SENATE STATE OF MINNESOTA NINETY-SECOND SESSION

S.F. No. 4091

(SENATE AUTHORS: PRATT)				
DATE	D-PG	OFFICIAL STATUS		
03/17/2022	5381	Introduction and first reading		
		Referred to Jobs and Economic Growth Finance and Policy		
04/05/2022	6472a	Comm report: To pass as amended and re-refer to Finance		
04/19/2022	6877a	Comm report: To pass as amended		
	6952	Second reading		
04/25/2022	7445	General Orders: Stricken and re-referred to Finance		
		Comm report: To pass as amended		
	7510	Second reading		
04/26/2022		Special Order: Amended		
		Third reading Passed		

1.1 A bill for an act

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relating to state government; appropriating money for commerce, jobs, and economic growth; making policy and technical changes; authorizing frontline worker premium payments; requiring reports; appropriating money; amending Minnesota Statutes 2020, sections 116C.779, subdivision 1; 116J.035, by adding a subdivision; 116J.55, subdivisions 1, 5, 6; 116J.552, subdivision 6; 116J.8747, subdivisions 2, 3, 4; 116J.993, subdivision 3; 116L.04, subdivision 1a; 116L.17, subdivision 1; 116L.98, subdivisions 2, 3; 181.032; 181.101; 216B.096, subdivision 11; 216B.24, by adding a subdivision; 216B.243, subdivision 3b; 216B.50, subdivision 1; 216C.435, subdivision 8; 216C.436, subdivision 2, by adding a subdivision; 237.55; 268.18, by adding a subdivision; 326B.106, subdivision 4; 326B.163, subdivision 5, by adding a subdivision; 326B.164, subdivision 13; 326B.36, subdivision 7, by adding a subdivision; 326B.42, subdivisions 1b, 1c; 326B.437; 326B.46, subdivision 2; Minnesota Statutes 2021 Supplement, sections 116C.7792; 216C.376, subdivision 5; 326B.153, subdivision 1; Laws 2020, chapter 118, section 5, subdivision 1; Laws 2021, First Special Session chapter 4, article 2, section 3, subdivision 1; Laws 2021, First Special Session chapter 10, article 1, sections 2, subdivision 2; 5; article 2, section 24, subdivisions 1, 3, 4, 5, 7; article 3, section 14, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 116L; 216B; 216H; 465; repealing Laws 2005, chapter 97, article 10, section 3, as amended; Laws 2021, First Special Session chapter 4, article 2, section 3, subdivision 3.

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

1.24 ARTICLE 1
1.25 ENERGY AND UTILITIES

Section 1. Minnesota Statutes 2020, section 116C.779, subdivision 1, is amended to read:

Subdivision 1. **Renewable development account.** (a) The renewable development account is established as a separate account in the special revenue fund in the state treasury. Appropriations and transfers to the account shall be credited to the account. Earnings, such as interest, dividends, and any other earnings arising from assets of the account, shall be

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credited to the account. Funds remaining in the account at the end of a fiscal year are not canceled to the general fund but remain in the account until expended. The account shall be administered by the commissioner of management and budget as provided under this section.

- (b) On July 1, 2017, the public utility that owns the Prairie Island nuclear generating plant must transfer all funds in the renewable development account previously established under this subdivision and managed by the public utility to the renewable development account established in paragraph (a). Funds awarded to grantees in previous grant cycles that have not yet been expended and unencumbered funds required to be paid in calendar year 2017 under paragraphs (f) and (g), and sections 116C.7792 and 216C.41, are not subject to transfer under this paragraph.
- (c) Except as provided in subdivision 1a, beginning January 15, 2018, and continuing each January 15 thereafter, the public utility that owns the Prairie Island nuclear generating plant must transfer to the renewable development account \$500,000 each year for each dry cask containing spent fuel that is located at the Prairie Island power plant for each year the plant is in operation, and \$7,500,000 each year the plant is not in operation if ordered by the commission pursuant to paragraph (i). The fund transfer must be made if nuclear waste is stored in a dry cask at the independent spent-fuel storage facility at Prairie Island for any part of a year.
- (d) Except as provided in subdivision 1a, beginning January 15, 2018, and continuing each January 15 thereafter, the public utility that owns the Monticello nuclear generating plant must transfer to the renewable development account \$350,000 each year for each dry cask containing spent fuel that is located at the Monticello nuclear power plant for each year the plant is in operation, and \$5,250,000 each year the plant is not in operation if ordered by the commission pursuant to paragraph (i). The fund transfer must be made if nuclear waste is stored in a dry cask at the independent spent-fuel storage facility at Monticello for any part of a year.
- (e) Each year, the public utility shall withhold from the funds transferred to the renewable development account under paragraphs (c) and (d) the amount necessary to pay its obligations under paragraphs (f) and, (g), and (m), and sections 116C.7792 and 216C.41, for that calendar year.
- (f) If the commission approves a new or amended power purchase agreement, the termination of a power purchase agreement, or the purchase and closure of a facility under section 216B.2424, subdivision 9, with an entity that uses poultry litter to generate electricity,

