for schools program with the commissioner. The plan must contain but is not limited to:

(1) a description of how entities that are eligible to take advantage of state and federal tax and other financial incentives that reduce the cost to purchase, install, and operate a solar energy system that schools are ineligible to take advantage of directly can share a portion of the financial benefits with schools where a solar energy system is proposed to be installed;

(2) a description of how the public utility intends to use funds appropriated to the program under this section to provide additional financial assistance to schools where a solar energy system is proposed to be installed;

(3) certification that the financial assistance provided under this section to a school by the public utility must include the full value of the renewable energy certificates associated with electricity generation by the solar energy system receiving financial assistance under this section over the lifetime of the solar energy system;

(4) an estimate of the amount of financial assistance the public utility provides to a school under clauses (1) to (3) on a per kilowatt-hour produced basis and the length of time financial assistance is provided;

(5) certification that the transaction between the public utility and the school for electricity uses a buy-all/sell-all method by which the public utility charges the school for all electricity the school consumes at the applicable retail rate schedule for sales to the school based on the school's customer class, and credits or pays the school at the rate established in subdivision 6;

(6) administrative procedures governing the application and financial benefit award process, and the costs the public utility and the department are projected to incur to administer the program;

(7) the public utility's proposed process to periodically reevaluate and modify the program; and

(8) any additional information required by the commissioner.

(b) The public utility must not implement the program until the commissioner approves the public utility's plan submitted under this subdivision. The commissioner must approve a plan submitted under this subdivision that the commissioner determines is in the public interest no later than December 31, 2020. Any proposed modifications to the plan approved under this subdivision must be approved by the commissioner.

Subd. 3. System eligibility. A solar energy system is eligible to receive financial benefits under this section if:

(1) the solar energy system is located on or adjacent to a school building receiving retail electric service from the public utility and completely located within the public utility's electric service territory, provided that any land situated between the school building and the site where the solar energy system is installed is owned by the school district where the school building operates;

(2) any energy storage system that is part of a solar energy system only stores energy generated by an existing solar energy system serving the school or the solar energy system receiving financial assistance under this section; and

(3) the total aggregate nameplate capacity of all distributed generation serving the school building, including any subscriptions to a community solar garden under section 216B.1641, does not exceed the lesser of one megawatt alternating current or 120 percent of the school building's average annual electric energy consumption.

Subd. 4. **Application process.** (a) A school seeking financial assistance under this section must submit an application to the public utility, including a plan for how the school plans to use the solar energy system as a visible learning tool for students, teachers, and visitors to the school, and how the solar energy system may be integrated into the school's curriculum.

(b) The public utility must award financial assistance under this section on a first-come, first-served basis.

(c) The public utility must discontinue accepting applications under this section after all funds appropriated under section 10, subdivision 1, are allocated to program participants, including funds from canceled projects.

Subd. 5. **Benefits information.** Before signing an agreement with the public utility to receive financial assistance under this section, a school must obtain from the developer and provide to the public utility information the developer shared with potential investors in the project regarding future financial benefits to be realized from installation of a solar energy system at the school, including potential financial risks.

Subd. 6. **Purchase rate; cost recovery; renewable energy credits.** (a) The public utility must purchase all of the electricity generated by a solar energy system receiving financial assistance under this section at a rate of \$0.105 per kilowatt-hour generated.

(b) Payments by the public utility of the rate established under this subdivision to a school receiving financial assistance under this section are fully recoverable by the public utility through the public utility's fuel clause adjustment.

(c) The renewable energy credits associated with the electricity generated by a solar energy system installed under this section are the property of the public utility subject to this section.

Subd. 7. **Limitation.** (a) No more than 50 percent of the financial assistance provided by the public utility to schools under this section may be provided to schools where the proportion of students eligible for free and reduced-price lunch under the National School Lunch Program is less than 50 percent.

(b) No more than ten percent of the total amount of financial assistance provided by the public utility to schools under this section may be provided to schools that are part of the same school district.

Subd. 8. **Technical assistance.** The commissioner must provide technical assistance to help schools develop and execute projects under this section.

Subd. 9. **Application deadline.** A public utility must not accept an application submitted under this section after December 31, 2024.

Subd. 10. **Prevailing wage.** Any project receiving an appropriation under this section that entails construction, installation, remodeling, or repairs is subject to the requirements of sections 177.30 and 177.41 to 177.45, and any laborers and mechanics working at a project work site subject to this subdivision must be paid the prevailing wage rate, as defined in section 177.42, subdivision 6.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 3. **[216C.401] ELECTRIC VEHICLE REBATES.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Electric vehicle" has the meaning given in section 169.011, subdivision 26a, paragraphs (a) and (b), clause (3).

(c) "Lease" means a business transaction under which a dealer furnishes an eligible electric vehicle to a person for a fee under a bailor-bailee relationship where no incidences of ownership are intended to be transferred other than the right to use the vehicle for a term of at least 24 months.

(d) "Lessee" means a person who leases an eligible electric vehicle from a dealer.

(e) "New eligible electric vehicle" means an eligible electric vehicle that has not been registered in any state.

(f) "Used eligible electric vehicle" means an eligible electric vehicle that has previously been registered in a state.

Subd. 2. **Eligibility.** The purchaser or lessee of an electric vehicle is eligible for a rebate, subject to the amounts and limits in subdivisions 3 and 5, if:

(1) the electric vehicle:

(i) has not been modified from the original manufacturer's specifications; and

(ii) is purchased or leased after the effective date of this act for use by the purchaser or lessee and not for resale;

(2) the purchaser:

(i) is a resident of Minnesota, as defined in section 290.01, subdivision 7, paragraph (a), when the electric vehicle is purchased, and is an individual whose annual income is below \$164,000 or who is a member of a household whose annual household income is below \$273,470;

(ii) is a business that has a valid address in Minnesota from which business is conducted;

(iii) is a nonprofit corporation incorporated under chapter 317A; or

(iv) is a political subdivision of the state; and

(3) the purchaser or lessee:

(i) has not received a rebate or tax credit for the purchase or lease of an electric vehicle from Minnesota; and

(ii) registers the electric vehicle in Minnesota.

Subd. 3. **Rebate amounts.** (a) A \$2,500 rebate may be issued under this section to an eligible purchaser or lessee for the purchase or lease of a new eligible electric vehicle.

(b) A \$500 rebate may be issued under this section to an eligible purchaser or lessee for the purchase or lease of a used eligible electric vehicle, provided the electric vehicle has not previously been registered in Minnesota.

(c) A purchaser or lessee whose household income at the time the electric vehicle is purchased or leased is less than 150 percent of the current federal poverty guidelines established by the Department of Human Services is eligible for a supplemental rebate, in addition to the rebate in paragraph (a) or (b), in the amount of \$500 for a new eligible electric vehicle and \$250 for a used eligible electric vehicle.

Subd. 4. **Eligible expenses.** Appropriations made to support activities under this section must be expended only to pay:

(1) rebates to eligible purchasers or lessees of eligible electric vehicles; and

(2) the department's reasonable costs to administer this section.

Subd. 5. **Limits.** (a) The number of rebates allowed under this section are limited to:

(1) no more than one rebate per resident per household; and

(2) no more than one rebate per business entity per year.

(b) A rebate must not be issued under this section for an electric vehicle with a manufacturer's suggested retail price that exceeds \$60,000.

Subd. 6. **Program administration.** (a) Rebate applications under this section must be filed with the commissioner on a form developed by the commissioner.

(b) The commissioner must develop administrative procedures governing the application and rebate award process. Applications must be reviewed and rebates awarded by the commissioner on a first-come, first-served basis.

(c) The commissioner may reduce the rebate amounts provided under subdivision 3 or restrict program eligibility based on fund availability.

(d) The commissioner must, in coordination with sellers of electric vehicles and other state agencies as applicable, develop a procedure to allow a rebate to be used by an eligible purchaser at the point of sale so that the rebate amount may be subtracted from the eligible electric vehicle's selling price.

Subd. 7. **Expiration.** This section expires June 30, 2025.

Sec. 4. **[216C.402] GRANT PROGRAM; MANUFACTURERS' CERTIFICATION OF AUTO DEALERS TO SELL ELECTRIC VEHICLES.**

Subdivision 1. **Establishment.** A grant program is established in the Department of Commerce to award grants to dealers to offset the dealer's costs to obtain for salespersons, employees who repair vehicles, and other dealer employees the training required by electric vehicle manufacturers in order to certify a dealer to sell electric vehicles produced by the manufacturer.

Subd. 2. **Application.** Application for a grant under this section must be made to the commissioner on a form developed by the commissioner. The commissioner must develop administrative procedures and processes to review applications and award grants under this section.

Subd. 3. **Eligible applicants.** An applicant for a grant awarded under this section must be a dealer of new motor vehicles licensed under chapter 168 operating under a franchise from a manufacturer of electric vehicles.

Subd. 4. **Eligible expenditures.** Appropriations made to support activities under this section must be used only to:

(1) reimburse a dealer for reasonable costs to obtain training and certification for the dealer's employees from the electric vehicle manufacturer that awarded the franchise to the dealer; and

(2) pay the department's reasonable costs to administer this section.

Subd. 5. **Limitation.** A grant awarded under this section to a single dealer must not exceed \$40,000.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 5. **[216C.403] ELECTRIC VEHICLE PUBLIC CHARGING STATION GRANT PROGRAM.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Electric vehicle" has the meaning given in section 169.011, subdivision 26a.

(c) "Electric vehicle charging station" means infrastructure that recharges an electric vehicle's batteries by connecting the electric vehicle to:

(1) a level two charger that provides a 208- or 240-volt alternating current power source; or

(2) a DC fast charger that has an electric output of 20 kilowatts or greater.

(d) "Park-and-ride facility" has the meaning given in section 174.256, subdivision 2, paragraph (b).

(e) "Public electric vehicle charging station" means an electric vehicle charging station located at a publicly available parking space.

Subd. 2. **Program.** (a) The commissioner must award grants to help fund the installation of a network of public electric vehicle charging stations in areas located outside the retail electric service area of the public utility subject to section 116C.779, subdivision 1, including locations in state and regional parks, trailheads, and park-and-ride facilities. The commissioner must issue a request for proposals to entities that have experience installing, owning, operating, and maintaining electric vehicle charging stations. The request for proposals must establish technical specifications that electric vehicle charging stations are required to meet.

(b) The commissioner must consult with (1) the commissioner of natural resources to develop optimal locations for electric vehicle charging stations in state and regional parks, and (2) the commissioner of transportation to develop optimal locations for electric vehicle charging stations at park-and-ride facilities.

(c) A person charging a privately owned electric vehicle from a charging station whose construction is supported by a grant under this section must pay for the electricity consumed by the electric vehicle.

Subd. 3. **Prevailing wage.** Any project receiving an appropriation under this section that entails construction, installation, remodeling, or repairs is subject to the requirements of sections 177.30 and 177.41 to 177.45, and any laborers and mechanics working at a project work site subject to this subdivision must be paid the prevailing wage rate, as defined in section 177.42, subdivision 6.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 6. **SMALL-AREA CLIMATE MODEL PROJECTIONS FOR MINNESOTA.**

(a) The Board of Regents of the University of Minnesota must conduct a study that produces climate model projections for the entire state of Minnesota, in blocks as small as three square miles in area.

(b) At a minimum, the study must:

(1) use resources at the Minnesota Supercomputing Institute to analyze high-performing climate models under moderate and high greenhouse gas emissions scenarios and develop a series of projections of temperature, wind speed, precipitation, snow cover, and a variety of other climate parameters over the rest of this century;

(2) downscale the climate impact results under clause (1) to areas as small as three square miles;

(3) develop a publicly accessible data portal website to (i) allow other universities, nonprofit organizations, businesses, and government agencies to use the model projections, and (ii) educate and train users how to make best use of the data;

(4) incorporate information on how to use the model results in the University of Minnesota Extension's existing online climate adaptation training; and

(5) hold at least two "train the trainer" workshops for state agencies, municipalities, and others to educate colleagues how to use and interpret the data for climate adaptation efforts.

(c) Beginning July 1, 2021, and continuing each July 1 through 2023, the University of Minnesota must provide a written report to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over agriculture, energy, and environment. The report must document the progress made on the study and study results, and must note any obstacles encountered that could prevent successful completion of the study.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 7. **ELECTRIC SCHOOL BUS DEMONSTRATION GRANTS.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Electric school bus" means a school bus powered solely by an electric motor drawing current from rechargeable storage batteries, fuel cells, or other portable sources of electric current.

(c) "Electric vehicle charging station" means infrastructure that recharges an electric vehicle's batteries by connecting the electric vehicle to:

(1) a level 2 charger that provides a 240-volt alternating current power source; or

(2) a DC fast charger that has an electric output of 20 kilowatts or greater.

(d) "Private school bus contractor" means a person who contracts with a school district to transport school district students to and from school and school activities on school buses owned and operated by the person.

(e) "School bus" has the meaning given in Minnesota Statutes, section 169.011, subdivision 71. School bus does not include a type III vehicle, as defined in Minnesota Statutes, section 169.011, subdivision 71, paragraph (h).

(f) "School district" means an independent or special school district.

Subd. 2. **Purpose.** The commissioner of education must award grants to school districts to purchase an electric school bus as a demonstration project that enables the school district, the electric utility serving the school district, and, if applicable, the private school bus contractor providing transportation services to the school district to gain experience operating an electric school bus and to assess its performance.

Subd. 3. **Eligibility.** A school district located within the electric retail service area of the public utility subject to Minnesota Statutes, section 116C.779, subdivision 1, that owns and operates school buses or contracts with a private school bus contractor is eligible to apply for a grant under this section.

Subd. 4. **Application process.** An eligible applicant must submit an application to the commissioner of education on a form designated by the commissioner of education. The commissioner of education must develop administrative procedures governing the application and grant award process.

Subd. 5. **Application content.** An application for a grant under this section must include:

(1) the name of the school district or districts where the electric school bus proposes to operate;

(2) a description of the route, timing of operation, number of students transported, and other factors affecting the performance characteristics that an electric school bus performance must meet;

(3) certification from the electric utility serving the school district, and, if applicable, the private school bus contractor providing transportation services to the school district, that the electric utility and private school bus contractor fully support and are full partners in implementing the demonstration project, including a list of tasks the electric utility and private school bus contractor commit to conduct and any voluntary financial contributions to the project;

(4) certification from the electric utility serving the school district that it commits to pay the costs to purchase and install an electric vehicle charging station in a convenient location to recharge the batteries of the electric school bus;

(5) evidence that the proposed electric school bus has access to an electric vehicle charging station at a convenient location;

(6) if the school district contracts with a private school bus contractor:

(i) a copy of a signed agreement between the school district and the private school bus contractor that protects the state's interest in the electric school bus purchased with the grant in the event the private school bus contractor's contract with the school district is terminated or other contingencies occur; and

(ii) written certification that any revenues paid to the private school bus contractor by the utility providing retail electric service to the private school bus contractor that result from the purchase of or access to the electricity stored in the batteries of the electric school bus purchased with a grant under this section must be forwarded to the school district; and

(7) any additional information required by the commissioner of education.

Subd. 6. **Eligible expenditures.** Grant funds awarded under this section may be expended to:

(1) purchase an electric school bus;

(2) pay the cost of electricity to charge the batteries of the electric school bus; and

(3) pay repair and maintenance costs for the electric school bus.

Subd. 7. **Reports.** On or before the first anniversary of the date a school bus funded by a grant under this section is initially operated, and on or before the same date in each of the following two years, the school district awarded the grant, in collaboration with the electric utility serving the school district, and, if applicable, the private school bus contractor providing transportation services to the school district, must submit a report describing the performance of the electric school bus to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over energy policy, transportation policy, and education policy and to the commissioner of education. At a minimum, the report must contain the following information regarding the performance of the electric school bus:

(1) the number of miles traveled per day and per year;

(2) the cost to recharge the electric school bus, and any steps taken to minimize the costs by charging at off-peak times;

(3) operating costs per mile;

(4) miles driven per kilowatt hour;

(5) the number of days the electric school bus was out of service for repairs;

(6) discussion of the qualitative aspects of performance, including the impact of extreme cold on bus performance; and

(7) any other information deemed relevant by the school district.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 8. **METROPOLITAN COUNCIL; ELECTRIC BUS PURCHASES.**

After the effective date of this act and until the appropriation made in section 10, subdivision 8, is exhausted, any bus purchased by the Metropolitan Council for Metro Transit bus service must operate solely on electricity provided by rechargeable on-board batteries. The appropriation in section 10, subdivision 8, must be used to pay the incremental cost of buses that operate solely on electricity provided by rechargeable on-board batteries over diesel-operated buses that are otherwise comparable in size, features, and performance.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 9. **PRAIRIE ISLAND NET ZERO PROJECT.**

Subdivision 1. **Program established.** The Prairie Island Net Zero Project is established with the goal of the Prairie Island Indian Community developing an energy system that results in net zero emissions.

Subd. 2. **Grant.** The commissioner of commerce must enter into a grant contract with the Prairie Island Indian Community to provide the amount appropriated under section 10, subdivision 12, to stimulate research, development, and implementation of renewable energy projects benefiting the Prairie Island Indian Community or its members. Any examination conducted by the commissioner of commerce to determine the sufficiency of the financial stability and capacity of the Prairie Island Indian Community to carry out the purposes of this grant is limited to the Community Services Department of the Prairie Island Indian Community.

Subd. 3. **Plan; report.** (a) The Prairie Island Indian Community must file a comprehensive project plan with the commissioner of commerce and the legislative committees with jurisdiction over energy policy no later than July 1, 2021, describing the Prairie Island Net Zero Project elements and implementation strategy, including the total cost and timelines for project completion.

(b) The Prairie Island Indian Community must file a report with the commissioner of commerce and the legislative committees with jurisdiction over energy policy on July 1, 2022, and each July 1 thereafter until the project is complete, describing the progress made in implementing the project and the uses of expended funds. A final report must be completed within 90 days of the date the project is complete.

EFFECTIVE DATE. This section is effective June 1, 2020.

Sec. 10. **APPROPRIATIONS.**

Subdivision 1. **Solar for schools.** Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), \$16,000,000 in fiscal year 2021 is appropriated from the renewable development account established under Minnesota Statutes, section 116C.779, subdivision 1, to the commissioner of commerce for transfer to the public utility that is subject to Minnesota Statutes, section 216C.376, to award grants and financial assistance to schools under the solar for schools program under Minnesota Statutes, section 216C.376. This appropriation is onetime and is available until June 30, 2024.

Subd. 2. **Electric vehicle rebates.** Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), \$11,000,000 in fiscal year 2021 is appropriated from the renewable development account established in Minnesota Statutes, section 116C.779, subdivision 1, to the commissioner of commerce to award rebates to eligible electric vehicle purchasers under Minnesota Statutes, section 216C.401. Appropriations under this subdivision must be used to award rebates to eligible purchasers who reside within the retail electric service area of the public utility subject to Minnesota Statutes, section 116C.779, subdivision 1. This appropriation is onetime and is available until June 30, 2024.

