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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 3985

03/03/2022 Authored by Christensen and Haley

The bill was read for the first time and referred to the Committee on Workforce and Business Development Finance and Policy

03/23/2022 Adoption of Report: Amended and re-referred to the Committee on Climate and Energy Finance and Policy

1.1 A bill for an act
1.2 relating to economic development; modifying the community energy transition
1.3 grant program; appropriating money; amending Minnesota Statutes 2020, section
1.4 116J.55, subdivisions 1, 5; Laws 2020, chapter 118, section 5, subdivision 1.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2020, section 116J.55, subdivision 1, is amended to read:

1.7 Subdivision 1. Definitions. For the purposes of this section, "eligible community" means
1.8 a county, municipality, or tribal government located in Minnesota in which an electric
1.9 generating plant owned by a public utility, as defined in section 216B.02, that is powered
1.10 by coal, nuclear energy, or natural gas:

1.11 (1) is currently operating and (i) is scheduled to cease operations or, (ii) whose cessation
1.12 of operations has been proposed in an integrated resource plan filed with the commission
1.13 under section 216B.2422, or (iii) whose current operating license expires within 15 years
1.14 of the effective date of this section; or

1.15 (2) ceased operations or was removed from the local property tax base no earlier than
1.16 five years before the date an application is made for a grant under this section.

1.17 Sec. 2. Minnesota Statutes 2020, section 116J.55, subdivision 5, is amended to read:

1.18 Subd. 5. Grant awards; limitations. (a) The commissioner must award grants under
1.19 this section to eligible communities through a competitive grant process.

1.20 (b) (a) A grant awarded to an eligible community under this section must not exceed
1.21 \$500,000 in any calendar year. The commissioner may accept grant applications on an
1.22 ongoing or rolling basis.

2.1 (e) (b) Grants funded with revenues from the renewable development account established  
2.2 in section 116C.779 must be awarded to an eligible community located within the retail  
2.3 electric service territory of the public utility that is subject to section 116C.779 or to an  
2.4 eligible community in which an electric generating plant owned by that public utility is  
2.5 located.

2.6 Sec. 3. Laws 2020, chapter 118, section 5, subdivision 1, is amended to read:

2.7 Subdivision 1. **Community energy transition grants.** (a) Notwithstanding Minnesota  
2.8 Statutes, section 116C.779, subdivision 1, paragraph (j), \$2,000,000 in fiscal year 2021 is  
2.9 appropriated from the renewable development account established in Minnesota Statutes,  
2.10 section 116C.779, subdivision 1, to the commissioner of employment and economic  
2.11 development for deposit in the community energy transition account established in Minnesota  
2.12 Statutes, section 116J.55, subdivision 3. This is a onetime appropriation and is available  
2.13 until June 30, ~~2022~~ 2025.

2.14 (b) If another bill is enacted during the 2020 regular legislative session that appropriates  
2.15 money from the renewable development account established in Minnesota Statutes, section  
2.16 116C.779, subdivision 1, for the same general purpose as provided under Minnesota Statutes,  
2.17 section 116J.55, the appropriation under this subdivision cancels to the renewable  
2.18 development account under Minnesota Statutes, section 116C.779, subdivision 1.

2.19 Sec. 4. **APPROPRIATION; COMMUNITY ENERGY TRANSITION GRANTS.**

2.20 \$5,000,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
2.21 of employment and economic development for the community energy transition grant  
2.22 program under Minnesota Statutes, section 116J.55. This is a onetime appropriation and is  
2.23 available until expended.