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the public utility subject to this section shall enter into a contract with the city in which the poultry litter plant is located to provide grants to the city for the purposes of economic development on the following schedule: \$4,000,000 in fiscal year 2018; \$6,500,000 each fiscal year in 2019 and 2020; and \$3,000,000 in fiscal year 2021. The grants shall be paid by the public utility from funds withheld from the transfer to the renewable development account, as provided in paragraphs (b) and (e).

- (g) If the commission approves a new or amended power purchase agreement, or the termination of a power purchase agreement under section 216B.2424, subdivision 9, with an entity owned or controlled, directly or indirectly, by two municipal utilities located north of Constitutional Route No. 8, that was previously used to meet the biomass mandate in section 216B.2424, the public utility that owns a nuclear generating plant shall enter into a grant contract with such entity to provide \$6,800,000 per year for five years, commencing 30 days after the commission approves the new or amended power purchase agreement, or the termination of the power purchase agreement, and on each June 1 thereafter through 2021, to assist the transition required by the new, amended, or terminated power purchase agreement. The grant shall be paid by the public utility from funds withheld from the transfer to the renewable development account as provided in paragraphs (b) and (e).
- (h) The collective amount paid under the grant contracts awarded under paragraphs (f) and (g) is limited to the amount deposited into the renewable development account, and its predecessor, the renewable development account, established under this section, that was not required to be deposited into the account under Laws 1994, chapter 641, article 1, section 10.
- (i) After discontinuation of operation of the Prairie Island nuclear plant or the Monticello nuclear plant and each year spent nuclear fuel is stored in dry cask at the discontinued facility, the commission shall require the public utility to pay \$7,500,000 for the discontinued Prairie Island facility and \$5,250,000 for the discontinued Monticello facility for any year in which the commission finds, by the preponderance of the evidence, that the public utility did not make a good faith effort to remove the spent nuclear fuel stored at the facility to a permanent or interim storage site out of the state. This determination shall be made at least every two years.
 - (j) Funds in the account may be expended only for any of the following purposes:
 - (1) to stimulate research and development of renewable electric energy technologies;
- (2) to encourage grid modernization, including, but not limited to, projects that implement electricity storage, load control, and smart meter technology; and

- (3) to stimulate other innovative energy projects that reduce demand and increase system 4.1 efficiency and flexibility. 4.2
- Expenditures from the fund must benefit Minnesota ratepayers receiving electric service 4.3
- from the utility that owns a nuclear-powered electric generating plant in this state or the 4.4
- Prairie Island Indian community or its members. 4.5
- The utility that owns a nuclear generating plant is eligible to apply for grants under this 4.6 subdivision. 4.7
- (k) For the purposes of paragraph (j), the following terms have the meanings given: 4.8
- (1) "renewable" has the meaning given in section 216B.2422, subdivision 1, paragraph 4.9 (c), clauses (1), (2), (4), and (5); and 4.10
- (2) "grid modernization" means: 4.11

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- (i) enhancing the reliability of the electrical grid; 4.12
- (ii) improving the security of the electrical grid against cyberthreats and physical threats; 4.13 and 4.14
 - (iii) increasing energy conservation opportunities by facilitating communication between the utility and its customers through the use of two-way meters, control technologies, energy storage and microgrids, technologies to enable demand response, and other innovative technologies.
 - (l) A renewable development account advisory group that includes, among others, representatives of the public utility and its ratepayers, and includes at least one representative of the Prairie Island Indian community appointed by that community's tribal council, shall develop recommendations on account expenditures. Except as otherwise provided herein, members of the advisory group shall be chosen by the public utility. The public utility may design a request for proposal in conjunction with the advisory group. The advisory group must design a request for proposal and evaluate projects submitted in response to a request for proposals. The advisory group must utilize an independent third-party expert to evaluate proposals submitted in response to a request for proposal, including all proposals made by the public utility. A request for proposal for research and development under paragraph (j), clause (1), may be limited to or include a request to higher education institutions located in Minnesota for multiple projects authorized under paragraph (j), clause (1). The request for multiple projects may include a provision that exempts the projects from the third-party expert review and instead provides for project evaluation and selection by a merit peer review grant system. In the process of determining request for proposal scope and subject

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and in evaluating responses to request for proposals, the advisory group must strongly
consider, where reasonable, potential benefit to Minnesota citizens and businesses and the
utility's ratepayers.