Subd. 3. **Electric vehicle charging stations.** (a) Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), \$3,500,000 in fiscal year 2021 is appropriated from the renewable development account established in Minnesota Statutes, section 116C.779, subdivision 1, to the commissioner of commerce to award grants to install electric vehicle charging stations under Minnesota Statutes, section 216C.403. Appropriations under this subdivision must be used to award grants to install electric vehicle charging stations within the retail electric service area of the public utility subject to Minnesota Statutes, section 116C.779, subdivision 1.

(b) Up to \$600,000 of the appropriation under paragraph (a) may be used to fund electric vehicle charging stations in state and regional parks and up to \$100,000 may be used to fund electric vehicle charging stations in park-and-ride facilities. Unexpended funds under this paragraph may be used to fund electric vehicle charging stations in state and regional parks or park-and-ride facilities. This appropriation is onetime and is available until June 30, 2024.

Subd. 4. **Electric vehicle dealer grants.** Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), \$1,000,000 in fiscal year 2021 is appropriated from the renewable development account established in Minnesota Statutes, section 116C.779, subdivision 1, to the commissioner of commerce to award rebates to eligible electric vehicle dealers under Minnesota Statutes, section 216C.402. Appropriations under this subdivision must be used to award rebates to eligible electric vehicle dealers located within the retail electric service area of the public utility subject to Minnesota Statutes, section 116C.779, subdivision 1. This is a onetime appropriation and is available until June 30, 2026.

Subd. 5. **Solar incentive program.** Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), \$15,000,000 in fiscal year 2021 is appropriated from the renewable development account under Minnesota Statutes, section 116C.779, subdivision 1, to the commissioner of commerce for transfer to a public utility that is subject to Minnesota Statutes, section 116C.779, subdivision 1, to provide solar energy incentives under Minnesota Statutes, section 116C.779.2. This appropriation must be expended by June 30, 2024.

Subd. 6. **Localized climate study.** Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), \$547,000 in fiscal year 2021 is for transfer to the Board of Regents of the University of Minnesota to conduct a study producing climate model projections through the rest of this century for three-square-mile blocks covering the entire state of Minnesota. This appropriation is onetime and is available until June 30, 2024.

Subd. 7. **Electric school bus grants.** Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), \$5,000,000 in fiscal year 2021 is appropriated from the renewable development account under Minnesota Statutes, section 116C.779, subdivision 1, to the commissioner of education to award grants to school districts located within the retail electric service area of the public utility subject to Minnesota Statutes, section 116C.779, subdivision 1, to purchase an electric school bus. This appropriation is onetime and is available until June 30, 2024.

Subd. 8. **Metropolitan Council; electric buses.** Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), \$8,000,000 in fiscal year 2021 is appropriated from the renewable development account under Minnesota Statutes, section 116C.779, subdivision 1, to the Metropolitan Council to defray the cost of purchasing electric buses, as described in section 8. Any funds remaining from this appropriation that are insufficient to fully fund the incremental cost of purchasing an electric bus rather than a diesel-operated bus cancel to the renewable development account. This appropriation is available until June 30, 2024.

Subd. 9. **University of Minnesota renewable energy transition.** (a) Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), \$3,000,000 in fiscal year 2021 is appropriated from the renewable development account established under Minnesota Statutes, section 116C.779, subdivision 1, to the Board of Regents of the University of Minnesota to establish goals and benchmarks and implement a rapid transition toward the use of renewable fuels for electricity and thermal energy in campus buildings by 2030. This appropriation may only be expended on activities located within the electric service area of the public utility subject to Minnesota Statutes, section 116C.779, subdivision 1. This appropriation is onetime and is available until June 30, 2024.

(b) As a condition of receiving the appropriation under paragraph (a), the Board of Regents of the University of Minnesota must submit a report by January 15, 2021, and biennially thereafter until January 15, 2031, on the progress made toward the goals and benchmarks established under paragraph (a) to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over energy, climate, the environment, and natural resources.

(c) Any project receiving an appropriation under this subdivision that entails construction, installation, remodeling, or repairs is subject to the requirements of Minnesota Statutes, sections 177.30 and 177.41 to 177.45, and any laborers and mechanics working at a project work site subject to this paragraph must be paid the prevailing wage rate, as defined in Minnesota Statutes, section 177.42, subdivision 6.

Subd. 10. **Minnesota State Colleges and Universities renewable energy transition.** (a) Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), \$3,000,000 in fiscal year 2021 is appropriated from the renewable development account established in Minnesota Statutes, section 116C.779, subdivision 1, to the Board of Trustees of the Minnesota State Colleges and Universities to establish goals and benchmarks and implement a rapid transition toward the use of renewable fuels for electricity and thermal energy in campus buildings by 2030. This appropriation may only be expended on activities located within the electric service area of the public utility subject to Minnesota Statutes, section 116C.779, subdivision 1. This appropriation is onetime and is available until June 30, 2024.

(b) As a condition of receiving the appropriation provided under paragraph (a), the Board of Trustees of the Minnesota State Colleges and Universities must submit a report by January 15, 2021, and biennially thereafter until January 15, 2031, on the steps taken and progress made toward achieving the goals and benchmarks established under paragraph (a) to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over energy, climate, the environment, and natural resources.

(c) Any project receiving an appropriation under this subdivision that entails construction, installation, remodeling, or repairs is subject to the requirements of Minnesota Statutes, sections 177.30 and 177.41 to 177.45, and any laborers and mechanics working at a project work site subject to this paragraph must be paid the prevailing wage rate, as defined in Minnesota Statutes, section 177.42, subdivision 6.

Subd. 11. **Solar devices in state parks.** (a) Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), \$3,500,000 in fiscal year 2021 is appropriated from the renewable development account established in Minnesota Statutes, section 116C.779, subdivision 1, to the commissioner of natural resources to install and expand solar photovoltaic or solar thermal energy devices in state parks served with electricity by the public utility subject to Minnesota Statutes, section 116C.779, subdivision 1. The department owns any renewable energy credits associated with the electricity generated by a solar photovoltaic device funded with this appropriation. This appropriation is onetime and is available until June 30, 2024.

(b) Any project receiving an appropriation under this subdivision that entails construction, installation, remodeling, or repairs is subject to the requirements of Minnesota Statutes, sections 177.30 and 177.41 to 177.45, and any laborers and mechanics working at a project work site subject to this paragraph must be paid the prevailing wage rate, as defined in Minnesota Statutes, section 177.42, subdivision 6.

Subd. 12. **Prairie Island renewable energy project.** Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), \$16,000,000 in fiscal year 2021 is appropriated from the renewable development account under Minnesota Statutes, section 116C.779, subdivision 1, to the commissioner of employment and economic development for a grant to the Prairie Island Indian Community to implement the Prairie Island renewable energy project under section 9. The base for this project is \$15,200,000 in fiscal year 2022 and \$15,000,000 in fiscal year 2023. The base for fiscal year 2024 is \$0. Any unspent funds as of June 30, 2024, cancel to the renewable development account under Minnesota Statutes, section 116C.779, subdivision 1.

EFFECTIVE DATE. This section is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to energy; modifying the solar energy incentive program; establishing various renewable energy and electric vehicle grant programs; requiring reports; appropriating money; amending Minnesota Statutes 2019 Supplement, section 116C.7792; proposing coding for new law in Minnesota Statutes, chapter 216C."

With the recommendation that when so amended the bill be re-referred to the Committee on Government Operations.

The report was adopted.

Sundin from the Committee on Labor to which was referred:

H. F. No. 2986, A bill for an act relating to transportation; establishing state rail safety inspection program requirements; amending Minnesota Statutes 2018, section 219.015, by adding a subdivision.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Sundin from the Committee on Labor to which was referred:

H. F. No. 2987, A bill for an act relating to railroads; providing for safety training for emergency preparedness in rail yards; amending Minnesota Statutes 2018, section 115E.042, by adding a subdivision.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Mariani from the Public Safety and Criminal Justice Reform Finance and Policy Division to which was referred:

H. F. No. 3061, A bill for an act relating to public safety; modifying authority of jails to house federal inmates; amending Minnesota Statutes 2018, section 641.03.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2018, section 241.02, is amended by adding a subdivision to read:

Subd. 1a. **Inmate constitutional rights; health and welfare.** The commissioner must ensure that each state correctional facility and each correctional facility inspected by the commissioner has policies and programs that preserve and protect the constitutional rights of inmates and provide adequately for inmate health and wellness.

Sec. 2. Minnesota Statutes 2018, section 641.15, is amended by adding a subdivision to read:

Subd. 4a. **Equal treatment.** (a) A sheriff must apply the same rules to all inmates under the sheriff's care regardless of the grounds for which an inmate is detained or the government authority that ordered the inmate detained.

(b) On the effective date of this section, if a county has an existing contract for detaining inmates that requires standards of inmate care and supervision that do not comply with the standard in paragraph (a), the county may honor the contract, but shall not renew the contract or enter a new contract that contains provisions that violate paragraph (a).

Sec. 3. **EFFECTIVE DATE.**

Sections 1 and 2 are effective May 1, 2021."

Delete the title and insert:

"A bill for an act relating to public safety; providing for health and welfare rights of inmates; amending Minnesota Statutes 2018, sections 241.02, by adding a subdivision; 641.15, by adding a subdivision."

With the recommendation that when so amended the bill be re-referred to the Committee on Government Operations.

The report was adopted.

Davnie from the Education Finance Division to which was referred:

H. F. No. 3192, A bill for an act relating to education finance; authorizing Independent School District No. 441, Marshall County Central Schools, to transfer money from the early childhood and family education reserve account to its school readiness reserve account in the community service fund.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 6, H. F. No. 3192 was re-referred to the Committee on Rules and Legislative Administration.

Hornstein from the Transportation Finance and Policy Division to which was referred:

H. F. No. 3252, A bill for an act relating to transportation; higher education; providing for transportation and evaluation related to availability of healthy food; requiring a report; appropriating money; amending Minnesota Statutes 2018, section 473.408, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 13, delete "this subdivision" and insert "paragraph (a), clause (2)."

Page 2, line 5, delete "\$....." and insert "\$64,000"

With the recommendation that when so amended the bill be re-referred to the Higher Education Finance and Policy Division.

The report was adopted.

Nelson, M., from the State Government Finance Division to which was referred:

H. F. No. 3499, A bill for an act relating to elections; transferring and appropriating money for purposes of the Help America Vote Act.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **SAFE AND SECURE CONDUCT OF 2020 STATE PRIMARY AND STATE GENERAL ELECTIONS; SPECIAL PROCEDURES.**

Subdivision 1. **Application; definition.** (a) This section applies only to the state primary and state general elections conducted in 2020.

(b) As used in this section, "the Minnesota Election Law" has the meaning given in Minnesota Statutes, section 200.01.

Subd. 2. **Local authority.** (a) Notwithstanding any provision of the Minnesota Election Law to the contrary, a county or municipality, by ordinance or resolution of its governing body, may:

(1) designate polling places after the deadline required by Minnesota Statutes, section 204B.16, subdivision 1, but no later than July 1, 2020;

(2) train and designate employees of a health care facility or hospital to administer the absentee voting process to temporary or permanent residents or patients in those facilities under Minnesota Statutes, section 203B.11; and

(3) extend the period during which absentee ballots are processed, to include no more than 14 days prior to the date of the election and no more than three days following the date of the election, along with any corresponding delay of the local canvassing dates necessary to accommodate the extension.

(b) Nothing in this subdivision prohibits a local election official from responding to the outbreak of the infectious disease known as COVID-19 by exercising powers granted by the Minnesota Election Law to address emergency situations that prevent the safe, secure, and full operation of a polling place on election day. Any action to consolidate polling places, or to redesign or alter polling place procedures, must incorporate recommended best practices reflecting the degree of risk to public health at each location, as determined by the commissioner of health.

Subd. 3. **Electronic candidate filings.** (a) Notwithstanding Minnesota Statutes, section 325L.18, paragraph (a), or any provision of the Minnesota Election Law to the contrary, a filing officer must accept electronic mail, facsimile, or other electronic submissions of any of the following:

(1) an affidavit of candidacy under Minnesota Statutes, section 204B.06, including any applicable filing fees;

(2) a nominating petition under Minnesota Statutes, section 204B.07 or 204B.08, including petition signatures collected electronically; and

(3) a request that a write-in candidate's votes be counted, consistent with Minnesota Statutes, section 204B.09, subdivision 3, or other applicable law.

(b) Except as provided in paragraph (a), this subdivision does not waive any other requirements provided in law or rule related to the format, content, or submission of an affidavit, petition, or request.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. **NOMINATION OF 2020 PRESIDENTIAL ELECTORS AND ALTERNATES.**

Notwithstanding Minnesota Statutes, section 208.03, the chairs of each major political party may submit the names of presidential electors and alternates nominated to be elected at the 2020 state general election no fewer than 67 days prior to the date of the election.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 3. **HELP AMERICA VOTE ACT APPROPRIATIONS AND TRANSFER; FEDERAL CONSOLIDATED APPROPRIATIONS ACT.**

Subdivision 1. **Federal funds appropriation.** \$7,389,506 in fiscal year 2020 is appropriated from the Help America Vote Act (HAVA) account established in Minnesota Statutes, section 5.30, to the secretary of state for the purposes authorized by subdivision 4.

Subd. 2. **State match transfer and appropriation.** \$1,477,901 in fiscal year 2020 is transferred from the general fund to the Help America Vote Act account established in Minnesota Statutes, section 5.30, and is appropriated to the secretary of state for the purposes authorized in subdivision 4.

Subd. 3. **Accrued interest appropriated.** Any interest earned on the amounts appropriated under subdivisions 1 and 2 is appropriated from the HAVA account to the secretary of state for the purposes authorized in subdivision 4.

Subd. 4. **Authorized uses.** Amounts appropriated by this section are subject to the federal Consolidated Appropriations Act, 2020, Public Law 116-93, Title V, and may be used for any of the following purposes:

(1) modernizing, securing, and updating the statewide voter registration system and for cybersecurity upgrades as authorized by federal law;

(2) improving accessibility;

(3) preparing training materials and training local election officials;

(4) implementing security improvements for election systems;

(5) funding other activities to improve the security of elections; and

(6) any activities authorized by section 4, subdivision 4.

Subd. 5. **Availability of appropriations.** The appropriations provided in this section are onetime and available until December 21, 2024.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 4. **HELP AMERICA VOTE ACT APPROPRIATION AND TRANSFER; FEDERAL CARES ACT.**

Subdivision 1. **Federal funds appropriation.** \$6,930,610 in fiscal year 2020 is appropriated from the Help America Vote Act (HAVA) account established in Minnesota Statutes, section 5.30, to the secretary of state for the purposes authorized by subdivision 4.

Subd. 2. **State match transfer and appropriation.** (a) \$1,386,122 in fiscal year 2021 is transferred from the general fund to the HAVA account and is appropriated to the secretary of state for the purposes authorized by subdivision 4 if, as of July 1, 2020, a state match is required to secure the amount made available to the state under the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136.

(b) If, as of July 1, 2020, a state match is not required to secure the amount made available to the state under the federal CARES Act, the transfer and appropriation provided by paragraph (a) must not be made. If the requirement of a state match is waived after July 1, 2020, any unspent amounts are canceled to the general fund.

Subd. 3. **Accrued interest appropriated.** Any interest earned on the amounts appropriated under subdivisions 1 and 2 is appropriated from the HAVA account to the secretary of state for the purposes authorized in subdivision 4.

Subd. 4. **Authorized uses.** Amounts appropriated in this section are subject to the requirements of the federal CARES Act and may be used for any of the following purposes:

(1) ensuring the health and safety of election officials and in-person voters, including the purchase of sanitation and disinfectant supplies;

(2) public outreach and preparations for implementing social distancing guidelines related to voting, including additional signs and staff;

(3) facilitation, support, and preparation for increased absentee voting, including voter education materials, printing, and postage;

(4) preparation of training materials and administration of additional training of local election officials;

(5) preparation of new polling place locations;

(6) purchasing an electronic roster system meeting the technology requirements of Minnesota Statutes, section 201.225, subdivision 2, along with equipment necessary to support the system; and

(7) issuing grants authorized by the local grant program established in subdivision 5, and administering that program.

Subd. 5. Local grants. (a) The secretary of state must administer grants to political subdivisions to support the activities authorized in subdivision 4. The secretary may make a grant only after receiving an application from the county auditor or municipal clerk responsible for administering the election within that political subdivision. The application must contain the following information:

(1) the date the application is submitted;

(2) the name of the political subdivision requesting the grant;

(3) the name and title of the individual who prepared the application;

(4) a description of the purpose of the grant request;

(5) the political subdivision's anticipated cost for efforts to prevent, prepare for, and respond to the outbreak of the infectious disease known as COVID-19 at the 2020 state primary and state general elections;

(6) the total number of registered voters, as of the date of the application, in each precinct within the political subdivision;

(7) the total amount of the grant requested;

(8) a certified statement by the official responsible for the application that the grant will be used only for purposes authorized in subdivision 4; and

(9) any other information required by the secretary of state.

(b) A political subdivision is eligible to receive a grant of no more than 75 percent of the total cost of purchasing an electronic roster system and necessary support equipment and no more than 80 percent of the total cost of any other activities authorized under subdivision 4.

(c) The secretary of state must establish a deadline for receipt of grant applications, a procedure for awarding and distributing grants consistent with this subdivision, and a process for verifying the proper use of the grants after distribution. In evaluating an application, the secretary of state must consider only the information set forth in the application and is not subject to Minnesota Statutes, chapter 14. If the secretary of state determines that the application has been fully and properly completed, and there is a sufficient balance available to fund the grant, either in whole or in part, the secretary of state may approve the application.

(d) No later than January 15, 2021, the secretary of state must submit a report to the legislative committees with jurisdiction over elections policy and state government finance on the use of funds appropriated by this section. The report must detail the state's use of the funds and identify each jurisdiction receiving a grant and the amount of each grant awarded.

Subd. 6. **Availability of appropriations.** The appropriations provided in this section are onetime and available until March 27, 2022.

EFFECTIVE DATE. This section is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to elections; providing special procedures for the safe and secure conduct of the 2020 state primary and state general elections; appropriating money for various election-related purposes, including administration, security, accessibility, training, public health and safety, and public outreach; authorizing local grants; requiring a report; transferring and appropriating money for purposes of the Help America Vote Act, the federal CARES Act, and the federal Consolidated Appropriations Act."

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 6, H. F. No. 3499 was re-referred to the Committee on Rules and Legislative Administration.

Pinto from the Early Childhood Finance and Policy Division to which was referred:

H. F. No. 3678, A bill for an act relating to human services; extending the expiration date of an income and asset exclusion for certain public assistance program eligibility as part of the income and child development in the first three years of life demonstration project; amending Laws 2016, chapter 189, article 15, section 29.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 6, H. F. No. 3678 was re-referred to the Committee on Rules and Legislative Administration.