- (m) The cost of acquiring the services of the independent third-party expert described in paragraph (l) and any other costs incurred in administering the advisory group and its actions as required by this section, not to exceed \$150,000, shall be paid from funds withheld by the public utility under paragraph (e).
- (m) (n) The advisory group shall submit funding recommendations to the public utility, which has full and sole authority to determine which expenditures shall be submitted by the advisory group to the legislature commission. The commission may approve proposed expenditures, may disapprove proposed expenditures that it finds not to be in compliance with this subdivision or otherwise not in the public interest, and may, if agreed to by the public utility, modify proposed expenditures. The commission shall, by order, submit its funding recommendations to the legislature as provided under paragraph (n) (o).
- (n) (o) The commission shall present its recommended appropriations from the account to the senate and house of representatives committees with jurisdiction over energy policy and finance annually by February 15. Expenditures from the account must be appropriated by law. In enacting appropriations from the account, the legislature:
- (1) may approve or disapprove, but may not modify, the amount of an appropriation for a project recommended by the commission; and
- (2) may not appropriate money for a project the commission has not recommended funding.
- (o) (p) A request for proposal for renewable energy generation projects must, when feasible and reasonable, give preference to projects that are most cost-effective for a particular energy source.
- (p) (q) The advisory group public utility must annually, by February 15, report to the chairs and ranking minority members of the legislative committees with jurisdiction over energy policy on projects funded by the account for the prior year and all previous years. The report must, to the extent possible and reasonable, itemize the actual and projected financial benefit to the public utility's ratepayers of each project.
- (q) (r) By February 1, 2018, and each February 1 thereafter, the commissioner of management and budget shall submit a written report regarding the availability of funds in and obligations of the account to the chairs and ranking minority members of the senate

and house committees with jurisdiction over energy policy and finance, the public utility, and the advisory group.

- (r) (s) A project receiving funds from the account must produce a written final report that includes sufficient detail for technical readers and a clearly written summary for nontechnical readers. The report must include an evaluation of the project's financial, environmental, and other benefits to the state and the public utility's ratepayers.
- (s) (t) Final reports, any mid-project status reports, and renewable development account financial reports must be posted online on a public website designated by the commissioner of commerce.
- (t) (u) All final reports must acknowledge that the project was made possible in whole or part by the Minnesota renewable development account, noting that the account is financed by the public utility's ratepayers. 6.12
- (u) (v) Of the amount in the renewable development account, priority must be given to 6.13 making the payments required under section 216C.417. 6.14
- Sec. 2. Minnesota Statutes 2021 Supplement, section 116C.7792, is amended to read: 6.15

116C.7792 SOLAR ENERGY PRODUCTION 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 is funded by money withheld from transfer to the renewable development account under section 116C.779, subdivision 1, paragraphs (b) and (e). Program funds must be placed in a separate account for the purpose of the solar energy production incentive program operated by the utility and not for any other program or purpose.
- (c) Funds allocated to the solar energy production incentive program in 2019 and 2020 remain available to the solar energy production incentive program.
- (d) The following amounts are allocated to the solar energy production incentive program: 6.30
- (1) \$10,000,000 in 2021; 6.31
- (2) \$10,000,000 in 2022; 6.32

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- 7.1 (3) \$5,000,000 \$10,000,000 in 2023; and
- 7.2 (4) \$5,000,000 \$10,000,000 in 2024; and
- 7.3 (5) \$10,000,000 in 2025.

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- (e) Funds allocated to the solar energy production incentive program that have not been committed to a specific project at the end of a program year remain available to the solar energy production incentive program.
- (f) Any unspent amount remaining on January 1, 2025 2026, must be transferred to the renewable development account.
 - (g) A solar energy system receiving a production incentive under this section 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.
 - (h) 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. 3. Minnesota Statutes 2020, section 116J.55, subdivision 1, is amended to read:
- Subdivision 1. **Definitions.** For the purposes of this section, "eligible community" means a county, municipality, or tribal government located in Minnesota in which an electric generating plant owned by a public utility, as defined in section 216B.02, that is powered by coal, nuclear energy, or natural gas:
 - (1) is currently operating and (i) is scheduled to cease operations or, (ii) whose cessation of operations has been proposed in an integrated resource plan filed with the commission under section 216B.2422;, or (iii) whose current operating license expires within 15 years of the effective date of this section; or
- 7.31 (2) ceased operations or was removed from the local property tax base no earlier than
 7.32 five years before the date an application is made for a grant under this section.

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Sec. 4. Willingsola	Statutes ZUZU.	section 110J	D. SUDGIVISION	5, is amended to read

- Subd. 5. **Grant awards; limitations.** (a) The commissioner must award grants under this section to eligible communities through a competitive grant process.
- (b) (a) A grant awarded to an eligible community under this section must not exceed \$500,000 in any calendar year. The commissioner may accept grant applications on an ongoing or rolling basis.
- (e) (b) Grants funded with revenues from the renewable development account established in section 116C.779 must be awarded to an eligible community located within the retail electric service territory of the public utility that is subject to section 116C.779 or to an eligible community in which an electric generating plant owned by that public utility is located.
- Sec. 5. Minnesota Statutes 2020, section 216B.096, subdivision 11, is amended to read:
 - Subd. 11. **Reporting.** Annually on November 1 October 15, a utility must electronically file with the commission a report, in a format specified by the commission, specifying the number of utility heating service customers whose service is disconnected or remains disconnected for nonpayment as of September 15 and October 1 and October 15. If customers remain disconnected on October 15 and the end of the cold weather period specifying:
 - (1) the number of utility heating service customers that are or remain disconnected from service for nonpayment; and
 - (2) the number of utility heating service customers that are reconnected to service each week. The utility may discontinue weekly reporting if the number of utility heating service customers that are or remain disconnected reaches zero before the end of the cold weather period.
 - The data reported under this subdivision are presumed to be accurate upon submission and must be made available through the commission's electronic filing system.
- Sec. 6. Minnesota Statutes 2020, section 216B.24, is amended by adding a subdivision to read:
 - Subd. 1a. Wind or solar electric generating facilities. Any person proposing construction of a major utility facility that is a wind or solar electric generating facility designed for or capable of operation at a capacity of 50 megawatts or more must, in addition to any approvals required under this chapter, obtain approval from the governing board of

9.1	and pursuant to the land use ordinance of the county in which the proposed wind or solar
9.2	electric generating facility will be located.
9.3	EFFECTIVE DATE. This section is effective the day following final enactment.
9.4	Sec. 7. Minnesota Statutes 2020, section 216B.243, subdivision 3b, is amended to read:
9.5	Subd. 3b. Nuclear power plant; new construction prohibited; relicensing Additional
9.6	storage of spent nuclear fuel. (a) The commission may not issue a certificate of need for
9.7	the construction of a new nuclear-powered electric generating plant.
9.8	(b) Any certificate of need for additional storage of spent nuclear fuel for a facility
9.9	seeking a license extension shall address the impacts of continued operations over the period
9.10	for which approval is sought.
9.11	EFFECTIVE DATE. This section is effective the day following final enactment.
9.12	Sec. 8. [216B.491] DEFINITIONS.
9.13	Subdivision 1. Scope. For the purposes of sections 216B.491 to 216B.499, the terms
9.14	defined in this subdivision have the meanings given.
9.15	Subd. 2. Ancillary agreement. "Ancillary agreement" means any bond, insurance policy,
9.16	letter of credit, reserve account, surety bond, interest rate lock or swap arrangement, liquidity
9.17	or credit support arrangement, or other financial arrangement entered into in connection
9.18	with extraordinary event bonds that is designed to promote the credit quality and
9.19	marketability of extraordinary event bonds or to mitigate the risk of an increase in interest
9.20	rates.
9.21	Subd. 3. Assignee. "Assignee" means any person to which an interest in extraordinary
9.22	event property is sold, assigned, transferred, or conveyed, other than as security, and any
9.23	successor to or subsequent assignee of the person.
9.24	Subd. 4. Bondholder. "Bondholder" means any holder or owner of extraordinary event
9.25	bonds.
9.26	Subd. 5. Customer. "Customer" means a person who takes natural gas service from a
9.27	natural gas utility for consumption of natural gas in Minnesota.
9.28	Subd. 6. Extraordinary event. (a) "Extraordinary event" means an event arising from
9.29	unforeseen circumstances and of sufficient magnitude, as determined by the commission:
9.30	(1) to impose significant costs on customers; and