Lesch from the Judiciary Finance and Civil Law Division to which was referred:

H. F. No. 3706, A bill for an act relating to agriculture; modifying industrial hemp provisions; providing definitions; classifying industrial hemp data; amending Minnesota Statutes 2018, sections 13.6435, subdivision 4a; 18K.02, by adding subdivisions; 18K.04, subdivisions 1, 3, by adding a subdivision; 18K.06.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Government Operations.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 6, H. F. No. 3706 was re-referred to the Committee on Rules and Legislative Administration.

Sundin from the Committee on Labor to which was referred:

H. F. No. 3732, A bill for an act relating to state government; ratifying labor agreements and a compensation plan.

Reported the same back with the recommendation that the bill be re-referred to the State Government Finance Division.

The report was adopted.

Pinto from the Early Childhood Finance and Policy Division to which was referred:

H. F. No. 3954, A bill for an act relating to education; modifying Head Start funding allocation; appropriating money; amending Minnesota Statutes 2018, section 119A.52; Laws 2019, First Special Session chapter 11, article 8, section 13, subdivision 4.

Reported the same back with the recommendation that the bill be re-referred to the Education Finance Division.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 6, H. F. No. 3954 was re-referred to the Committee on Rules and Legislative Administration.

Lesch from the Judiciary Finance and Civil Law Division to which was referred:

H. F. No. 4058, A bill for an act relating to environment; modifying provisions for priority qualified facilities; modifying authority to acquire property interests; amending Minnesota Statutes 2018, sections 115B.17, subdivision 13; 115B.406, subdivisions 1, 9; 115B.407; 116.07, by adding a subdivision; repealing Minnesota Rules, part 7044.0350.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 6, H. F. No. 4058 was re-referred to the Committee on Rules and Legislative Administration.

Hornstein from the Transportation Finance and Policy Division to which was referred:

H. F. No. 4097, A bill for an act relating to transportation; governing road examinations for a driver's license; establishing a fee; requiring a report; amending Minnesota Statutes 2018, section 171.13, subdivision 7, by adding a subdivision.

Reported the same back with the following amendments:

Page 3, after line 5, insert:

"Sec. 4. **EXAMINATION FEES; APPROPRIATION.**

\$24,000 in fiscal year 2020 is appropriated from the general fund to the commissioner of public safety to implement the requirements of section 1. This is a onetime appropriation and is available until June 30, 2021.

EFFECTIVE DATE. This section is effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, after the second semicolon, insert "appropriating money;"

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Ecklund from the Veterans and Military Affairs Finance and Policy Division to which was referred:

H. F. No. 4221, A bill for an act relating to veterans; making technical changes to the GI Bill; amending Minnesota Statutes 2018, section 197.791, subdivisions 4, 5, 5a, 5b.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[196.081] VETERANS STABLE HOUSING INITIATIVE; DATA.**

(a) The commissioner may establish a veterans stable housing initiative. If the commissioner establishes a veterans stable housing initiative under this section, the commissioner must provide resources and support to assist veterans experiencing homelessness in obtaining or maintaining stable housing.

(b) Data on individuals maintained by the commissioner in the Homeless Veteran Registry for purposes of the veterans stable housing initiative is private data on individuals as defined in section 13.02, subdivision 12, and must not be disclosed or shared except for coordinating homelessness prevention efforts with:

(1) members of the Minnesota Interagency Council on Homelessness; and

(2) Homeless Veteran Registry partners to address a veteran's episode of homelessness or maintain a veteran's housing plan through Department of Veterans Affairs funded programs.

(c) For purposes of this section, "homelessness" means that a veteran lacks a fixed, nighttime residence.

Sec. 2. Minnesota Statutes 2018, section 197.791, subdivision 4, is amended to read:

Subd. 4. **Eligibility.** (a) A person is eligible for educational assistance under ~~subdivisions~~ subdivision 5 and 5a if:

(1) the person is:

(i) a veteran who is serving or has served honorably in any branch or unit of the United States armed forces at any time;

(ii) a nonveteran who has served honorably for a total of five years or more cumulatively as a member of the Minnesota National Guard or any other active or reserve component of the United States armed forces, and any part of that service occurred on or after September 11, 2001;

(iii) the surviving spouse or child of a person who has served in the military and who has died as a direct result of that military service, only if the surviving spouse or child is eligible to receive federal education benefits under United States Code, title 38, chapter 33, as amended, or United States Code, title 38, chapter 35, as amended; or

(iv) the spouse or child of a person who has served in the military at any time and who has a total and permanent service-connected disability as rated by the United States Veterans Administration, only if the spouse or child is eligible to receive federal education benefits under United States Code, title 38, chapter 33, as amended, or United States Code, title 38, chapter 35, as amended; and

(2) the person receiving the educational assistance is a Minnesota resident, as defined in section 136A.101, subdivision 8; and

(3) the person receiving the educational assistance:

(i) is an undergraduate or graduate student at an eligible institution;

(ii) is maintaining satisfactory academic progress as defined by the institution for students participating in federal Title IV programs;

(iii) is enrolled in an education program leading to a certificate, diploma, or degree at an eligible institution;

(iv) has applied for educational assistance under this section prior to the end of the academic term for which the assistance is being requested;

(v) is in compliance with child support payment requirements under section 136A.121, subdivision 2, clause (5); and

(vi) has completed the Free Application for Federal Student Aid (FAFSA).

(b) A person's eligibility terminates when the person becomes eligible for benefits under section 135A.52.

(c) To determine eligibility, the commissioner may require official documentation, including the person's federal form DD-214 or other official military discharge papers; correspondence from the United States Veterans Administration; birth certificate; marriage certificate; proof of enrollment at an eligible institution; signed affidavits; proof of residency; proof of identity; or any other official documentation the commissioner considers necessary to determine eligibility.

(d) The commissioner may deny eligibility or terminate benefits under this section to any person who has not provided sufficient documentation to determine eligibility for the program. An applicant may appeal the commissioner's eligibility determination or termination of benefits in writing to the commissioner at any time. The commissioner must rule on any application or appeal within 30 days of receipt of all documentation that the commissioner requires. The decision of the commissioner regarding an appeal is final. However, an applicant whose appeal of an eligibility determination has been rejected by the commissioner may submit an additional appeal of that determination in writing to the commissioner at any time that the applicant is able to provide substantively significant additional information regarding the applicant's eligibility for the program. An approval of an applicant's eligibility by the commissioner following an appeal by the applicant is not retroactively effective for more than one year or the semester of the person's original application, whichever is later.

(e) Upon receiving an application with insufficient documentation to determine eligibility, the commissioner must notify the applicant within 30 days of receipt of the application that the application is being suspended pending receipt by the commissioner of sufficient documentation from the applicant to determine eligibility.

Sec. 3. Minnesota Statutes 2018, section 197.791, subdivision 5, is amended to read:

Subd. 5. **Educational assistance amount.** (a) On approval by the commissioner of eligibility for the program, the applicant shall be awarded, on a funds-available basis, the educational assistance under the program for use at any time according to program rules at any eligible institution.

(b) The amount of educational assistance in any semester or term for an eligible person must be determined by subtracting from the eligible person's cost of attendance the amount the person received or was eligible to receive in that semester or term from:

(1) the federal Pell Grant;

(2) the state grant program under section 136A.121; and

(3) any federal military or veterans educational benefits including but not limited to the Montgomery GI Bill, GI Bill Kicker, the federal tuition assistance program, vocational rehabilitation benefits, and any other federal benefits associated with the person's status as a veteran, except veterans disability payments from the United States Department of Veterans Administration and payments made under the Veterans Retraining Assistance Program (VRAP) Affairs.

(c) The amount of educational assistance for any eligible person who is a full-time student must not exceed the following:

(1) \$3,000 per state fiscal year; and

(2) \$10,000 in a lifetime.

(d) For a part-time student, the amount of educational assistance must not exceed \$500 per semester or term of enrollment. For the purpose of this paragraph, a part-time undergraduate student is a student taking fewer than 12 credits or the equivalent for a semester or term of enrollment and a part-time graduate student is a student considered part time by the eligible institution the graduate student is attending. The minimum award for undergraduate and graduate students is \$50 per term.

Sec. 4. Minnesota Statutes 2018, section 197.791, subdivision 5a, is amended to read:

Subd. 5a. **Apprenticeship and on-the-job training.** (a) The commissioner, in consultation with the commissioners of employment and economic development and labor and industry, shall develop and implement an apprenticeship and on-the-job training program to administer a portion of the Minnesota GI Bill program to pay benefit amounts to eligible persons, as provided in this subdivision.

(b) An "eligible employer" means an employer operating a qualifying apprenticeship or on-the-job training program that has been approved by the commissioner.

(c) A person is eligible for apprenticeship and on-the-job training assistance under this subdivision if the person ~~meets the criteria established under subdivision 4, paragraph (a).~~ is:

(1) a veteran who is serving or has served honorably in any branch or unit of the United States armed forces at any time;

(2) a nonveteran who has served honorably for a total of five years or more cumulatively as a member of the Minnesota National Guard or any other active or reserve component of the United States armed forces, and any part of that service occurred on or after September 11, 2001;

(3) the surviving spouse or child of a person who has served in the military and who has died as a direct result of that military service, only if the surviving spouse or child is eligible to receive federal education benefits under United States Code, title 38, chapter 33, as amended, or United States Code, title 38, chapter 35, as amended; or

(4) the spouse or child of a person who has served in the military at any time and who has a total and permanent service-connected disability as rated by the United States Veterans Administration, only if the spouse or child is eligible to receive federal education benefits under United States Code, title 38, chapter 33, as amended, or United States Code, title 38, chapter 35, as amended.

(d) The commissioner may determine eligibility as provided in subdivision 4, paragraph (c), and may deny or terminate benefits as prescribed under subdivision 4, paragraphs (d) and (e).

(e) The amount of assistance paid to or on behalf of an eligible individual under this subdivision must not exceed the following:

(1) \$3,000 per fiscal year for apprenticeship expenses;

(2) \$3,000 per fiscal year for on-the-job training;

(3) \$1,000 for a job placement credit payable to an eligible employer upon hiring and completion of six consecutive months' employment of a person receiving assistance under this subdivision; and

(4) \$1,000 for a job placement credit payable to an eligible employer after a person receiving assistance under this subdivision has been employed by the eligible employer for at least 12 consecutive months as a full-time employee.

~~(f) No more than \$5,000 in aggregate benefits under this paragraph subdivision may be paid to or on behalf of an individual in one fiscal year, and not more than \$10,000 in aggregate benefits under this paragraph may be paid to or on behalf of an individual over any period of time.~~

(g) If an eligible person receives benefits under subdivision 5 or 5b, the eligible person's aggregate benefits under this subdivision and subdivisions 5 and 5b must not exceed \$10,000 in the eligible person's lifetime.

~~(h)~~ (h) Assistance for apprenticeship expenses and on-the-job training is available for qualifying programs, which must, at a minimum, meet the following criteria:

(1) the training must be with an eligible employer;

(2) the training must be documented and reported;

(3) the training must reasonably be expected to lead to an entry-level position; and

(4) the position must require at least six months of training to become fully trained.

Sec. 5. Minnesota Statutes 2018, section 197.791, subdivision 5b, is amended to read:

Subd. 5b. **Additional professional or educational benefits.** (a) The commissioner shall develop and implement a program to administer a portion of the Minnesota GI Bill program to pay additional benefit amounts to eligible persons as provided under this subdivision.

(b) A person is eligible for additional benefits under this subdivision if the person ~~meets the criteria established under subdivision 4, paragraph (a), clause (1).~~ is:

(1) a veteran who is serving or has served honorably in any branch or unit of the United States armed forces at any time;

(2) a nonveteran who has served honorably for a total of five years or more cumulatively as a member of the Minnesota National Guard or any other active or reserve component of the United States armed forces, and any part of that service occurred on or after September 11, 2001;

(3) the surviving spouse or child of a person who has served in the military and who has died as a direct result of that military service, only if the surviving spouse or child is eligible to receive federal education benefits under United States Code, title 38, chapter 33, as amended, or United States Code, title 38, chapter 35, as amended; or

(4) the spouse or child of a person who has served in the military at any time and who has a total and permanent service-connected disability as rated by the United States Veterans Administration, only if the spouse or child is eligible to receive federal education benefits under United States Code, title 38, chapter 33, as amended, or United States Code, title 38, chapter 35, as amended.

(c) The commissioner may determine eligibility as provided in subdivision 4, paragraph (c), and may deny or terminate benefits as prescribed under subdivision 4, paragraphs (d) and (e).

(d) The amount of assistance paid to or on behalf of an eligible individual under this subdivision must not exceed the following amounts:

(1) \$3,000 per state fiscal year; and

(2) \$10,000 in a lifetime.

(e) If an eligible person receives benefits under subdivision 5 or 5a, the eligible person's aggregate benefits under this subdivision and subdivisions 5 and 5a must not exceed \$10,000 in the eligible person's lifetime.

(e) (f) A person eligible under this subdivision may use the benefit amounts for the following purposes:

(1) licensing or certification tests, the successful completion of which demonstrates an individual's possession of the knowledge or skill required to enter into, maintain, or advance in employment in a predetermined and identified vocation or profession, provided that the tests and the licensing or credentialing organizations or entities that offer the tests are approved by the commissioner;

(2) tests for admission to institutions of higher learning or graduate schools;

(3) national tests providing an opportunity for course credit at institutions of higher learning;

(4) a preparatory course for a test that is required or used for admission to an institution of higher education or a graduate program; and

(5) any fee associated with the pursuit of a professional or educational objective specified in clauses (1) to (4).

~~(d) If an eligible person receives benefits under subdivision 5, the eligible person's aggregate benefits under this subdivision and subdivision 5 must not exceed \$10,000 in the eligible person's lifetime.~~

~~(e) If an eligible person receives benefits under subdivision 5a, the eligible person's aggregate benefits under this subdivision and subdivision 5a must not exceed \$10,000 in the eligible person's lifetime.~~

Sec. 6. Minnesota Statutes 2018, section 198.006, is amended to read:

198.006 SUPPLEMENTAL PROGRAMS.

(a) The commissioner ~~shall~~ must work with federal, state, local, and private agencies to develop alternative institutional and noninstitutional care programs for veterans to supplement the mission of the homes. Veterans shall be afforded the least restrictive, most appropriate level of care available.

(b) The commissioner may work with federal, state, local, and private entities to make available appropriate dental services for veterans homes residents. The commissioner may engage with the United States Department of Veterans Affairs to support the dental benefits program authorized under this paragraph.

(c) The commissioner may provide adult day care center programs that offer therapeutic and rehabilitation health care services to veterans and support services for caregivers of veterans. If the commissioner provides adult day care center programs, the commissioner may collect fees from program participants. The commissioner is authorized to apply for and accept federal funding for purposes of this paragraph.

Sec. 7. **REVISOR INSTRUCTION.**

The revisor of statutes must renumber the provisions of Minnesota Statutes listed in column A to the references listed in column B. The revisor must also make necessary cross-reference changes in Minnesota Statutes and Minnesota Rules consistent with the renumbering.

Column A

197.791, subdivision 5a
197.791, subdivision 5b
197.791, subdivision 6

Column B

197.791, subdivision 6
197.791, subdivision 7
197.791, subdivision 8"

Delete the title and insert:

"A bill for an act relating to veterans; providing a veterans stable housing initiative; making technical changes to the GI Bill; authorizing the provision of dental services to veterans homes residents; classifying certain data; amending Minnesota Statutes 2018, sections 197.791, subdivisions 4, 5, 5a, 5b; 198.006; proposing coding for new law in Minnesota Statutes, chapter 196."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 6, H. F. No. 4221 was re-referred to the Committee on Rules and Legislative Administration.

Ecklund from the Veterans and Military Affairs Finance and Policy Division to which was referred:

H. F. No. 4222, A bill for an act relating to veterans; authorizing the provision of dental services for residents of veterans homes; amending Minnesota Statutes 2018, section 198.006.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 6, H. F. No. 4222 was re-referred to the Committee on Rules and Legislative Administration.

Ecklund from the Veterans and Military Affairs Finance and Policy Division to which was referred:

H. F. No. 4223, A bill for an act relating to veterans; authorizing the commissioner of veteran's affairs to establish veteran adult day care programs; amending Minnesota Statutes 2018, section 198.006.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 6, H. F. No. 4223 was re-referred to the Committee on Rules and Legislative Administration.

Pinto from the Early Childhood Finance and Policy Division to which was referred:

H. F. No. 4374, A bill for an act relating to human services; modifying the child care assistance provider reimbursement rates; amending Minnesota Statutes 2018, section 119B.13, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2019 Supplement, section 119B.011, subdivision 19, is amended to read:

Subd. 19. **Provider.** "Provider" means:

(1) an individual or child care center or facility licensed to provide child care under chapter 245A when operating within the terms of the license;

(2) a license-exempt center required to be certified under chapter 245H;

(3) an individual or child care center or facility that: (i) holds a valid child care license issued by another state or a tribe; (ii) provides child care services in the licensing state or in the area under the licensing tribe's jurisdiction; and (iii) is in compliance with federal health and safety requirements as certified by the licensing state or tribe, or as determined by receipt of child care development block grant funds in the licensing state; ~~or~~

(4) a legal nonlicensed child care provider as defined under section 119B.011, subdivision 16, providing legal child care services. A legal nonlicensed child care provider must be at least 18 years of age, and not a member of the MFIP assistance unit or a member of the family receiving child care assistance to be authorized under this chapter; or

(5) an individual or child care center or facility that is operated under the jurisdiction of the federal government.

EFFECTIVE DATE. This section is effective July 1, 2020."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, before "modifying" insert "amending the definition of provider;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill be re-referred to the Health and Human Services Finance Division.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 6, H. F. No. 4374 was re-referred to the Committee on Rules and Legislative Administration.

Davnie from the Education Finance Division to which was referred:

H. F. No. 4415, A bill for an act relating to education; providing for compensation for school employees during distance learning periods during the 2019-2020 school year due to COVID-19; making exceptions for probationary teachers and truancy during the 2019-2020 school year due to COVID-19; making formula adjustments for school aid and revenue calculations and providing for fund transfers due to COVID-19; granting emergency powers to the commissioner of education and Professional Educator Licensing and Standards Board due to COVID-19; requiring a report.

Reported the same back with the following amendments:

Page 2, line 32, delete "or" and insert "assistance with" and after "learning" insert ", or connecting families with resources"

Page 4, after line 6, insert:

"Section 1. Minnesota Statutes 2018, section 134.355, subdivision 8, is amended to read:

Subd. 8. **Eligibility.** (a) A regional public library system may apply for regional library telecommunications aid on behalf of itself and member public libraries.

(b) The aid must first be used for connections and other eligible non-voice-related e-rate program category one services.

(c) If sufficient funds remain once category one needs are met in the funding year, aid may be used for e-rate program category two services as identified in the Federal Communication Commission's eligible services list for the current and preceding four funding years, ~~if sufficient funds remain once category one needs are met in each funding year.~~

(d) If sufficient funds remain after the aid has been used for the purposes of paragraphs (b) and (c), the aid may be used to improve Internet access and access to technology with items that are not e-rated including but not limited to digital or online resources.

(e) To be eligible, a regional public library system must be officially designated by the commissioner of education as a regional public library system as defined in section 134.34, subdivision 3, and each of its participating cities and counties must meet local support levels defined in section 134.34, subdivision 1. A public library building that receives aid under this section must be open a minimum of 20 hours per week. Exceptions to the minimum open hours requirement may be granted by the Department of Education on request of the regional public library system for the following circumstances: short-term closing for emergency maintenance and repairs following a natural disaster; in response to exceptional economic circumstances; building repair or maintenance that requires public services areas to be closed; or to adjust hours of public service to respond to documented seasonal use patterns.

EFFECTIVE DATE. This section is effective the day following final enactment."

Page 4, lines 16 and 24, delete "18" and insert "16"

Page 4, line 21, delete "17" and insert "15"

Page 6, delete subdivision 9 and insert:

"Subd. 9. **Community education after-school enrichment revenue.** Notwithstanding Minnesota Statutes, section 124D.19, subdivision 12, for fiscal year 2020 only, for spending occurring on or after March 18, 2020, after-school enrichment revenue under Minnesota Statutes, section 124D.20, subdivision 4a, continues and may be used for purposes consistent with guidance issued by the commissioner."

Page 6, line 11, delete everything after "with" and insert "guidance issued by the commissioner."

Page 6, delete subdivision 11 and insert:

"Subd. 11. **Early childhood screening revenue.** Notwithstanding any law to the contrary, for fiscal years 2020 and 2021 only, the commissioner of education must calculate each school district's early childhood screening revenue under Minnesota Statutes, section 121A.19, using the formula amounts set in statute for each age group and the 2018-2019 school year counts of children screened for each age group."

Page 6, delete section 2 and insert:

"Sec. 3. **FUND TRANSFERS; FISCAL YEAR 2020 ONLY.**

Subdivision 1. Fund and account transfers allowed. Notwithstanding Minnesota Statutes, section 123B.80, subdivision 3, for fiscal year 2020 only, a school district, charter school, or cooperative unit may transfer any funds not already assigned to or encumbered by staff salary and benefits, or otherwise encumbered by federal law, from any accounts or operating fund to the undesignated balance in any other operating fund.

Subd. 2. No aid or levy effect. A fund or account transfer is allowed under this section if the transfer does not increase state aid obligations to the district or school, or result in additional property tax authority for the district. A fund or account transfer is limited to the operating funds and accounts of a school district, charter school, or cooperative unit.

Subd. 3. Board approval required; reporting; audit trail. A fund or account transfer under this section is effective June 30, 2020, and the school board must approve any fund or account transfer before the reporting deadline for fiscal year 2020. A school district, charter school, or cooperative unit must maintain accounting records

for the purposes of this section that are sufficient to document both the specific funds transferred and use of those funds. The accounting records are subject to auditor review. Any execution of flexibility must not interfere with or jeopardize funding per federal requirements. Any transfer must not interfere with the equitable delivery of distance learning or social distancing models.

Subd. 4. **Commissioner's guidance.** The commissioner must prepare and post to the department's website a document providing guidance on the process for approval of fund and account balance transfers authorized under this section.

EFFECTIVE DATE. This section is effective the day following final enactment and applies retroactively from March 18, 2020.

Sec. 4. **ACCOUNTING.**

Notwithstanding any law to the contrary, services paid under section 1, including expenses recorded in the food service fund, may be charged to the same Uniform Financial Accounting and Reporting Standards codes to which the service is charged for an instructional day.

EFFECTIVE DATE. This section is effective the day following final enactment and is retroactive from the beginning of the 2019-2020 school year. This section expires June 30, 2020."

Renumber the sections in sequence and correct internal references

Correct the title numbers accordingly

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Hansen from the Environment and Natural Resources Finance Division to which was referred:

H. F. No. 4498, A bill for an act relating to natural resources; appropriating money from environment and natural resources trust fund; modifying previous appropriations; amending Laws 2017, chapter 96, section 2, subdivision 9, as amended; Laws 2018, chapter 214, article 4, section 2, subdivision 6.

Reported the same back with the following amendments:

Page 1, line 21, delete "-0-" and insert "2,768,000" and delete "59,887,000" and insert "61,387,000"

Page 1, line 24, after the period, insert "Appropriations for fiscal year 2020 are available until June 30, 2023, beginning the day following final enactment."

Page 7, line 1, delete "-0-" and insert "1,548,000" and delete "3,653,000" and insert "3,457,000"

Page 7, line 4, delete "\$600,000 the second" and insert "\$849,000 the first"

Page 8, line 6, delete "\$1,000,000" and insert "\$1,404,000"

Page 9, after line 13, insert:

"(i) Evaluating Coronavirus and Other Microbiological Contamination of Drinking Water Sources from Wastewater

\$699,000 the first year is from the trust fund to the Board of Regents of the University of Minnesota to evaluate the ability of the virus that causes COVID-19 and other potentially infectious organisms to travel through wastewater systems, including septic systems, to drinking water sources."

Page 9, line 16, delete "2,738,000" and insert "2,989,000"

Page 10, line 3, delete "\$250,000" and insert "\$368,000"

Page 12, after line 6, insert:

"(j) Workshops and Outreach to Protect Raptors from Lead Poisoning

\$133,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota, Raptor Center, in cooperation with the Department of Natural Resources and other conservation partners, to provide hunters with outreach and workshops on alternatives to lead hunting ammunition, including copper ammunition as an alternative, and to promote voluntary selection of nontoxic ammunition to protect raptors and other wildlife in Minnesota from accidental lead poisoning caused by ingestion of ammunition fragments."

Page 12, line 8, delete "-0-" and insert "320,000" and delete "10,425,000" and insert "11,520,000"

Page 12, line 11, delete "\$5,000,000" and insert "\$5,658,000"

Page 12, line 26, delete "\$3,500,000" and insert "\$320,000 the first year and \$3,937,000" and delete "is" and insert "are"

Page 13, line 4, delete "commissioner of natural resources" and insert "Board of Regents of the University of Minnesota"

Page 15, line 9, delete "-0-" and insert "900,000"

Page 19, after line 15, insert:

"(m) Lawns to Legumes

\$900,000 the first year is from the trust fund to the Board of Water and Soil Resources for demonstration projects that provide grants or payments to plant residential lawns with native vegetation and

pollinator-friendly forbs and legumes to protect a diversity of pollinators. The board must establish criteria for grants or payments awarded under this paragraph. Grants or payments awarded under this paragraph may be made for up to 75 percent of the costs of the project, except that in areas identified by the United States Fish and Wildlife Service as areas where there is a high potential for rusty patched bumble bees to be present, grants may be awarded for up to 90 percent of the costs of the project."

Page 19, line 17, delete "29,551,000" and insert "29,901,000"

Page 27, after line 4, insert:

"(v) Birch Lake Recreation Area

\$350,000 the second year is from the trust fund to the commissioner of natural resources for a grant to the city of Babbitt to expand the Birch Lake Recreation Area by adding a new campground to include new campsites, restrooms, and other facilities. This appropriation is available until June 30, 2024."

Page 37, after line 8, insert:

"Subd. 20. Extension of Availability For Certain Appropriations

(a) The availability of any appropriation or grant of money from the environment and natural resources trust fund that would otherwise cancel, lapse, or expire on June 30, 2020, is extended to June 30, 2021, if the recipient or grantee does both of the following:

(1) by June 30, 2020, notifies the Legislative-Citizen Commission on Minnesota Resources in the manner specified by the commission that the recipient or grantee intends to avail itself of the extension available under this subdivision; and

(2) modifies the applicable work plan where required by Minnesota Statutes, section 116P.05, subdivision 2, in accordance with the work plan amendment procedures adopted under that section.

(b) The commission must notify the commissioner of management and budget and the commissioner of natural resources of any extension granted under this subdivision."

Page 43, after line 31, insert:

"Sec. 5. EFFECTIVE DATE.

Sections 1, 2, and 4, are effective the day following final enactment."

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 6, H. F. No. 4498 was re-referred to the Committee on Rules and Legislative Administration.

Wagenius from the Energy and Climate Finance and Policy Division to which was referred:

H. F. No. 4502, A bill for an act relating to energy; establishing the Energy Conservation and Optimization Act of 2020; amending Minnesota Statutes 2018, sections 216B.2401; 216B.241, subdivisions 1a, 1c, 1d, 1f, 2, 2b, 3, 5, 7, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 216B; repealing Minnesota Statutes 2018, section 216B.241, subdivisions 1, 2c, 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **TITLE.**

Sections 2 to 19 may be cited as the "Energy Conservation and Optimization Act of 2020."

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. **[216B.1698] INNOVATIVE CLEAN TECHNOLOGIES.**

(a) For purposes of this section, "innovative clean technology" means advanced energy technology that is:

(1) environmentally superior to technologies currently in use;

(2) expected to offer energy-related, environmental, or economic benefits; and

(3) not widely deployed by the utility industry.

(b) A public utility may petition the commission for authorization to invest in a project or projects to deploy one or more innovative clean technologies to further the development, commercialization, and deployment of innovative clean technologies that benefit the public utility's customers.

(c) The commission may approve a petition under paragraph (b) if it finds:

(1) the technologies proposed are innovative clean technologies;

(2) the investment in an innovative clean energy technology is likely to provide benefits to customers that exceed the technology's cost;

(3) the public utility is meeting its energy conservation goals under section 216B.241; and

(4) the project complies with the spending limits under paragraph (d).

(d) Over any three consecutive years, a public utility must not spend more on innovative clean technologies under this section than:

(1) for a public utility providing service to 200,000 or more retail Minnesota customers, \$6,000,000; or

(2) for a public utility providing service to fewer than 200,000 retail Minnesota customers, \$3,000,000.

(e) The commission may authorize a public utility to file a rate schedule containing provisions that automatically adjust charges for public utility service in direct relation to changes in prudent costs incurred by a public utility under this section, up to the amounts allowed under paragraph (d). To the extent the public utility investment under this section is for a capital asset, the utility may request that the asset be included in the utility's rate base.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2018, section 216B.2401, is amended to read:

216B.2401 ENERGY SAVINGS AND OPTIMIZATION POLICY GOAL.

(a) The legislature finds that energy savings are an energy resource, and that cost-effective energy savings are preferred over all other energy resources. In addition, the legislature finds that optimizing the timing and method used by energy consumers to manage energy use provides significant benefits to the consumers and to the utility system as a whole. The legislature further finds that cost-effective energy savings and load management programs should be procured systematically and aggressively in order to reduce utility costs for businesses and residents, improve the competitiveness and profitability of businesses, create more energy-related jobs, reduce the economic burden of fuel imports, and reduce pollution and emissions that cause climate change. Therefore, it is the energy policy of the state of Minnesota to achieve annual energy savings equal equivalent to at least 1.5 2.5 percent of annual retail energy sales of electricity and natural gas through cost-effective energy conservation improvement programs and rate design, energy efficiency achieved by energy consumers without direct utility involvement, energy codes and appliance standards, programs designed to transform the market or change consumer behavior, energy savings resulting from efficiency improvements to the utility infrastructure and system, and other efforts to promote energy efficiency and energy conservation. multiple measures, including but not limited to:

(1) cost-effective energy conservation improvement programs and efficient fuel-switching utility programs under sections 216B.2402 to 216B.241;

(2) rate design;

(3) energy efficiency achieved by energy consumers without direct utility involvement;

(4) advancements in statewide energy codes and cost-effective appliance and equipment standards;

(5) programs designed to transform the market or change consumer behavior;

(6) energy savings resulting from efficiency improvements to the utility infrastructure and system; and

(7) other efforts to promote energy efficiency and energy conservation.

(b) A utility is encouraged to design and offer to its customers load management programs that enable: (1) customers to maximize the economic value gained from the energy purchased from the customer's utility service provider; and (2) utilities to optimize the infrastructure and generation capacity needed to effectively serve customers and facilitate the integration of renewable energy into the energy system.

(c) The commissioner must provide a reasonable estimate of progress made toward the statewide energy-savings goal under paragraph (a) in the annual report required under section 216B.241, subdivision 1c, and make recommendations for administrative or legislative initiatives to increase energy savings toward that goal. The commissioner must also annually report on the energy productivity of the state's economy by estimating the ratio of economic output produced in the most recently completed calendar year to the primary energy inputs used in that year.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 4. **[216B.2402] DEFINITIONS.**

Subdivision 1. Definitions. For the purposes of section 216B.16, subdivision 6b, and sections 216B.2401 to 216B.241, the following terms have the meanings given them.

Subd. 2. **Consumer-owned utility.** "Consumer-owned utility" means a municipal gas utility, a municipal electric utility, or a cooperative electric association.

Subd. 3. **Cumulative lifetime savings.** "Cumulative lifetime savings" means the total electric energy or natural gas savings in a given year from energy conservation improvements installed in that given year and energy conservation improvements installed in previous years that are still in operation.

Subd. 4. **Efficient fuel-switching improvement.** "Efficient fuel-switching improvement" means a project that:

(1) replaces a fuel used by a customer with electricity or natural gas delivered at retail by a utility subject to section 216B.2403 or 216B.241;

(2) results in a net increase in the use of electricity or natural gas and a net decrease in source energy consumption on a fuel-neutral basis;

(3) otherwise meets the criteria established for consumer-owned utilities in section 216B.2403, subdivision 8, and for public utilities under section 216B.241, subdivision 11; and

(4) requires the installation of equipment that utilizes electricity or natural gas, resulting in a reduction or elimination of the previous fuel used.

An efficient fuel-switching improvement is not an energy conservation improvement or energy efficiency even if it results in a net reduction in electricity or natural gas use.

Subd. 5. **Energy conservation.** "Energy conservation" means an action that results in a net reduction in electricity or natural gas consumption. Energy conservation does not include an efficient fuel-switching improvement.

Subd. 6. **Energy conservation improvement.** "Energy conservation improvement" means a project that results in energy efficiency or energy conservation. Energy conservation improvement may include waste heat that is recovered and converted into electricity or used as thermal energy, but does not include electric utility infrastructure projects approved by the commission under section 216B.1636.

Subd. 7. **Energy efficiency.** "Energy efficiency" means measures or programs, including energy conservation measures or programs, that (1) target consumer behavior, equipment, processes, or devices, (2) are designed to produce a decrease in consumption of electricity or natural gas on either an absolute or per unit of production basis, and (3) do not reduce the quality or level of service provided to the energy consumer.

Subd. 8. **Fuel.** "Fuel" means energy, including electricity, propane, natural gas, heating oil, gasoline, diesel fuel, or steam, consumed by a retail utility customer.

Subd. 9. **Fuel neutral.** "Fuel neutral" means an approach that compares the use of various fuels for a given end use, using a common metric.

Subd. 10. **Gross annual retail energy sales.** "Gross annual retail energy sales" means a utility's annual electric sales to all Minnesota retail customers, or natural gas throughput to all retail customers, including natural gas transportation customers, on a utility's distribution system in Minnesota. Gross annual retail energy sales does not include:

(1) gas sales to:

(i) a large energy facility;

(ii) a large customer facility whose natural gas utility has been exempted by the commissioner under section 216B.241, subdivision 1a, paragraph (a), with respect to natural gas sales made to the large customer facility; and

(iii) a commercial gas customer facility whose natural gas utility has been exempted by the commissioner under section 216B.241, subdivision 1a, paragraph (b), with respect to natural gas sales made to the commercial gas customer facility;

(2) electric sales to a large customer facility whose electric utility has been exempted by the commissioner under section 216B.241, subdivision 1a, paragraph (a), with respect to electric sales made to the large facility; or

(3) the amount of electric sales prior to December 31, 2032, that are associated with a utility's program, rate, or tariff for electric vehicle charging based on a methodology and assumptions developed by the department in consultation with interested stakeholders no later than December 31, 2020. After December 31, 2032, incremental sales to electric vehicles must be included in calculating a utility's gross retail sales.

Subd. 11. Investments and expenses of a public utility. "Investments and expenses of a public utility" means the investments and expenses incurred by a public utility in connection with an energy conservation improvement.

Subd. 12. Large customer facility. "Large customer facility" means all buildings, structures, equipment, and installations at a single site that in aggregate: (1) impose a peak electrical demand on an electric utility's system of at least 20,000 kilowatts, measured in the same way as the utility that serves the customer facility measures electric demand for billing purposes; or (2) consume at least 500,000,000 cubic feet of natural gas annually. When calculating peak electrical demand, a large customer facility may include demand offset by on-site cogeneration facilities and, if engaged in mineral extraction, may include peak energy demand from the large customer facility's mining processing operations.

Subd. 13. Large energy facility. "Large energy facility" has the meaning given in section 216B.2421, subdivision 2, clause (1).

Subd. 14. Lifetime energy savings. "Lifetime energy savings" means the amount of savings a particular energy conservation improvement is projected to produce over the improvement's effective useful lifetime.

Subd. 15. Load management. "Load management" means an activity, service, or technology that changes the timing or the efficiency of a customer's use of energy that allows a utility or a customer to: (1) respond to local and regional energy system conditions; or (2) reduce peak demand for electricity or natural gas. Load management that reduces a customer's net annual energy consumption is also energy conservation.

Subd. 16. Low-income household. "Low-income household" means a household whose household income is 60 percent or less of the state median household income.

Subd. 17. Low-income programs. "Low-income programs" means energy conservation improvement programs that directly serve the needs of low-income households, including low-income renters.

Subd. 18. Member. "Member" has the meaning given in section 308B.005, subdivision 15.

Subd. 19. Multifamily building. "Multifamily building" means a residential building containing five or more dwelling units.

Subd. 20. Prewetherization measure. "Prewetherization measure" means an improvement that is necessary to allow energy conservation improvements to be installed in a home.

Subd. 21. **Qualifying utility.** "Qualifying utility" means a utility that supplies a customer with energy that enables the customer to qualify as a large customer facility.

Subd. 22. **Waste heat recovered and used as thermal energy.** "Waste heat recovered and used as thermal energy" means capturing heat energy that would be exhausted or dissipated to the environment from machinery, buildings, or industrial processes, and productively using the recovered thermal energy where it was captured or distributing it as thermal energy to other locations where it is used to reduce demand-side consumption of natural gas, electric energy, or both.

Subd. 23. **Waste heat recovery converted into electricity.** "Waste heat recovery converted into electricity" means an energy recovery process that converts to electricity energy from the heat of exhaust stacks or pipes used for engines or manufacturing or industrial processes, or from the reduction of high pressure in water or gas pipelines, that would otherwise be lost.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 5. **[216B.2403] CONSUMER-OWNED UTILITIES; ENERGY CONSERVATION AND OPTIMIZATION.**

Subdivision 1. **Applicability.** This section applies to:

- (1) a cooperative electric association that provides retail service to more than 5,000 members;
- (2) a municipality that provides electric service to more than 1,000 retail customers; and
- (3) a municipality with more than 1,000,000,000 cubic feet in annual throughput sales to natural gas retail customers.