10.1	(2) for which the issuance of extraordinary event bonds in response to the event meets
10.2	the conditions of section 216B.492, subdivision 2, as determined by the commission.
10.3	(b) Extraordinary event includes but is not limited to a storm event or other natural
10.4	disaster, an act of God, war, terrorism, sabotage or vandalism, a cybersecurity attack, or a
10.5	temporary significant increase in the wholesale price of natural gas.
10.6	Subd. 7. Extraordinary event activity. "Extraordinary event activity" means an activity
10.7	undertaken by or on behalf of a utility to restore or maintain the utility's ability to provide
10.8	natural gas service following one or more extraordinary events, including but not limited
10.9	to activities related to mobilization, staging, construction, reconstruction, replacement, or
10.10	repair of natural gas transmission, distribution, storage, or general facilities.
10.11	Subd. 8. Extraordinary event bonds. "Extraordinary event bonds" means low-cost
10.12	corporate securities, including but not limited to senior secured bonds, debentures, notes,
10.13	certificates of participation, certificates of beneficial interest, certificates of ownership, or
10.14	other evidences of indebtedness or ownership that have a scheduled maturity of no longer
10.15	than 30 years and a final legal maturity date that is not later than 32 years from the issue
10.16	date, that are rated AA or Aa2 or better by a major independent credit rating agency at the
10.17	time of issuance, and that are issued by a utility or an assignee under a financing order.
10.18	Subd. 9. Extraordinary event charge. "Extraordinary event charge" means a
10.19	nonbypassable charge that:
10.20	(1) is imposed on all customer bills by a utility that is the subject of a financing order
10.21	or the utility's successors or assignees;
10.22	(2) is separate from the utility's base rates; and
10.23	(3) provides a source of revenue solely to repay, finance, or refinance extraordinary
10.24	event costs.
10.25	Subd. 10. Extraordinary event costs. "Extraordinary event costs":
10.26	(1) means all incremental costs of extraordinary event activities that are approved by
10.27	the commission in a financing order issued under section 216B.492 as being:
10.28	(i) necessary to enable the utility to restore or maintain natural gas service to customers
10.29	after the utility experiences an extraordinary event; and
10.30	(ii) prudent and reasonable;
10.31	(2) includes costs to repurchase equity or retire any indebtedness relating to extraordinary
10.32	event activities;

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11.1	(3) shall be net of applicable insurance proceeds, tax benefits, and any other amounts
11.2	intended to reimburse the utility for extraordinary event activities, including government
11.3	grants or aid of any kind;
11.4	(4) do not include any monetary penalty, fine, or forfeiture assessed against a utility by
11.5	a government agency or court under a federal or state environmental statute, rule, or
11.6	regulation; and
11.7	(5) must be adjusted to reflect:
11.8	(i) the difference, as determined by the commission, between extraordinary event costs
11.9	that the utility expects to incur and actual, reasonable, and prudent costs incurred; or
11.10	(ii) a more fair or reasonable allocation of extraordinary event costs to customers over
11.11	time, as expressed in a commission order.
11.12	Subd. 11. Extraordinary event property. "Extraordinary event property" means:
11.13	(1) all rights and interests of a utility or the utility's successor or assignee under a
11.14	financing order for the right to impose, bill, collect, receive, and obtain periodic adjustments
11.15	to extraordinary event charges authorized under a financing order issued by the commission;
11.16	and
11.17	(2) all revenue, collections, claims, rights to payments, payments, money, or proceeds
11.18	arising from the rights and interests specified in clause (1), regardless of whether any are
11.19	commingled with other revenue, collections, rights to payment, payments, money, or
11.20	proceeds.
11.21	Subd. 12. Extraordinary event revenue. "Extraordinary event revenue" means revenue,
11.22	receipts, collections, payments, money, claims, or other proceeds arising from extraordinary
11.23	event property.
11.24	Subd. 13. Financing costs. "Financing costs" means:
11.25	(1) principal, interest, and redemption premiums that are payable on extraordinary event
11.26	bonds;
11.27	(2) payments required under an ancillary agreement and amounts required to fund or
11.28	replenish a reserve account or other accounts established under the terms of any indenture,
11.29	ancillary agreement, or other financing document pertaining to the bonds;
11.30	(3) other demonstrable costs related to issuing, supporting, repaying, refunding, and
11.31	servicing the bonds, including but not limited to servicing fees, accounting and auditing
11.32	fees, trustee fees, legal fees, consulting fees, financial adviser fees, administrative fees,