Subd. 2. **Consumer-owned utility; energy-savings goal.** (a) Each individual consumer-owned utility subject to this section has an annual energy-savings goal equivalent to 1.5 percent of gross annual retail energy sales, to be met with a minimum of energy savings from energy conservation improvements equivalent to at least one percent of the consumer-owned utility's gross annual retail energy sales. The balance of energy savings toward the annual energy-savings goal may be achieved only by the following consumer-owned utility activities:

- (1) energy savings from additional energy conservation improvements;
- (2) electric utility infrastructure projects, as defined in section 216B.1636, subdivision 1, that result in increased efficiency greater than would have occurred through normal maintenance activity;
- (3) net energy savings from efficient fuel-switching improvements that meet the criteria under subdivision 8; or
- (4) subject to department approval, demand-side natural gas or electric energy displaced by use of waste heat recovered and used as thermal energy, including the recovered thermal energy from a cogeneration or combined heat and power facility.

(b) The energy-savings goals specified in this section must be calculated based on weather-normalized sales averaged over the most recent three years. A consumer-owned utility may elect to carry forward energy savings in excess of 1.5 percent for a year to the next three years, except that savings from electric utility infrastructure projects may be carried forward for five years. A particular energy savings can only be used to meet one year's goal.

(c) A consumer-owned utility subject to this section is not required to make energy conservation improvements that are not cost-effective, even if the improvement is necessary to attain the energy-savings goal. A consumer-owned utility subject to this section must make reasonable efforts to implement energy conservation improvements that exceed the minimum level established under this subdivision if cost-effective opportunities and funding are available, considering other potential investments the consumer-owned utility intends to make to benefit customers during the term of the plan filed under subdivision 3.

Subd. 3. **Consumer-owned utility; energy conservation and optimization plans.** (a) By June 1, 2022, and at least every three years thereafter, each consumer-owned utility must file with the commissioner an energy conservation and optimization plan that describes the programs for energy conservation, efficient fuel-switching, load management, and other measures the consumer-owned utility intends to offer to achieve the utility's energy savings goal.

(b) A plan's term may be up to three years. A multiyear plan must identify the total energy savings and energy savings resulting from energy conservation improvements that are projected to be achieved in each year of the plan. A multiyear plan that does not, in each year of the plan, meet both the minimum energy savings goal from energy conservation improvements and the total energy savings goal of 1.5 percent, or lower goals adjusted by the commissioner under paragraph (k), must:

(1) state why each goal is projected to be unmet; and

(2) demonstrate how the consumer-owned utility proposes to meet both goals on an average basis over the duration of the plan.

(c) A plan filed under this subdivision must provide:

(1) for existing programs, an analysis of the cost-effectiveness of the consumer-owned utility's programs offered under the plan, using a list of baseline energy- and capacity-savings assumptions developed in consultation with the department; and

(2) for new programs, a preliminary analysis upon which the program will proceed, in parallel with further development of assumptions and standards.

(d) The commissioner must evaluate a plan filed under this subdivision based on the plan's likelihood to achieve the energy-savings goals established in subdivision 2. The commissioner may make recommendations to a consumer-owned utility regarding ways to increase the effectiveness of the consumer-owned utility's energy conservation activities and programs under this subdivision. The commissioner may recommend that a consumer-owned utility implement a cost-effective energy conservation program, including an energy conservation program suggested by an outside source such as a political subdivision, nonprofit corporation, or community organization.

(e) Beginning June 1, 2023, and every June 1 thereafter, each consumer-owned utility must file: (1) an annual update identifying the status of its plan filed under this subdivision, including: (i) total expenditures and investments made to date under the plan; and (ii) any intended changes to the plan; and (2) a summary of the annual energy-savings achievements under a plan. An annual filing made in the last year of a plan must contain a new plan that complies with this section.

(f) When evaluating the cost-effectiveness of a consumer-owned utility's energy conservation programs, the consumer-owned utility and the commissioner must consider the costs and benefits to ratepayers, the utility, participants, and society. The commissioner must also consider the rate at which the consumer-owned utility is increasing energy savings and expenditures on energy conservation, and lifetime energy savings and cumulative energy savings.

(g) A consumer-owned utility may annually spend and invest up to ten percent of the total amount spent and invested on energy conservation improvements on research and development projects that meet the definition of energy conservation improvement.

(h) A generation and transmission cooperative electric association or municipal power agency that provides energy services to consumer-owned utilities may file a plan under this subdivision on behalf of the consumer-owned utilities to which the association or agency provides energy services and may make investments, offer conservation programs, and otherwise fulfill the energy-savings goals and reporting requirements of this subdivision for those consumer-owned utilities on an aggregate basis.

(i) A consumer-owned utility is prohibited from spending for or investing in energy conservation improvements that directly benefit a large energy facility or a large electric customer facility the commissioner has exempted under section 216B.241, subdivision 1a.

(j) The energy conservation and optimization plan of a consumer-owned utility may include activities to improve energy efficiency in the public schools served by the utility. These activities may include programs to:

(1) increase the efficiency of the school's lighting and heating and cooling systems;

(2) recommission buildings;

(3) train building operators; and

(4) provide opportunities to educate students, teachers, and staff regarding energy efficiency measures implemented at the school.

(k) A consumer-owned utility may request that the commissioner adjust its minimum goal for energy savings from energy conservation improvements under subdivision 2, paragraph (a), for the duration of the plan filed under this subdivision. The request must be made by January 1 of the year when the consumer-owned utility must file a plan under this subdivision. The request must be based on:

(1) historical energy conservation improvement program achievements;

(2) customer class makeup;

(3) projected load growth;

(4) an energy conservation potential study that estimates the amount of cost-effective energy conservation potential that exists in the consumer-owned utility's service territory;

(5) the cost-effectiveness and quality of the energy conservation programs offered by the consumer-owned utility; and

(6) other factors the commissioner and consumer-owned utility determine warrant an adjustment.

The commissioner must adjust the energy savings goal to a level the commissioner determines is supported by the record, but must not approve a minimum energy savings goal from energy conservation improvements that is less than an average of one percent per year over the consecutive years of the plan's duration, including the year the minimum energy savings goal is adjusted.

Subd. 4. Consumer-owned utility; energy savings investment. (a) Except as otherwise provided, a consumer-owned utility that the commissioner determines falls short of the minimum energy savings goal from energy conservation improvements established in subdivision 2, paragraph (a), for three consecutive years during which the utility has annually spent on energy conservation improvements less than 1.5 percent of its gross operating revenues for an electric utility or less than 0.5 percent of its gross operating revenues for a natural gas utility, must spend no less than the following amounts for energy conservation improvements:

(1) for a municipality, 0.5 percent of its gross operating revenues from the sale of gas and 1.5 percent of its gross operating revenues from the sale of electricity, excluding gross operating revenues from electric and gas service provided in Minnesota to large electric customer facilities; and

(2) for a cooperative electric association, 1.5 percent of its gross operating revenues from service provided in the state, excluding gross operating revenues from service provided in Minnesota to large electric customers facilities indirectly through a distribution cooperative electric association.

(b) The commissioner may not impose the spending requirement under this subdivision if the commissioner has determined that the utility has followed the commissioner's recommendations, if any, provided under subdivision 3, paragraph (d).

(c) Upon request of a consumer-owned utility, the commissioner may reduce the amount or duration of the spending requirement imposed under this subdivision, or both, if the commissioner determines that the consumer-owned utility's failure to maintain the minimum energy savings goal is the result of:

(1) a natural disaster or other emergency that is declared by the executive branch through an emergency executive order that affects the consumer-owned utility's service area;

(2) a unique load distribution experienced by the consumer-owned utility; or

(3) other factors that the commissioner determines justifies a reduction.

(d) Unless the commissioner reduces the duration of the spending requirement under paragraph (c), the spending requirement under this subdivision remains in effect until the consumer-owned utility has met the minimum energy savings goal for three consecutive years.

Subd. 5. Energy conservation programs for low-income households. (a) A consumer-owned utility subject to this section must provide energy conservation programs to low-income households. The commissioner must evaluate a consumer-owned utility's plans under this section by considering the consumer-owned utility's historic spending on energy conservation programs directed to low-income households, the rate of customer participation in and the energy savings resulting from those programs, and the number of low-income persons residing in the consumer-owned utility's service territory. A municipal utility that furnishes natural gas service must spend at least 0.2 percent of the municipal utility's most recent three-year average gross operating revenue from residential customers in Minnesota on energy conservation programs for low-income households. A consumer-owned utility that furnishes electric service must spend at least 0.2 percent of the consumer-owned utility's gross operating revenue from residential customers in Minnesota on energy conservation programs for low-income households. The requirement under this paragraph applies to each generation and transmission cooperative association's aggregate gross operating revenue from the sale of electricity to residential customers in Minnesota by all of the association's member distribution cooperatives.

(b) To meet all or part of the spending requirements of paragraph (a), a consumer-owned utility may contribute money to the energy and conservation account established in section 216B.241, subdivision 2a. An energy conservation optimization plan must state the amount of contributions the consumer-owned utility plans to make to

the energy and conservation account. Contributions to the account must be used for energy conservation programs serving low-income households, including renters, located in the service area of the consumer-owned utility making the contribution. Contributions must be remitted to the commissioner by February 1 each year.

(c) The commissioner must establish energy conservation programs for low-income households funded through contributions to the energy and conservation account under paragraph (b). When establishing energy conservation programs for low-income households, the commissioner must consult political subdivisions, utilities, and nonprofit and community organizations, including organizations providing energy and weatherization assistance to low-income households. The commissioner must record and report expenditures and energy savings achieved as a result of energy conservation programs for low-income households funded through the energy and conservation account in the report required under section 216B.241, subdivision 1c, paragraph (f). The commissioner may contract with a political subdivision, nonprofit or community organization, public utility, municipality, or consumer-owned utility to implement low-income programs funded through the energy and conservation account.

(d) A consumer-owned utility may petition the commissioner to modify the required spending under this subdivision if the consumer-owned utility and the commissioner were unable to expend the amount required for three consecutive years.

(e) The commissioner must develop and establish guidelines for determining the eligibility of multifamily buildings to participate in energy conservation programs provided to low-income households. Notwithstanding the definition of low-income household in section 216B.2402, a consumer-owned utility or association may apply the most recent guidelines published by the department for purposes of determining the eligibility of multifamily buildings to participate in low-income programs. The commissioner must convene a stakeholder group to review and update these guidelines by July 1, 2021, and at least once every five years thereafter. The stakeholder group must include but is not limited to representatives of public utilities; municipal electric or gas utilities; electric cooperative associations; multifamily housing owners and developers; and low-income advocates.

(f) Up to 15 percent of a consumer-owned utility's spending on low-income energy conservation programs may be spent on preweatherization measures. A consumer-owned utility is prohibited from claiming energy savings from preweatherization measures toward the consumer-owned utility's energy savings goal.

(g) The commissioner must, by order, establish a list of preweatherization measures eligible for inclusion in low-income energy conservation programs no later than March 15, 2021.

(h) A Healthy AIR (Asbestos Insulation Removal) account is established as a separate account in the special revenue fund in the state treasury. A consumer-owned utility may elect to contribute money to the Healthy AIR account to provide preweatherization measures for households eligible for weatherization assistance from the state weatherization assistance program in section 216C.264. Remediation activities must be executed in conjunction with federal weatherization assistance program services. Money contributed to the account by a consumer-owned utility counts toward: (1) the minimum low-income spending requirement under paragraph (a); and (2) the cap on preweatherization measures under paragraph (f). Money in the account is annually appropriated to the commissioner of commerce to pay for Healthy AIR-related activities.

Subd. 6. **Recovery of expenses.** The commission must allow a cooperative electric association subject to rate regulation under section 216B.026 to recover expenses resulting from: (1) a plan under this section; and (2) assessments and contributions to the energy and conservation account under section 216B.241, subdivision 2a.

Subd. 7. **Ownership of preweatherization measure or energy conservation improvement.** (a) A preweatherization measure or energy conservation improvement installed in a building under this section, excluding a system owned by a consumer-owned utility that is designed to turn off, limit, or vary the delivery of energy, is the exclusive property of the building owner, except to the extent that the improvement is subject to a security interest in favor of the consumer-owned utility in case of a loan to the building owner for the improvement.

(b) A consumer-owned utility has no liability for loss, damage, or injury directly or indirectly caused by a preweatherization measure or energy conservation improvement, unless a consumer-owned utility is determined to have been negligent in purchasing, installing, or modifying a preweatherization product.

Subd. 8. Criteria for efficient fuel-switching improvements. (a) A fuel-switching improvement is deemed efficient if, applying the technical criteria established under section 216B.241, subdivision 1d, paragraph (b), the improvement, relative to the fuel being displaced:

(1) results in a net reduction in the amount of source energy consumed for a particular use, measured on a fuel-neutral basis;

(2) results in a net reduction of statewide greenhouse gas emissions, as defined in section 216H.01, subdivision 2, over the lifetime of the improvement. For an efficient fuel-switching improvement installed by an electric consumer-owned utility, the reduction in emissions must be measured based on the hourly emissions profile of the consumer-owned utility or the utility's electricity supplier, as reported in the most recent resource plan approved by the commission under section 216B.2422. If the hourly emissions profile is not available, the commissioner must develop a method consumer-owned utilities must use to estimate that value;

(3) is cost-effective, considering the costs and benefits from the perspective of the consumer-owned utility, participants, and society; and

(4) is installed and operated in a manner that improves the consumer-owned utility's system load factor.

(b) For purposes of this subdivision, "source energy" means the total amount of primary energy required to deliver energy services, adjusted for losses in generation, transmission, and distribution, and expressed on a fuel-neutral basis.

Subd. 9. Manner of filing and service. (a) A consumer-owned utility must submit the filings required under this section to the department using the department's electronic filing system. The commissioner may approve an exemption from this requirement if an affected consumer-owned utility is unable to submit filings via the department's electronic filing system. All other interested parties must submit filings to the department via the department's electronic filing system whenever practicable but may also file by personal delivery or by mail.

(b) The submission of a document to the department's electronic filing system constitutes service on the department. If a department rule requires service of a notice, order, or other document by the department, a consumer-owned utility, or an interested party upon persons on a service list maintained by the department, service may be made by personal delivery, mail, or electronic service. Electronic service may be made only to persons on the service list that have previously agreed in writing to accept electronic service at an e-mail address provided to the department for electronic service purposes.

Subd. 10. Assessment. The commission or department may assess consumer-owned utilities subject to this section to carry out the purposes of section 216B.241, subdivisions 1d, 1e, and 1f. An assessment under this paragraph must be proportionate to the consumer-owned utility's respective gross operating revenue from sales of gas or electric service in Minnesota during the previous calendar year. Assessments under this subdivision are not subject to the cap on assessments under section 216B.62 or any other law.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 6. Minnesota Statutes 2018, section 216B.241, subdivision 1a, is amended to read:

Subd. 1a. ~~Investment, expenditure, and contribution; public utility~~ **Large customer facility.** (a) ~~For purposes of this subdivision and subdivision 2, "public utility" has the meaning given it in section 216B.02, subdivision 4. Each public utility shall spend and invest for energy conservation improvements under this subdivision and subdivision 2 the following amounts:~~

(1) ~~for a utility that furnishes gas service, 0.5 percent of its gross operating revenues from service provided in the state;~~

(2) ~~for a utility that furnishes electric service, 1.5 percent of its gross operating revenues from service provided in the state; and~~

(3) ~~for a utility that furnishes electric service and that operates a nuclear-powered electric generating plant within the state, two percent of its gross operating revenues from service provided in the state.~~

~~For purposes of this paragraph (a), "gross operating revenues" do not include revenues from large customer facilities exempted under paragraph (b), or from commercial gas customers that are exempted under paragraph (c) or (e).~~

~~(b)~~ (a) The owner of a large customer facility may petition the commissioner to exempt both electric and gas utilities serving the large customer facility from ~~the investment and expenditure requirements of paragraph (a) contributing to investments and expenditures made under an energy and conservation optimization plan filed under subdivision 2 or section 216B.2403, subdivision 3,~~ with respect to retail revenues attributable to the large customer facility. The filing must include a discussion of the competitive or economic pressures facing the owner of the facility and the efforts taken by the owner to identify, evaluate, and implement energy conservation and efficiency improvements. A filing submitted on or before October 1 of any year must be approved within 90 days and become effective January 1 of the year following the filing, unless the commissioner finds that the owner of the large customer facility has failed to take reasonable measures to identify, evaluate, and implement energy conservation and efficiency improvements. If a facility qualifies as a large customer facility solely due to its peak electrical demand or annual natural gas usage, the exemption may be limited to the qualifying utility if the commissioner finds that the owner of the large customer facility has failed to take reasonable measures to identify, evaluate, and implement energy conservation and efficiency improvements with respect to the nonqualifying utility. Once an exemption is approved, the commissioner may request the owner of a large customer facility to submit, not more often than once every five years, a report demonstrating the large customer facility's ongoing commitment to energy conservation and efficiency improvement after the exemption filing. The commissioner may request such reports for up to ten years after the effective date of the exemption, unless the majority ownership of the large customer facility changes, in which case the commissioner may request additional reports for up to ten years after the change in ownership occurs. The commissioner may, within 180 days of receiving a report submitted under this paragraph, rescind any exemption granted under this paragraph upon a determination that the large customer facility is not continuing to make reasonable efforts to identify, evaluate, and implement energy conservation improvements. A large customer facility that is, under an order from the commissioner, exempt from the investment and expenditure requirements of paragraph (a) as of December 31, 2010, is not required to submit a report to retain its exempt status, except as otherwise provided in this paragraph with respect to ownership changes. No exempt large customer facility may participate in a utility conservation improvement program unless the owner of the facility submits a filing with the commissioner to withdraw its exemption.

~~(e)~~ (b) A commercial gas customer that is not a large customer facility and that purchases or acquires natural gas from a public utility having fewer than 600,000 natural gas customers in Minnesota may petition the commissioner to exempt gas utilities serving the commercial gas customer from ~~the investment and expenditure requirements of paragraph (a) contributing to investments and expenditures made under an energy and conservation optimization plan filed under subdivision 2 or section 216B.2403, subdivision 3,~~ with respect to retail revenues attributable to the commercial gas customer. The petition must be supported by evidence demonstrating that the commercial gas customer has acquired or can reasonably acquire the capability to bypass use of the utility's gas distribution system by obtaining natural gas directly from a supplier not regulated by the commission. The commissioner shall grant the exemption if the commissioner finds that the petitioner has made the demonstration required by this paragraph.

~~(d) The commissioner may require investments or spending greater than the amounts required under this subdivision for a public utility whose most recent advance forecast required under section 216B.2422 or 216C.17 projects a peak demand deficit of 100 megawatts or greater within five years under midrange forecast assumptions.~~

~~(e) (c) A public utility, consumer-owned utility, or owner of a large customer facility may appeal a decision of the commissioner under paragraph (a) or (b), (e), or (d) to the commission under subdivision 2. In reviewing a decision of the commissioner under paragraph (a) or (b), (e), or (d), the commission shall rescind the decision if it finds that the required investments or spending will:~~

~~(1) not result in cost-effective energy conservation improvements; or~~

~~(2) otherwise the decision is not in the public interest.~~

~~(d) A public utility is prohibited from spending for or investing in energy conservation improvements that directly benefit a large energy facility or a large electric customer facility the commissioner has issued an exemption to under this section.~~

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 7. Minnesota Statutes 2018, section 216B.241, subdivision 1c, is amended to read:

Subd. 1c. **Public utility; energy-saving goals.** (a) The commissioner shall establish energy-saving goals for energy conservation ~~improvement expenditures~~ improvements and shall evaluate an energy conservation improvement program on how well it meets the goals set.

~~(b) Each individual~~ A public utility and association shall have providing electric service has an annual energy-savings goal equivalent to ~~4.5~~ 1.75 percent of gross annual retail energy sales unless modified by the commissioner under paragraph ~~(d)~~. (c). A public utility providing natural gas service has an annual energy-savings goal equivalent to one percent of gross annual retail energy sales, which cannot be lowered by the commissioner. The savings goals must be calculated based on the most recent three-year weather-normalized average. A public utility or association providing electric service may elect to carry forward energy savings in excess of 4.5 1.75 percent for a year to the succeeding three calendar years, except that savings from electric utility infrastructure projects allowed under paragraph (d) may be carried forward for five years. A public utility providing natural gas service may elect to carry forward energy savings in excess of one percent for a year to the succeeding three calendar years. A particular energy savings can only be used ~~only for to meet~~ one year's goal.

~~(e) The commissioner must adopt a filing schedule that is designed to have all utilities and associations operating under an energy savings plan by calendar year 2010.~~

~~(d) (c)~~ In its energy conservation ~~improvement and optimization~~ plan filing, a ~~public utility or association~~ may request the commissioner to adjust its annual energy-savings percentage goal based on its historical conservation investment experience, customer class makeup, load growth, a conservation potential study, or other factors the commissioner determines warrants an adjustment.

~~(d)~~ The commissioner may not approve a plan of a public utility that provides for an annual energy-savings goal of less than one percent of gross annual retail energy sales from energy conservation improvements.

~~A utility or association may include in its energy conservation plan energy savings from~~ The balance of the 1.75 percent annual energy savings goal may be achieved through energy savings from:

(1) additional energy conservation improvements;

~~(2) electric utility infrastructure projects approved by the commission under section 216B.1636 that result in increased efficiency greater than would have occurred through normal maintenance activity; or waste heat recovery converted into electricity projects that may count as energy savings in addition to a minimum energy savings goal of at least one percent for energy conservation improvements. Energy savings from electric utility infrastructure projects, as defined in section 216B.1636, may be included in the energy conservation plan of a municipal utility or cooperative electric association. Electric utility infrastructure projects must result in increased energy efficiency greater than that which would have occurred through normal maintenance activity.~~

~~(3) subject to department approval, demand-side natural gas or electric energy displaced by use of waste heat recovered and used as thermal energy, including the recovered thermal energy from a cogeneration or combined heat and power facility.~~

~~(e) An energy savings goal is not satisfied by attaining the revenue expenditure requirements of subdivisions 1a and 1b, but can only be satisfied by meeting the energy savings goal established in this subdivision.~~

~~(f) An association or (e) A public utility is not required to make energy conservation investments to attain the energy-savings goals of this subdivision that are not cost-effective even if the investment is necessary to attain the energy-savings goals. For the purpose of this paragraph, in determining cost-effectiveness, the commissioner shall consider: (1) the costs and benefits to ratepayers, the utility, participants, and society. In addition, the commissioner shall consider; (2) the rate at which an association or municipal a public utility is increasing both its energy savings and its expenditures on energy conservation; and (3) the public utility's lifetime energy savings and cumulative energy savings.~~

~~(g) (f) On an annual basis, the commissioner shall produce and make publicly available a report on the annual energy and capacity savings and estimated carbon dioxide reductions achieved by the energy conservation improvement programs under this section and section 216B.2403 for the two most recent years for which data is available. The report must also include information regarding any annual energy sales or generation capacity increases resulting from efficient fuel-switching improvements. The commissioner shall report on program performance both in the aggregate and for each entity filing an energy conservation improvement plan for approval or review by the commissioner, and must estimate progress made toward the statewide energy-savings goal under section 216B.2401.~~

~~(h) By January 15, 2010, the commissioner shall report to the legislature whether the spending requirements under subdivisions 1a and 1b are necessary to achieve the energy savings goals established in this subdivision.~~

~~(i) This subdivision does not apply to:~~

~~(1) a cooperative electric association with fewer than 5,000 members;~~

~~(2) a municipal utility with fewer than 1,000 retail electric customers; or~~

~~(3) a municipal utility with less than 1,000,000,000 cubic feet in annual throughput sales to retail natural gas customers.~~

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 8. Minnesota Statutes 2018, section 216B.241, subdivision 1d, is amended to read:

Subd. 1d. **Technical assistance.** (a) The commissioner shall evaluate energy conservation improvement programs filed under this section and section 216B.2403 on the basis of cost-effectiveness and the reliability of the technologies employed. The commissioner shall, by order, establish, maintain, and update energy-savings assumptions that must be used by utilities when filing energy conservation improvement programs. The department must track a public utility's or consumer-owned utility's lifetime energy savings and cumulative lifetime energy savings reported in plans submitted under this section and section 216B.2403.

(b) The commissioner shall establish an inventory of the most effective energy conservation programs, techniques, and technologies, and encourage all Minnesota utilities to implement them, where appropriate, ~~in their service territories~~. The commissioner shall describe these programs in sufficient detail to provide a utility reasonable guidance concerning implementation. The commissioner shall prioritize the opportunities in order of potential energy savings and in order of cost-effectiveness.

(c) The commissioner may contract with a third party to carry out any of the commissioner's duties under this subdivision, and to obtain technical assistance to evaluate the effectiveness of any conservation improvement program.

(d) The commissioner may assess up to \$850,000 annually for the purposes of this subdivision. The assessments must be deposited in the state treasury and credited to the energy and conservation account created under subdivision 2a. An assessment made under this subdivision is not subject to the cap on assessments provided by section 216B.62, or any other law.

~~(b) Of the assessment authorized under paragraph (a), the commissioner may expend up to \$400,000 annually for the purpose of developing, operating, maintaining, and providing technical support for a uniform electronic data reporting and tracking system available to all utilities subject to this section, in order to enable accurate measurement of the cost and energy savings of the energy conservation improvements required by this section. This paragraph expires June 30, 2018.~~

(e) The commissioner must work with stakeholders to develop technical guidelines that public utilities and consumer-owned utilities must use to:

(1) determine whether deployment of a fuel-switching improvement meets the criteria established in subdivision 11, paragraph (e), or section 216B.2403, subdivision 8, as applicable; and

(2) calculate the amount of energy saved by deployment of a fuel-switching improvement.

The guidelines must be issued by the commissioner by order no later than March 15, 2021, and must be updated as the commissioner determines is necessary.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 9. Minnesota Statutes 2018, section 216B.241, subdivision 1f, is amended to read:

Subd. 1f. **Facilities energy efficiency.** (a) The commissioner of administration and the commissioner of commerce shall maintain and, as needed, revise the sustainable building design guidelines developed under section 16B.325.

(b) The commissioner of administration and the commissioner of commerce shall maintain and update the benchmarking tool developed under Laws 2001, chapter 212, article 1, section 3, so that all public buildings can use the benchmarking tool to maintain energy use information for the purposes of establishing energy efficiency benchmarks, tracking building performance, and measuring the results of energy efficiency and conservation improvements.

(c) The commissioner shall require that utilities include in their conservation improvement plans programs that facilitate professional engineering verification to qualify a building as Energy Star-labeled, Leadership in Energy and Environmental Design (LEED) certified, or Green Globes-certified. ~~The state goal is to achieve certification of 1,000 commercial buildings as Energy Star labeled, and 100 commercial buildings as LEED certified or Green Globes certified by December 31, 2010.~~

(d) The commissioner may assess up to \$500,000 annually for the purposes of this subdivision. The assessments must be deposited in the state treasury and credited to the energy and conservation account created under subdivision 2a. An assessment made under this subdivision is not subject to the cap on assessments provided by section 216B.62, or any other law.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 10. Minnesota Statutes 2018, section 216B.241, subdivision 1g, is amended to read:

Subd. 1g. **Manner of filing and service.** (a) A public utility, ~~generation and transmission cooperative electric association, municipal power agency, cooperative electric association, and municipal utility~~ shall submit filings to the department via the department's electronic filing system. The commissioner may approve an exemption from this requirement in the event an affected public utility or association is unable to submit filings via the department's electronic filing system. All other interested parties shall submit filings to the department via the department's electronic filing system whenever practicable but may also file by personal delivery or by mail.

(b) Submission of a document to the department's electronic filing system constitutes service on the department. Where department rule requires service of a notice, order, or other document by the department, public utility, association, or interested party upon persons on a service list maintained by the department, service may be made by personal delivery, mail, or electronic service, except that electronic service may only be made upon persons on the service list who have previously agreed in writing to accept electronic service at an electronic address provided to the department for electronic service purposes.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 11. Minnesota Statutes 2018, section 216B.241, subdivision 2, is amended to read:

Subd. 2. **Programs Public utility; energy conservation and optimization plans.** (a) The commissioner may require a public utilities utility to make investments and expenditures in energy conservation improvements, explicitly setting forth the interest rates, prices, and terms under which the improvements must be offered to the customers. ~~The required programs must cover no more than a three-year period.~~

(b) ~~A public utilities utility shall file an energy conservation improvement plans and optimization plan by June 1, on a schedule determined by order of the commissioner, but at least every three years. Plans received As provided in subdivisions 11 to 13, plans may include programs for efficient fuel-switching improvements and load management. An individual utility program may combine elements of energy conservation, load management, or efficient fuel-switching. The plan must estimate the lifetime energy savings and cumulative lifetime energy savings projected to be achieved under the plan. A plan filed by a public utility by June 1 must be approved or approved as modified by the commissioner by December 1 of that same year.~~

(c) The commissioner shall evaluate the ~~program plan~~ on the basis of cost-effectiveness and the reliability of technologies employed. The commissioner's order must provide to the extent practicable for a free choice, by consumers participating in ~~the~~ an energy conservation program, of the device, method, material, or project constituting the energy conservation improvement and for a free choice of the seller, installer, or contractor of the energy conservation improvement, provided that the device, method, material, or project seller, installer, or contractor is duly licensed, certified, approved, or qualified, including under the residential conservation services program, where applicable.

~~(d)~~ (d) The commissioner may require a utility subject to subdivision 1c to make an energy conservation improvement investment or expenditure whenever the commissioner finds that the improvement will result in energy savings at a total cost to the utility less than the cost to the utility to produce or purchase an equivalent amount of new supply of energy. ~~The commissioner shall nevertheless ensure that every public utility operate one or more programs under periodic review by the department.~~

~~(e)~~ (e) Each public utility subject to this subdivision ~~4a~~ may spend and invest annually up to ten percent of the total amount ~~required to be~~ spent and invested on energy conservation improvements under this section by the public utility on research and development projects that meet the definition of energy conservation improvement ~~in~~ subdivision 1 and that are funded directly by the public utility.

~~(d)~~ A public utility may not spend for or invest in energy conservation improvements that directly benefit a large energy facility or a large electric customer facility for which the commissioner has issued an exemption pursuant to subdivision 1a, paragraph (b).

(f) The commissioner shall consider and may require a public utility to undertake a an energy conservation program suggested by an outside source, including a political subdivision, a nonprofit corporation, or community organization.

~~(e)~~ (g) A public utility, a political subdivision, or a nonprofit or community organization that has suggested a an energy conservation program, the attorney general acting on behalf of consumers and small business interests, or a public utility customer that has suggested a an energy conservation program and is not represented by the attorney general under section 8.33 may petition the commission to modify or revoke a department decision under this section, and the commission may do so if it determines that the energy conservation program is not cost-effective, does not adequately address the residential conservation improvement needs of low-income persons, has a long-range negative effect on one or more classes of customers, or is otherwise not in the public interest. The commission shall reject a petition that, on its face, fails to make a reasonable argument that a an energy conservation program is not in the public interest.

~~(f)~~ (h) The commissioner may order a public utility to include, with the filing of the public utility's annual status report, the results of an independent audit of the public utility's conservation improvement programs and expenditures performed by the department or an auditor with experience in the provision of energy conservation and energy efficiency services approved by the commissioner and chosen by the public utility. The audit must specify the energy savings or increased efficiency in the use of energy within the service territory of the public utility that is the result of the public utility's spending and investments. The audit must evaluate the cost-effectiveness of the public utility's conservation programs.

~~(g)~~ A gas utility may not spend for or invest in energy conservation improvements that directly benefit a large customer facility or commercial gas customer facility for which the commissioner has issued an exemption pursuant to subdivision 1a, paragraph (b), (c), or (e). The commissioner shall consider and may require a utility to undertake a program suggested by an outside source, including a political subdivision, a nonprofit corporation, or a community organization.

(i) The energy conservation and optimization plan of each public utility subject to this section must include activities to improve energy efficiency in public schools served by the utility. As applicable to each public utility, at a minimum the activities must include programs to increase the efficiency of the school's lighting and heating and cooling systems, and to provide for building recommissioning, building operator training, and opportunities to educate students, teachers, and staff regarding energy efficiency measures implemented at the school.

(j) The commissioner may require investments or spending greater than the amounts proposed in a plan filed under this subdivision or section 216C.17 for a public utility whose most recent advanced forecast required under section 216B.2422 projects a peak demand deficit of 100 megawatts or more within five years under midrange forecast assumptions.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 12. Minnesota Statutes 2018, section 216B.241, subdivision 2b, is amended to read:

Subd. 2b. **Recovery of expenses.** (a) The commission shall allow a public utility to recover expenses resulting from ~~a an energy conservation improvement program required and optimization plan approved by the department under this section~~ and contributions and assessments to the energy and conservation account, unless the recovery would be inconsistent with a financial incentive proposal approved by the commission. ~~The commission shall allow a cooperative electric association subject to rate regulation under section 216B.026, to recover expenses resulting from energy conservation improvement programs, load management programs, and assessments and contributions to the energy and conservation account unless the recovery would be inconsistent with a financial incentive proposal approved by the commission. In addition,~~

(b) A public utility may file annually, or the Public Utilities Commission may require the public utility to file, and the commission may approve, rate schedules containing provisions for the automatic adjustment of charges for utility service in direct relation to changes in the expenses of the public utility for real and personal property taxes, fees, and permits, the amounts of which the public utility cannot control. A public utility is eligible to file for adjustment for real and personal property taxes, fees, and permits under this subdivision only if, in the year previous to the year in which it files for adjustment, it has spent or invested at least 1.75 percent of its gross revenues from provision of electric service, excluding gross operating revenues from electric service provided in the state to large electric customer facilities for which the commissioner has issued an exemption under subdivision 1a, paragraph (b), and 0.6 percent of its gross revenues from provision of gas service, excluding gross operating revenues from gas services provided in the state to large electric customer facilities for which the commissioner has issued an exemption under subdivision 1a, paragraph (b), for that year for energy conservation improvements under this section.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 13. Minnesota Statutes 2018, section 216B.241, subdivision 3, is amended to read:

Subd. 3. **Ownership of preweatherization measure or energy conservation improvement.** ~~A~~ A preweatherization measure or energy conservation improvement made to or installed in a building in accordance with this section, except systems owned by ~~the~~ a public utility and designed to turn off, limit, or vary the delivery of energy, are the exclusive property of the owner of the building except to the extent that the improvement is subjected to a security interest in favor of the public utility in case of a loan to the building owner. The public utility has no liability for loss, damage or injury caused directly or indirectly by ~~an~~ a preweatherization measure or energy conservation improvement except for negligence by the utility in purchase, installation, or modification of the product.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 14. Minnesota Statutes 2018, section 216B.241, subdivision 5, is amended to read:

Subd. 5. **Efficient lighting program.** (a) Each public utility, ~~cooperative electric association, and municipal and consumer-owned~~ utility that provides electric service to retail customers and is subject to subdivision 1c or section 216B.2403 shall include as part of its conservation improvement activities a program to strongly encourage the use of ~~fluorescent and high-intensity discharge lamps~~ LEDs. The program must include at least a public information campaign to encourage use of ~~the lamps~~ LEDs and proper management of spent lamps and LEDs by all customer classifications.

(b) A public utility that provides electric service at retail to 200,000 or more customers shall establish, either directly or through contracts with other persons, including lamp manufacturers, distributors, wholesalers, and retailers and local government units, a system to collect for delivery to a reclamation or recycling facility spent fluorescent and high-intensity discharge lamps from households and from small businesses as defined in section 645.445 that generate an average of fewer than ten spent lamps per year.

(c) A collection system must include establishing reasonably convenient locations for collecting spent lamps from households and financial incentives sufficient to encourage spent lamp generators to take the lamps to the collection locations. Financial incentives may include coupons for purchase of new ~~fluorescent or high-intensity discharge~~ LED lamps, a cash back system, or any other financial incentive or group of incentives designed to collect the maximum number of spent lamps from households and small businesses that is reasonably feasible.

(d) A public utility that provides electric service at retail to fewer than 200,000 customers, ~~a cooperative electric association, or a municipal or a consumer-owned~~ utility that provides electric service at retail to customers, may establish a collection system under paragraphs (b) and (c) as part of conservation improvement activities required under this section.

(e) The commissioner of the Pollution Control Agency may not, unless clearly required by federal law, require a public utility, ~~cooperative electric association, or municipality or consumer-owned utility~~ that establishes a household fluorescent and high-intensity discharge lamp collection system under this section to manage the lamps as hazardous waste as long as the lamps are managed to avoid breakage and are delivered to a recycling or reclamation facility that removes mercury and other toxic materials contained in the lamps prior to placement of the lamps in solid waste.

(f) If a public utility, ~~cooperative electric association, or municipal or consumer-owned~~ utility contracts with a local government unit to provide a collection system under this subdivision, the contract must provide for payment to the local government unit of all the unit's incremental costs of collecting and managing spent lamps.

(g) All the costs incurred by a public utility, ~~cooperative electric association, or municipal or consumer-owned~~ utility for promotion and ~~collection of fluorescent and high-intensity discharge~~ to collect LED lamps under this subdivision are conservation improvement spending under this section.