12.1	placement and underwriting fees, capitalized interest, rating agency fees, stock exchange
12.2	listing and compliance fees, security registration fees, filing fees, information technology
12.3	programming costs, and any other demonstrable costs necessary to otherwise ensure and
12.4	guarantee the timely payment of the bonds or other amounts or charges payable in connection
12.5	with the bonds;
12.6	(4) taxes and license fees imposed on the revenue generated from collecting an
12.7	extraordinary event charge;
12.8	(5) state and local taxes, including franchise, sales and use, and other taxes or similar
12.9	charges, including but not limited to regulatory assessment fees, whether paid, payable, or
12.10	accrued; and
12.11	(6) costs incurred by the commission to hire and compensate additional temporary staff
12.12	needed to perform the commission's responsibilities under this section and, in accordance
12.13	with section 216B.494, to engage specialized counsel and expert consultants experienced
12.14	in securitized utility ratepayer-backed bond financing similar to extraordinary event bonds.
12.15	Subd. 14. Financing order. "Financing order" means an order issued by the commission
12.16	under section 216B.492 that authorizes an applicant to:
12.17	(1) issue extraordinary event bonds in one or more series;
12.18	(2) impose, charge, and collect extraordinary event charges; and
12.19	(3) create extraordinary event property.
12.20	Subd. 15. Financing party. "Financing party" means a holder of extraordinary event
12.21	bonds and a trustee, a collateral agent, a party under an ancillary agreement, or any other
12.22	person acting for the benefit of extraordinary event bondholders.
12.23	Subd. 16. Natural gas facility. "Natural gas facility" means natural gas pipelines,
12.24	including distribution lines, underground storage areas, liquefied natural gas facilities,
12.25	propane storage tanks, and other facilities the commission determines are used and useful
12.26	to provide natural gas service to retail and transportation customers in Minnesota.
12.27	Subd. 17. Nonbypassable. "Nonbypassable" means that the payment of an extraordinary
12.28	event charge required to repay bonds and related costs may not be avoided by any retail
12.29	customer located within a utility service area.
12.30	Subd. 18. Pretax costs. "Pretax costs" means costs incurred by a utility and approved
12.31	by the commission, including but not limited to:

	(1) unrecovered capitalized costs of replaced natural gas facilities damaged or destroyed
<u>by</u>	a storm event;
	(2) costs to decommission and restore the site of a natural gas facility damaged or
de	stroyed by an extraordinary event;
	(3) other applicable capital and operating costs, accrued carrying charges, deferred
ex	penses, reductions for applicable insurance, and salvage proceeds; and
	(4) costs to retire any existing indebtedness, fees, costs, and expenses to modify existing
de	bt agreements, or for waivers or consents related to existing debt agreements.
	Subd. 19. Storm event. "Storm event" means a tornado, derecho, ice or snow storm,
flo	od, earthquake, or other significant weather or natural disaster that causes substantial
da	mage to a utility's infrastructure.
	Subd. 20. Successor. "Successor" means a legal entity that succeeds by operation of law
to	the rights and obligations of another legal entity as a result of bankruptcy, reorganization,
res	structuring, other insolvency proceeding, merger, acquisition, consolidation, or sale or
tra	nsfer of assets.
	Subd. 21. Utility. "Utility" means a public utility, as defined in section 216B.02,
su	bdivision 4, that provides natural gas service to Minnesota customers. Utility includes
he	e utility's successors or assignees.
	EFFECTIVE DATE. This section is effective the day following final enactment.
S	Sec. 9. [216B.492] FINANCING ORDER.
	Subdivision 1. Application. (a) A utility may file an application with the commission
fo	the issuance of a financing order to enable the utility to recover extraordinary event costs
hı	rough the issuance of extraordinary event bonds under this section.
	(b) The application must include the following information, as applicable:
	(1) a description of each natural gas facility to be repaired or replaced;
	(2) the undepreciated value remaining in the natural gas facility whose repair or
rej	placement is proposed to be financed through the issuance of bonds under sections
21	6B.491 to 216B.499, and the method used to calculate the amount;
	(3) the estimated amount of costs imposed on customers resulting from an extraordinary
ev	ent that involves no physical damage to natural gas facilities;