(h) For the purposes of this section, "LED" means a light-emitting diode bulb or lighting product.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 15. Minnesota Statutes 2018, section 216B.241, subdivision 7, is amended to read:

Subd. 7. **Low-income programs.** (a) The commissioner shall ensure that each public utility ~~and association~~ subject to subdivision 1c provides low-income energy conservation programs to low-income households. When approving spending and energy-savings goals for low-income programs, the commissioner shall consider historic spending and participation levels, energy savings for achieved by low-income programs, and the number of low-income persons residing in the utility's service territory. A ~~municipal utility that furnishes gas service must spend at least 0.2 percent, and a~~ public utility furnishing gas service must spend at least ~~0.4~~ 0.8 percent, of its most recent three-year average gross operating revenue from residential customers in the state on low-income programs. A ~~public utility or association~~ that furnishes electric service must spend at least ~~0.4~~ 0.4 percent of its gross operating revenue from residential customers in the state on low-income programs. ~~For a generation and transmission cooperative association, this requirement shall apply to each association's members' aggregate gross operating revenue from sale of electricity to residential customers in the state. Beginning in 2010, a utility or association that furnishes electric service must spend 0.2 percent of its gross operating revenue from residential customers in the state on low income programs.~~

(b) To meet the requirements of paragraph (a), a public utility ~~or association~~ may contribute money to the energy and conservation account established under subdivision 2a. An energy conservation improvement plan must state the amount, if any, of low-income energy conservation improvement funds the public utility ~~or association~~ will contribute to the energy and conservation account. Contributions must be remitted to the commissioner by February 1 of each year.

(c) The commissioner shall establish low-income energy conservation programs to utilize ~~money contributed~~ contributions made to the energy and conservation account under paragraph (b). In establishing low-income programs, the commissioner shall consult political subdivisions, utilities, and nonprofit and community organizations, especially organizations ~~engaged in~~ providing energy and weatherization assistance to low-income ~~persons~~ households. ~~Money contributed~~ Contributions made to the energy and conservation account under paragraph (b) must provide programs for low-income ~~persons~~ households, including low-income renters, in the service territory of the public utility or association providing the money. The commissioner shall record and report expenditures and energy savings achieved as a result of low-income programs funded through the energy and conservation account in the report required under subdivision 1c, paragraph ~~(e)~~ (f). The commissioner may contract with a political subdivision, nonprofit or community organization, public utility, ~~municipality~~, or ~~cooperative electric association~~ consumer-owned utility to implement low-income programs funded through the energy and conservation account.

(d) A public utility or association may petition the commissioner to modify its required spending under paragraph (a) if the utility ~~or association~~ and the commissioner have been unable to expend the amount required under paragraph (a) for three consecutive years.

(e) The commissioner must develop and establish guidelines to determine the eligibility of multifamily buildings to participate in low-income energy conservation programs. Notwithstanding the definition of low-income household in section 216B.2402, for purposes of determining the eligibility of multifamily buildings for low-income programs, a public utility may apply the most recent guidelines published by the department. The commissioner must convene a stakeholder group to review and update guidelines by July 1, 2021, and at least once every five years thereafter. The stakeholder group must include but is not limited to representatives of public utilities as defined in section 216B.02, subdivision 4; municipal electric or gas utilities; electric cooperative associations; multifamily housing owners and developers; and low-income advocates.

(f) Up to 15 percent of a public utility's spending on low-income programs may be spent on preweatherization measures. A public utility is prohibited from claiming energy savings from preweatherization measures toward the public utility's energy savings goal.

(g) The commissioner must, by order, establish a list of preweatherization measures eligible for inclusion in low-income programs no later than March 15, 2021.

(h) A Healthy AIR (Asbestos Insulation Removal) account is established as a separate account in the special revenue fund in the state treasury. A public utility may elect to contribute money to the Healthy AIR account to provide preweatherization measures to households eligible for weatherization assistance under section 216C.264. Remediation activities must be executed in conjunction with federal weatherization assistance program services. Money contributed to the account counts toward: (1) the minimum low-income spending requirement in paragraph (a); and (2) the cap on preweatherization measures under paragraph (f). Money in the account is annually appropriated to the commissioner of commerce to pay for Healthy AIR-related activities.

~~(e)~~ (i) The costs and benefits associated with any approved low-income gas or electric conservation improvement program that is not cost-effective when considering the costs and benefits to the public utility may, at the discretion of the utility, be excluded from the calculation of net economic benefits for purposes of calculating the financial incentive to the public utility. The energy and demand savings may, at the discretion of the public utility, be applied toward the calculation of overall portfolio energy and demand savings for purposes of determining progress toward annual goals and in the financial incentive mechanism.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 16. Minnesota Statutes 2018, section 216B.241, subdivision 8, is amended to read:

Subd. 8. **Assessment.** The commission or department may assess public utilities subject to this section in proportion to their respective gross operating revenue from sales of gas or electric service within the state during the last calendar year to carry out the purposes of subdivisions 1d, 1e, and 1f. Those assessments are not subject to the cap on assessments provided by section 216B.62, or any other law.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 17. Minnesota Statutes 2018, section 216B.241, is amended by adding a subdivision to read:

Subd. 11. **Programs for efficient fuel-switching improvements; electric utilities.** (a) A public utility providing electric service at retail may include in the plan required under subdivision 2 programs to implement efficient fuel-switching improvements or combinations of energy conservation improvements, fuel-switching improvements, and load management. For each program, the public utility must provide a proposed budget, an analysis of the program's cost-effectiveness, and estimated net energy and demand savings.

(b) The department may approve proposed programs for efficient fuel-switching improvements if it determines the improvements meet the requirements of paragraph (d). For fuel-switching improvements that require the deployment of electric technologies, the department must also consider whether the fuel-switching improvement can be operated in a manner that facilitates the integration of variable renewable energy into the electric system. The net benefits from an efficient fuel-switching improvement that is integrated with an energy efficiency program approved under this section may be counted toward the net benefits of the energy efficiency program, if the department determines the primary purpose and effect of the program is energy efficiency.

(c) A public utility may file a rate schedule with the commission that provides for annual cost recovery of reasonable and prudent costs to implement and promote efficient fuel-switching programs. The commission may not approve a financial incentive to encourage efficient fuel-switching programs operated by a public utility providing electric service.

(d) A fuel-switching improvement is deemed efficient if, applying the technical criteria established under section 216B.241, subdivision 1d, paragraph (b), the improvement meets the following criteria, relative to the fuel that is being displaced:

(1) results in a net reduction in the amount of source energy consumed for a particular use, measured on a fuel-neutral basis;

(2) results in a net reduction of statewide greenhouse gas emissions as defined in section 216H.01, subdivision 2, over the lifetime of the improvement. For an efficient fuel-switching improvement installed by an electric utility, the reduction in emissions must be measured based on the hourly emission profile of the electric utility, using the hourly emissions profile in the most recent resource plan approved by the commission under section 216B.2422;

(3) is cost-effective, considering the costs and benefits from the perspective of the utility, participants, and society; and

(4) is installed and operated in a manner that improves the utility's system load factor.

(e) For purposes of this subdivision, "source energy" means the total amount of primary energy required to deliver energy services, adjusted for losses in generation, transmission, and distribution, and expressed on a fuel-neutral basis.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 18. Minnesota Statutes 2018, section 216B.241, is amended by adding a subdivision to read:

Subd. 12. Programs for efficient fuel-switching improvements; natural gas utilities. (a) As part of a public utility's plan filed under subdivision 2, a public utility that provides natural gas service to Minnesota retail customers may propose one or more programs to install electric technologies that reduce the consumption of natural gas by the utility's retail customers as an energy conservation improvement. The commissioner may approve a proposed program if the commissioner, applying the technical criteria developed under section 216B.241, subdivision 1d, paragraph (b), determines that:

(1) the electric technology to be installed meets the criteria established under section 216B.241, subdivision 11, paragraph (d), clauses (1) and (2); and

(2) the program is cost-effective, considering the costs and benefits to ratepayers, the utility, participants, and society.

(b) If a program is approved by the commission under this subdivision, the public utility may count the program's energy savings toward its energy savings goal under section 216B.241, subdivision 1c. Notwithstanding section 216B.2402, paragraph (e), efficient fuel-switching achieved through programs approved under this subdivision is energy conservation.

(c) A public utility may file rate schedules with the commission that provide annual cost-recovery for programs approved by the department under this subdivision, including reasonable and prudent costs to implement and promote the programs.

(d) The commission may approve, modify, or reject a proposal made by the department or a utility for an incentive plan to encourage efficient fuel-switching programs approved under this subdivision, applying the considerations established under section 216B.16, subdivision 6c, paragraphs (b) and (c). The commission may approve a financial incentive mechanism that is calculated based on the combined energy savings and net benefits that the commission has determined have been achieved by a program approved under this subdivision, provided the commission determines that the financial incentive mechanism is in the ratepayers' interest.

(e) A public utility is not eligible for a financial incentive for an efficient fuel-switching program under this subdivision in any year in which the utility achieves energy savings below one percent of gross annual retail energy sales, excluding savings achieved through fuel-switching programs.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 19. Minnesota Statutes 2018, section 216B.241, is amended by adding a subdivision to read:

Subd. 13. Cost-effective load management programs. (a) A public utility may include in the utility's plan required under subdivision 2 programs to implement load management activities, or combinations of energy conservation improvements, fuel-switching improvements, and load management activities. For each program the public utility must provide a proposed budget, cost-effectiveness analysis, and estimated net energy and demand savings.

(b) The commissioner may approve a proposed program if the commissioner determines that the program is cost-effective, considering the costs and benefits to ratepayers, the utility, participants, and society.

(c) A public utility providing retail electric service to Minnesota customers may file rate schedules with the commission that provide for annual cost recovery of reasonable and prudent costs incurred to implement and promote cost-effective load management programs approved by the department under this subdivision.

(d) The commission may approve, modify, or reject a proposal made by the department or a public utility for an incentive plan to encourage investments in load management programs if the commission determines that the program:

(1) is needed to increase the public utility's investment in cost-effective load management;

(2) is compatible with the interest of the public utility's ratepayers; and

(3) links the incentive to the public utility's performance in achieving cost-effective load management.

(e) The commission may structure an incentive plan to encourage cost-effective load management programs as an asset on which a public utility earns a rate of return at a level the commission determines is reasonable and in the public interest.

(f) The commission may include the net benefits from a load management activity integrated with an energy efficiency program approved under this section in the net benefits of the energy efficiency program for purposes of a financial incentive program under section 216B.16, subdivision 6c, if the department determines the primary purpose of the load management activity is energy efficiency.

(g) A public utility is not eligible for a financial incentive for a load management program in any year in which the utility achieves energy savings below one percent of gross annual retail energy sales, excluding savings achieved through load management programs.

(h) The commission may include net benefits from a particular load management activity in an incentive plan under this subdivision or section 216B.16, subdivision 6c, but not both.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 20. **REPEALER.**

Minnesota Statutes 2018, section 216B.241, subdivisions 1, 1b, 2c, 4, and 10, are repealed.

EFFECTIVE DATE. This section is effective the day following final enactment."

Correct the title numbers accordingly

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 6, H. F. No. 4502 was re-referred to the Committee on Rules and Legislative Administration.

Hausman from the Housing Finance and Policy Division to which was referred:

H. F. No. 4541, A bill for an act relating to housing; providing eviction and mortgage foreclosure protection and emergency housing assistance during a public health emergency; requiring a report; prescribing penalties for false statements; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **EVICITION NOTICE AND LATE FEES; STATE OF EMERGENCY.**

(a) In the event of a public health emergency, as defined in paragraph (d), the following actions are prohibited for residential landlords during the declaration of the public health emergency:

(1) charging of late fees for the late payment of rent for the 90 days after the declaration; and

(2) the termination or nonrenewal of a rental agreement.

(b) Upon the end of a public health emergency, as defined in paragraph (d), a landlord may not file an eviction against a tenant except on 30 days' written notice, which may not be given until after the moratorium period has expired.

(c) Nothing in this section reduces the rent owed by the tenant to the landlord, prevents the landlord from collecting rent owed, reduces arrears owed by a tenant for rent, or alters the terms of the lease between the landlord and tenant.

(d) For the purposes of this section, "public health emergency" means the peacetime emergency declared by the governor on March 13, 2020, in Executive Order 20-01 in response to COVID-19 or any other peacetime emergency declared by the governor by an executive order that relates to COVID-19 issued before January 15, 2021.

(e) Upon a finding that the plaintiff has violated a provision of this section, the court must dismiss the action and may not require the residential tenant as defined in section 504B.001, subdivision 12, to pay any filing fee.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. **FORECLOSURE; STATE OF EMERGENCY.**

No notice of a pendency for a foreclosure by advertisement may be recorded and no action may commence under Minnesota Statutes, chapter 580 or 581, and no vendor may terminate a contract for deed during a declared public health emergency as defined in section 1, paragraph (d), except for an action necessary to protect holders of bonds issued under Minnesota Statutes, chapter 462A. Nothing in this section alters the payments owed; any other obligations under the mortgage, common interest community bylaws, or contract for deed; or the pledge made by the state to holders of bonds issued under Minnesota Statutes, chapter 462A. For the purposes of this section, "public health emergency" has the meaning given in section 1, paragraph (d). This section applies to actions taken the day following final enactment.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 3. **ASSISTANCE FRAUD.**

Any person who, with the intent to defraud, presents a claim under section 4 or applies for protection under section 1, 2, or 4, which is false in whole or in part, is guilty of an attempt to commit theft of public or private funds and may be sentenced accordingly.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 4. **APPROPRIATION; 2020 EMERGENCY HOUSING ASSISTANCE GRANTS.**

(a) \$100,000,000 in fiscal year 2020 is appropriated from the general fund to the commissioner of the Minnesota Housing Finance Agency for transfer to the housing development fund for the family homeless prevention and assistance program under Minnesota Statutes, section 462A.204. The agency may use grantees of the family homeless prevention and assistance program, under Minnesota Statutes, section 462A.204, and the grantees are preapproved to distribute money under this section. Notwithstanding the requirements of Minnesota Statutes, sections 16C.06 and 462A.204, the commissioner of the Minnesota Housing Finance Agency shall allocate these resources to existing grantees and contract with other entities that are not current grantees based on homelessness prevention needs. Entities may include counties, cities, nonprofit organizations, tribes, or other entities the agency identifies. For purposes of this emergency appropriation, nonprofits do not need to obtain sponsoring resolutions from counties as required under Minnesota Statutes, section 462A.204, subdivision 3. This appropriation is onetime and available until February 1, 2021. Funds not committed or expended by February 1, 2021, shall cancel to the general fund.

(b) Funding under this section shall be for individuals, families, and homeowners in Minnesota to prevent homelessness and help maintain homeownership during public-health-related emergencies consistent with the requirements of this section. The commissioner may contract with county agencies, local governments, tribes, or nonprofit organizations to provide funding and support services to process applications for funding under this program. To be eligible for funding, applicants must:

(1) have a rent payment, mortgage payment, homeowner association dues, lot rent due to a manufactured home park, contract for deed payment, homeowner insurance payment, property tax payment, or utility payment with a due date of March 1, 2020, or later, that is past due or coming due within 15 days of the application for funding;

(2) be unable to pay the money owed as a direct or indirect result of the public health emergency; and

(3) be a household with a current gross income at or below 300 percent of the federal poverty guidelines at the time of application or as averaged over the previous 12 months, whichever is lower.

(c) If an applicant applies for relief from sources other than the 2020 emergency housing assistance grants and receives aid for the purposes of paying for housing, the applicant must immediately notify the granting agency. Applicants may receive funding for rent, a mortgage, homeowner association dues, contract for deed payment owed to a seller, homeowner insurance or property tax payment owed for their home, rent due for a manufactured home, or utility payment owed with a due date of March 1, 2020, or later, that is due within 14 days of the application or which are up to 45 days past due at the time of application.

(d) Once an application is approved, the assistance file may remain open to allow for consideration of additional future assistance needs under this funding program resulting from the public health emergency. The financial assistance provided for any individual or family must not exceed the minimum payments owed.

(e) Funding under this section must be paid directly to:

(1) the landlord or leasing agent for a rental unit;

(2) the financial service for a mortgage or the entity who owns the mortgage for a homeowner;

(3) the contract for deed vendor or seller;

(4) the purchase-money mortgagor;

(5) the manufactured home park cooperative, manufactured home owner, or park owner;

(6) the utility company; or

(7) any other identified entity to whom payment is owed.

(f) The commissioner may develop applications for the program and a process to oversee grantees.

(g) Data submitted from benefits by an applicant to establish eligibility under this section is subject to Minnesota Statutes, section 13.462.

(h) By October 15, 2021, the Minnesota Housing Finance Agency must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over housing finance with a summary of the performance of this program. To the extent practicable, the report must contain the following information:

(1) the total number of applications received by grantees and the number of individuals who would be assisted under this program;

(2) the total number of grants awarded to grantees and the number of individuals assisted under this program;

(3) the total amount of grant funding awarded to grantees and individuals assisted under this program;

(4) the mean and median grant amounts awarded to grantees and individuals assisted under this program;

(5) a summary of the geographic distribution of grants awarded under this program; and

(6) a list of all entities contracted with to process applications under this program.

(i) For the purposes of this section, "public-health-related emergency" means:

(1) an illness, either of an individual or an individual's relative or household member, related to COVID-19 that prevents the individual from maintaining employment temporarily or permanently;

(2) the household is at or below 200 percent of the federal poverty guidelines and has experienced a reduction in income or temporary or permanent unemployment as a direct or indirect result of local, state, or federal actions related to COVID-19; or

(3) the household is at or below 300 percent of the federal poverty guidelines and has experienced a reduction in income by 25 percent or more, or temporary or permanent unemployment as a direct or indirect result of local, state, or federal actions related to COVID-19.

EFFECTIVE DATE. This section is effective the day following final enactment."

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 6, H. F. No. 4541 was re-referred to the Committee on Rules and Legislative Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 2986 and 2987 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 2184 and 3125 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Ecklund introduced:

H. F. No. 4577, A bill for an act relating to economic development; appropriating money for Bois Forte Tribal Employment Rights Office.

The bill was read for the first time and referred to the Jobs and Economic Development Finance Division.

Freiberg introduced:

H. F. No. 4578, A bill for an act relating to corrections; repealing the requirement that the commissioner of corrections house inmates in multiple occupancy cells to the greatest extent possible; amending Minnesota Statutes 2018, section 243.53.

The bill was read for the first time and referred to the Public Safety and Criminal Justice Reform Finance and Policy Division.

Liebling introduced:

H. F. No. 4579, A bill for an act relating to public health; establishing a grant program to advance the development of a serological test for COVID-19; appropriating money.

The bill was read for the first time and referred to the Health and Human Services Finance Division.

Lee introduced:

H. F. No. 4580, A bill for an act relating to capital investment; appropriating money for capital improvements to the Juxtaposition Arts Center.

The bill was read for the first time and referred to the Jobs and Economic Development Finance Division.

Gruenhagen introduced:

H. F. No. 4581, A bill for an act relating to health care; requiring a health care provider to disclose to a consumer whether services are covered by a consumer's health plan and provider's network participation status; amending Minnesota Statutes 2018, section 62J.81, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Commerce.

Halverson introduced:

H. F. No. 4582, A bill for an act relating to human services; appropriating money for a onetime MFIP supplemental payment.

The bill was read for the first time and referred to the Health and Human Services Finance Division.

Franson introduced:

H. F. No. 4583, A bill for an act relating to early childhood; governing certain programs and funding for early childhood education; appropriating money; amending Minnesota Statutes 2018, section 136A.128, subdivisions 2, 4; proposing coding for new law in Minnesota Statutes, chapter 119B.

The bill was read for the first time and referred to the Early Childhood Finance and Policy Division.

Franson introduced:

H. F. No. 4584, A bill for an act relating to civil procedure; exempting property tax refunds from attachment, garnishment, or sale; amending Minnesota Statutes 2018, section 550.37, by adding a subdivision.

The bill was read for the first time and referred to the Judiciary Finance and Civil Law Division.

Franson introduced:

H. F. No. 4585, A bill for an act relating to consumer protection; exempting certain federal pandemic relief payments from creditor processes; amending Minnesota Statutes 2018, section 550.37, subdivision 20, by adding a subdivision.

The bill was read for the first time and referred to the Judiciary Finance and Civil Law Division.

Elkins and Bernardy introduced:

H. F. No. 4586, A bill for an act relating to transportation; modifying classification and regulation of electric-assisted bicycles; amending Minnesota Statutes 2018, sections 84.787, subdivision 7; 84.797, subdivision 7; 84.92, subdivision 8; 168.002, subdivision 18; 169.011, subdivisions 27, 42, by adding subdivisions; 169.222, subdivisions 4, 6a, by adding a subdivision.

The bill was read for the first time and referred to the Transportation Finance and Policy Division.

Robbins, Koznick, Daudt, Nash and Demuth introduced:

H. F. No. 4587, A bill for an act relating to economic development; appropriating money for grants to small businesses affected by the COVID-19 outbreak.

The bill was read for the first time and referred to the Jobs and Economic Development Finance Division.

Swedzinski introduced:

H. F. No. 4588, A bill for an act relating to energy; establishing a net zero emissions project; requiring a report; modifying the solar energy incentive program; providing for a utility ratepayer relief bill credit; appropriating money; amending Minnesota Statutes 2019 Supplement, section 116C.7792.

The bill was read for the first time and referred to the Energy and Climate Finance and Policy Division.

Quam introduced:

H. F. No. 4589, A bill for an act relating to transportation; appropriating money to construct an interchange at marked Trunk Highway 14 and County Road 104; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Transportation Finance and Policy Division.

Quam introduced:

H. F. No. 4590, A bill for an act relating to capital investment; appropriating money for regional wastewater system infrastructure; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Capital Investment Division.

Her introduced:

H. F. No. 4591, A bill for an act relating to human rights; appropriating money for consultant to develop multilingual helpline to report discrimination.

The bill was read for the first time and referred to the Judiciary Finance and Civil Law Division.

Hertaus introduced:

H. F. No. 4592, A bill for an act relating to public safety; requiring legislative approval to extend the duration of a peacetime emergency declared by the governor; limiting duration of peacetime emergency extensions; amending Minnesota Statutes 2018, section 12.31, subdivision 2.

The bill was read for the first time and referred to the Committee on Government Operations.

Hertaus introduced:

H. F. No. 4593, A bill for an act relating to taxation; property; extending due date of first-half property taxes for certain businesses.

The bill was read for the first time and referred to the Property and Local Tax Division.

Hassan introduced:

H. F. No. 4594, A bill for an act relating to environment; modifying cumulative impact analysis requirements; requiring permits for certain demolitions; amending Minnesota Statutes 2018, section 116.07, subdivision 4a, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy.

Elkins and Howard introduced:

H. F. No. 4595, A bill for an act relating to taxation; property; tax increment financing; increasing pooling for certain housing projects; amending Minnesota Statutes 2018, section 469.1763, subdivision 2.

The bill was read for the first time and referred to the Property and Local Tax Division.

Davids introduced:

H. F. No. 4596, A bill for an act relating to taxation; income; excluding forgiven loans from gross income.

The bill was read for the first time and referred to the Committee on Taxes.

Tabke and Albright introduced:

H. F. No. 4597, A bill for an act relating to horse racing; modifying provisions relating to wagering and simulcasting; providing for certain waivers and expenditures; amending Minnesota Statutes 2018, sections 240.01, subdivisions 1b, 20; 240.25, subdivision 2; Minnesota Statutes 2019 Supplement, sections 240.10; 240.13, subdivision 5; repealing Minnesota Rules, part 7880.0010.

The bill was read for the first time and referred to the Committee on Commerce.

Hornstein introduced:

H. F. No. 4598, A bill for an act relating to telecommunications; modifying requirements for small wireless facilities; requiring a study; appropriating money; amending Minnesota Statutes 2018, section 237.163, subdivisions 3a, 3b, 3c, 6.

The bill was read for the first time and referred to the Committee on Commerce.

Lippert and Poppe introduced:

H. F. No. 4599, A bill for an act relating to agriculture; modifying the time period for the Farmer-Lender Mediation Act in 2020; amending Laws 2020, chapter 74, article 1, section 19.

The bill was read for the first time and referred to the Agriculture and Food Finance and Policy Division.

Ecklund introduced:

H. F. No. 4600, A bill for an act relating to military veterans; appropriating money to assist veterans with homelessness and mental health services.

The bill was read for the first time and referred to the Veterans and Military Affairs Finance and Policy Division.

Koegel introduced:

H. F. No. 4601, A bill for an act relating to human services; requiring the commissioner of human services to award grants from the opiate epidemic response account.

The bill was read for the first time and referred to the Health and Human Services Finance Division.

Olson introduced:

H. F. No. 4602, A bill for an act relating to economic development; modifying conditions for forgiveness of a loan from the Minnesota investment fund; amending Laws 2019, First Special Session chapter 7, article 1, section 2, subdivision 2, as amended.

The bill was read for the first time and referred to the Jobs and Economic Development Finance Division.

Ecklund introduced:

H. F. No. 4603, A bill for an act relating to economic development; transferring money to the 21st century fund.

The bill was read for the first time and referred to the Jobs and Economic Development Finance Division.

Lien introduced:

H. F. No. 4604, A bill for an act relating to health; establishing a grant program for dental clinics to operate and provide emergency dental care.

The bill was read for the first time and referred to the Health and Human Services Finance Division.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 979, 1098, 2919, 2939, 3017, 3159, 3197 and 3358.

CAL R. LUDEMAN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 979, A bill for an act relating to human services; clarifying and extending child care training timelines; amending Minnesota Statutes 2018, section 245A.50, subdivisions 3, 4, 5, 6, 9.

The bill was read for the first time and referred to the Early Childhood Finance and Policy Division.

S. F. No. 1098, A bill for an act relating to health; establishing the Prescription Drug Price Transparency Act; requiring drug manufacturers to submit drug price information to the commissioner of health; providing civil penalties; requiring a report; modifying appropriations; proposing coding for new law in Minnesota Statutes, chapter 62J.

The bill was read for the first time and referred to the Committee on Ways and Means.

S. F. No. 2919, A bill for an act relating to health; modifying the Minnesota Athletic Trainers Act; amending Minnesota Statutes 2018, sections 148.7802, by adding a subdivision; 148.7806; 148.7807; repealing Minnesota Statutes 2018, section 148.7802, subdivisions 4, 5.

The bill was read for the first time and referred to the Committee on Health and Human Services Policy.

S. F. No. 2939, A bill for an act relating to health occupations; removing an unnecessary criminal background fee for certain health boards; modifying occupational therapy provisions; modifying provisions for social work practice; modifying licensing requirements for dentists; permitting payment of certain retirement annuities during employment for peacetime emergency; amending Minnesota Statutes 2018, sections 147.038, subdivision 1; 147.039; 147.091, subdivision 8; 148.6402, subdivisions 5, 21; 148.6403, subdivisions 1, 5, 6; 148.6404; 148.6405; 148.6412, subdivision 2; 148.6415; 148.6418, subdivisions 4, 5; 148.6420, subdivisions 4, 5; 148.6423; 148.6425, subdivision 2; 148.6428; 148.6430; 148.6432, subdivision 3; 148.6435; 148.6443, as amended; 148.6445, subdivision 11; 148.6448, subdivision 2; 148.6449, subdivision 2; 148E.010, subdivisions 9, 11, 16, 17, 18, 19, by adding subdivisions; 148E.015; 148E.025, subdivision 2; 148E.055, subdivisions 1, 2, 3, 4, 5, 6, 9, 10, 11, by adding subdivisions; 148E.060, subdivisions 1, 2, 2a; 148E.070, subdivisions 2, 3, 5; 148E.080; 148E.085; 148E.095, subdivision 1; 148E.130, subdivision 1, by adding subdivisions; 148E.145; 150A.06, subdivision 6; Minnesota Statutes 2019 Supplement, sections 147.01, subdivision 7; 147A.28; 147B.08, subdivision 4; 147C.40, subdivision 5; 147D.27, subdivision 5; 147F.17, subdivision 1; 148.6420, subdivision 1; 148.6448, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 148E; repealing Minnesota Statutes 2018, sections 148.6402, subdivisions 10, 15; 148.6412, subdivision 1; 148E.045; 148E.055, subdivisions 7, 8; 148E.060, subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 13; 148E.075, subdivisions 1, 1a, 1b, 2, 3, 8; 148E.095, subdivision 2; 148E.130, subdivisions 2, 3, 4, 5, 6, 7; 148E.135; 148E.140; 148E.150; 148E.155; 148E.160; 148E.165; 148E.170; Minnesota Rules, part 4664.0003, subpart 28.

The bill was read for the first time.

Morrison moved that S. F. No. 2939 and H. F. No. 3028, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 3017, A bill for an act relating to human services; changing a provision on self-directed caregiver grants; amending Minnesota Statutes 2018, section 256.975, subdivision 12.

The bill was read for the first time.

Lippert moved that S. F. No. 3017 and H. F. No. 3074, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 3159, A bill for an act relating to health; modifying reimbursement requirements for ambulance service volunteer education costs; amending Minnesota Statutes 2018, section 144E.35.

The bill was read for the first time and referred to the Health and Human Services Finance Division.

S. F. No. 3197, A bill for an act relating to child care licensing; revising the definition of supervision for purposes of licensed child care centers; requiring county agencies to publish and distribute information about variances for family child care providers; amending Minnesota Statutes 2018, section 245A.04, subdivision 9; Minnesota Statutes 2019 Supplement, sections 245A.02, subdivision 18; 245A.16, subdivision 1.

The bill was read for the first time.

Wazlawik moved that S. F. No. 3197 and H. F. No. 3173, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 3358, A bill for an act relating to employment; providing for the minimum age for safe amusement ride operation; amending Minnesota Statutes 2018, sections 181A.04, by adding a subdivision; 184B.021; 184B.03, subdivisions 1, 2.

The bill was read for the first time and referred to the Committee on Labor.

Winkler moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

There being no objection, the order of business reverted to Reports of Standing Committees and Divisions.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Winkler from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 1246, A bill for an act relating to health; establishing the Prescription Drug Price Transparency Act; requiring drug manufacturers to submit drug price information to the commissioner of health; providing civil penalties; requiring a report; proposing coding for new law in Minnesota Statutes, chapter 62J.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

Joint Rule 2.03 has been waived for any subsequent committee action on this bill.

The report was adopted.

Winkler from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 3499, A bill for an act relating to elections; providing special procedures for the safe and secure conduct of the 2020 state primary and state general elections; appropriating money for various election-related purposes, including administration, security, accessibility, training, public health and safety, and public outreach; authorizing local grants; requiring a report; transferring and appropriating money for purposes of the Help America Vote Act, the federal CARES Act, and the federal Consolidated Appropriations Act.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

Joint Rule 2.03 has been waived for any subsequent committee action on this bill.

The report was adopted.

Winkler from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 4541, A bill for an act relating to housing; providing eviction and mortgage foreclosure protection and emergency housing assistance during a public health emergency; requiring a report; prescribing penalties for false statements; appropriating money.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

Joint Rule 2.03 has been waived for any subsequent committee action on this bill.

The report was adopted.

MOTIONS AND RESOLUTIONS

Schultz moved that the names of Lillie, Kunesh-Podein, Bierman, Hassan, Bernardy and Lippert be added as authors on H. F. No. 168. The motion prevailed.

Edelson moved that the name of Moller be added as an author on H. F. No. 331. The motion prevailed.

Lien moved that the name of Halverson be added as chief author on H. F. No. 356. The motion prevailed.

Morrison moved that the name of Christensen be added as an author on H. F. No. 776. The motion prevailed.

Stephenson moved that the name of Bierman be added as an author on H. F. No. 1405. The motion prevailed.

Dehn moved that the name of Brand be added as an author on H. F. No. 1603. The motion prevailed.

Sandstede moved that the name of Davnie be added as an author on H. F. No. 1769. The motion prevailed.

Hassan moved that the name of Sandell be added as an author on H. F. No. 2471. The motion prevailed.

Dehn moved that the names of Pinto, Acomb and Sandell be added as authors on H. F. No. 2701. The motion prevailed.

Nelson, M., moved that the name of Lillie be added as chief author on H. F. No. 2768. The motion prevailed.

Acomb moved that the name of Morrison be added as an author on H. F. No. 2946. The motion prevailed.

Youakim moved that the name of Christensen be added as an author on H. F. No. 3186. The motion prevailed.

Hassan moved that the name of Acomb be added as an author on H. F. No. 3358. The motion prevailed.

Dehn moved that the name of Nelson, M., be added as chief author on H. F. No. 3429. The motion prevailed.

Anderson moved that the name of Hornstein be added as chief author on H. F. No. 3494. The motion prevailed.

Nash moved that his name be stricken as an author on H. F. No. 3499. The motion prevailed.

Boe moved that his name be stricken as an author on H. F. No. 3499. The motion prevailed.

Nelson, M., moved that the name of Hassan be added as an author on H. F. No. 3499. The motion prevailed.

Moran moved that the name of Scott be added as an author on H. F. No. 3563. The motion prevailed.

Noor moved that the name of Davnie be added as an author on H. F. No. 3601. The motion prevailed.

Gruenhagen moved that the name of Backer be added as an author on H. F. No. 3645. The motion prevailed.

Hansen moved that the name of Claflin be added as an author on H. F. No. 3657. The motion prevailed.

Lippert moved that the name of Poston be added as an author on H. F. No. 3689. The motion prevailed.

O'Neill moved that her name be stricken as an author on H. F. No. 3732. The motion prevailed.

Heintzeman moved that the name of Haley be added as an author on H. F. No. 3967. The motion prevailed.

Torkelson moved that the name of Haley be added as an author on H. F. No. 3971. The motion prevailed.

Mahoney moved that the name of Bernardy be added as an author on H. F. No. 4100. The motion prevailed.

Schultz moved that the name of Bierman be added as an author on H. F. No. 4188. The motion prevailed.

Davnies moved that the name of Becker-Finn be added as an author on H. F. No. 4415. The motion prevailed.

Lesch moved that the name of Bahner be added as an author on H. F. No. 4454. The motion prevailed.

Bennett moved that the name of Backer be added as an author on H. F. No. 4494. The motion prevailed.

Hansen moved that the name of Wagenius be added as an author on H. F. No. 4498. The motion prevailed.

Stephenson moved that the name of Bierman be added as an author on H. F. No. 4502. The motion prevailed.

Hansen moved that the name of Hornstein be added as an author on H. F. No. 4514. The motion prevailed.

Hausman moved that the names of Bernardy and Hassan be added as authors on H. F. No. 4541. The motion prevailed.

Murphy moved that the name of Lillie be added as an author on H. F. No. 4558. The motion prevailed.

Halverson moved that the name of Layman be added as an author on H. F. No. 4562. The motion prevailed.

Nornes moved that the name of Haley be added as an author on H. F. No. 4563. The motion prevailed.

Lesch moved that the name of Moller be added as an author on H. F. No. 4571. The motion prevailed.

Sauke moved that the name of Pierson be added as an author on H. F. No. 4575. The motion prevailed.

Bahner moved that the names of Youakim and Freiberg be added as authors on H. F. No. 4576. The motion prevailed.

MOTION TO SUSPEND RULES

Lucero moved that the rules of the House be so far suspended so that House Concurrent Resolution No. 10 be recalled from the Committee on Rules and Legislative Administration and be placed upon its adoption.

A roll call was requested and properly seconded.

The question was taken on the Lucero motion and the roll was called. There were 59 yeas and 73 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|----------|------------|------------|------------|------------|------------|
| Albright | Demuth | Gunther | Kresha | Neu | Runbeck |
| Anderson | Dettmer | Haley | Layman | Nornes | Schomacker |
| Backer | Drazkowski | Hamilton | Lucero | Novotny | Scott |
| Bahr | Erickson | Heinrich | Lueck | O'Driscoll | Swedzinski |
| Baker | Fabian | Heintzeman | McDonald | O'Neill | Theis |
| Bennett | Franson | Hertaus | Mekeland | Petersburg | Torkelson |
| Boe | Garofalo | Johnson | Miller | Pierson | Urdahl |
| Daniels | Green | Jurgens | Munson | Poston | Vogel |
| Daudt | Grossell | Kiel | Nash | Quam | West |
| Davids | Gruenhagen | Koznick | Nelson, N. | Robbins | |

Those who voted in the negative were:

| | | | | | |
|-------------|-----------|-----------------|------------|------------|--------------|
| Acomb | Dehn | Howard | Lislegard | Pelowski | Vang |
| Bahner | Ecklund | Huot | Long | Persell | Wagenius |
| Becker-Finn | Edelson | Jordan | Mann | Pinto | Wazlawik |
| Bernardy | Elkins | Klevorn | Mariani | Poppe | Winkler |
| Bierman | Fischer | Koegel | Marquart | Pryor | Wolgamott |
| Brand | Freiberg | Kotzya-Witthuhn | Masin | Richardson | Xiong, T. |
| Cantrell | Gomez | Kunesh-Podein | Moller | Sandell | Youakim |
| Carlson, A. | Halverson | Lee | Moran | Sandstede | Spk. Hortman |
| Carlson, L. | Hansen | Lesch | Morrison | Sauke | |
| Christensen | Hassan | Liebling | Murphy | Schultz | |
| Clafin | Hausman | Lien | Nelson, M. | Stephenson | |
| Considine | Her | Lillie | Noor | Sundin | |
| Davnie | Hornstein | Lippert | Olson | Tabke | |

The motion did not prevail.

ADJOURNMENT

Winkler moved that when the House adjourns today it adjourn until 9:00 a.m., Thursday, April 30, 2020. The motion prevailed.

Winkler moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:00 a.m., Thursday, April 30, 2020.

PATRICK D. MURPHY, Chief Clerk, House of Representatives