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14.1	(4) the estimated savings or estimated mitigation of rate impacts to utility customers if
14.2	the financing order is issued as requested in the application, calculated by comparing the
14.3	costs to customers that are expected to result from implementing the financing order and
14.4	the estimated costs associated with implementing traditional utility financing mechanisms
14.5	with respect to the same undepreciated balance, expressed in net present value terms;
14.6	(5) a description of (i) the nonbypassable extraordinary event charge utility customers
14.7	would be required to pay in order to fully recover financing costs, and (ii) the method and
14.8	assumptions used to calculate the amount;
14.9	(6) a proposed methodology to allocate the revenue requirement for the extraordinary
14.10	event charge among the utility's customer classes;
14.11	(7) a description of a proposed adjustment mechanism to be implemented when necessary
14.12	to correct any overcollection or undercollection of extraordinary event charges, in order to
14.13	complete payment of scheduled principal and interest on extraordinary event bonds and
14.14	other financing costs in a timely fashion;
14.15	(8) a memorandum with supporting exhibits, from a securities firm that is experienced
14.16	in the marketing of bonds and that is approved by the commissioner of management and
14.17	budget, indicating the proposed issuance satisfies the current published AA or Aa2 or higher
14.18	rating or equivalent rating criteria of at least one nationally recognized securities rating
14.19	organization for issuances similar to the proposed extraordinary event bonds;
14.20	(9) an estimate of the timing of the issuance and the term of the extraordinary event
14.21	bonds, or series of bonds, provided that the scheduled final maturity for each bond issuance
14.22	does not exceed 30 years;
14.23	(10) identification of plans to sell, assign, transfer, or convey, other than as a security,
14.24	interest in extraordinary event property, including identification of an assignee, and
14.25	demonstration that the assignee is a financing entity wholly owned, directly or indirectly,
14.26	by the utility;
14.27	(11) identification of ancillary agreements that may be necessary or appropriate;
14.28	(12) one or more alternative financing scenarios in addition to the preferred scenario
14.29	contained in the application;
14.30	(13) the extent of damage to the utility's infrastructure caused by an extraordinary event
14.31	and the estimated costs to repair or replace the damaged infrastructure;

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(14) a schedule of the proposed repairs to and replacement of damaged infrastructure;

15.1	(15) a description of the steps taken to provide customers interim natural gas service
15.2	while the damaged infrastructure is being repaired or replaced; and
15.3	(16) a description of the impacts on the utility's current workforce resulting from
15.4	implementing an infrastructure repair or replacement plan following an extraordinary event.
15.5	Subd. 2. Findings. After providing notice and holding a public hearing on an application
15.6	filed under subdivision 1, the commission may issue a financing order if the commission
15.7	finds that:
15.8	(1) the extraordinary event costs described in the application are reasonable;
15.9	(2) the proposed issuance of extraordinary event bonds and the imposition and collection
15.10	of extraordinary event charges:
15.11	(i) are just and reasonable;
15.12	(ii) are consistent with the public interest;
15.13	(iii) constitute a prudent and reasonable mechanism to finance the extraordinary event
15.14	costs; and
15.15	(iv) provide tangible and quantifiable benefits to customers that exceed the benefits that
15.16	would have been achieved absent the issuance of extraordinary event bonds; and
15.17	(3) the proposed structuring, marketing, and pricing of the extraordinary event bonds:
15.18	(i) significantly lower overall costs to customers or significantly mitigate rate impacts
15.19	to customers relative to traditional methods of financing; and
15.20	(ii) achieve significant customer savings or significant mitigation of rate impacts to
15.21	customers, as determined by the commission in a financing order, consistent with market
15.22	conditions at the time of sale and the terms of the financing order.
15.23	Subd. 3. Contents. (a) A financing order issued under this section must:
15.24	(1) determine the maximum amount of extraordinary event costs that may be financed
15.25	from proceeds of extraordinary event bonds issued pursuant to the financing order;
15.26	(2) describe the proposed customer billing mechanism for extraordinary event charges
15.27	and include a finding that the mechanism is just and reasonable;
15.28	(3) describe the financing costs that may be recovered through extraordinary event
15.29	charges and the period over which the costs may be recovered, which must end no earlier
15.30	than the date of final legal maturity of the extraordinary event bonds;

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16.1	(4) descril	be the extraordinary of	event property t	hat is created and that i	may be used to pay,
16.2	and secure the	e payment of, the ext	raordinary ever	nt bonds and financing	costs authorized in
16.3	the financing				
16.4	(5) author	rize the utility to finar	nce extraordina	ry event costs through	the issuance of one
16.5	or more serie	s of extraordinary ev	ent bonds. A ut	tility is not required to	secure a separate
16.6	financing ord	ler for each issuance	of extraordinary	vevent bonds or for each	ch scheduled phase
16.7	of the replace	ement of natural gas	facilities approv	ved in the financing or	der;
16.8	(6) includ	e a formula-based me	echanism that n	nust be used to make e	xpeditious periodic
16.9	adjustments t	to the extraordinary e	event charge aut	thorized by the financi	ng order that are
16.10	necessary to	correct for any overc	ollection or und	dercollection, or to oth	erwise guarantee
16.11	the timely pay	ment of extraordinar	y event bonds, f	inancing costs, and other	er required amounts
16.12	and charges p	payable in connection	n with extraordi	nary event bonds;	
16.13	(7) specif	y the degree of flexib	oility afforded to	o the utility in establis	hing the terms and
16.14	conditions of	the extraordinary ever	nt bonds, includ	ing but not limited to re	payment schedules,
16.15	expected inte	rest rates, and other	financing costs;		
16.16	(8) specify	y that the extraordinar	y event bonds n	nust be issued as soon a	s feasible following
16.17	issuance of th	ne financing order;			
16.18	(9) require	e the utility, at the sa	me time as extr	aordinary event chargo	es are initially
16.19	collected and	independent of the sc	chedule to close	and decommission any	natural gas facility
16.20	replaced as the	ne result of an extraor	rdinary event, to	o remove the natural g	as facility from the
16.21	utility's rate b	pase and commensura	ately reduce the	utility's base rates;	
16.22	(10) speci	fy a future ratemaking	g process to reco	oncile any difference be	tween the projected
16.23	pretax costs i	ncluded in the amou	nt financed by	extraordinary event bo	nds and the final
16.24	actual pretax	costs incurred by the	utility to retire	or replace the natural	gas facility;
16.25	(11) speci	fy information regard	ding bond issua	ance and repayments, f	inancing costs,
16.26	energy transa	ction charges, extraor	rdinary event pr	operty, and related mat	ters that the natural
16.27	gas utility is 1	required to provide to	the commission	on on a schedule deter	mined by the
16.28	commission;				
16.29	(12) allow	v and may require the	e creation of a u	tility's extraordinary e	vent property to be
16.30	conditioned o	on, and occur simultar	neously with, the	e sale or other transfer	of the extraordinary

the extraordinary event bonds;

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event property to an assignee and the pledge of the extraordinary event property to secure

17.1	(13) ensure that the structuring, marketing, and pricing of extraordinary event bonds
17.2	result in reasonable securitization bond charges and significant customer savings or rate
17.3	impact mitigation, consistent with market conditions and the terms of the financing order;
17.4	<u>and</u>
17.5	(14) specify that a utility financing the replacement of one or more natural gas facilities
17.6	after the natural gas facilities subject to the finance order are removed from the utility's rate
17.7	base is prohibited from:
17.8	(i) operating the natural gas facilities; or
17.9	(ii) selling the natural gas facilities to another entity to be operated as natural gas facilities.
17.10	(b) A financing order issued under this section may:
17.11	(1) include conditions different from those requested in the application that the
17.12	commission determines are necessary to:
17.13	(i) promote the public interest; and
17.14	(ii) maximize the financial benefits or minimize the financial risks of the transaction to
17.15	customers and to directly impacted Minnesota workers and communities; and
17.16	(2) specify the selection of one or more underwriters of the extraordinary event bonds.
17.17	Subd. 4. Duration; irrevocability; subsequent order. (a) A financing order remains
17.18	in effect until the extraordinary event bonds issued under the financing order and all financing
17.19	costs related to the bonds have been paid in full.
17.20	(b) A financing order remains in effect and unabated notwithstanding the bankruptcy,
17.21	reorganization, or insolvency of the utility to which the financing order applies or any
17.22	affiliate, successor, or assignee of the utility to which the financing order applies.
17.23	(c) Subject to judicial review under section 216B.52, a financing order is irrevocable
17.24	and is not reviewable by a future commission. The commission may not reduce, impair,
17.25	postpone, or terminate extraordinary event charges approved in a financing order, or impair
17.26	extraordinary event property or the collection or recovery of extraordinary event revenue.
17.27	(d) Notwithstanding paragraph (c), the commission may, on the commission's own
17.28	motion or at the request of a utility or any other person, commence a proceeding and issue
17.29	a subsequent financing order that provides for refinancing, retiring, or refunding extraordinary
17.30	event bonds issued under the original financing order if:
17.31	(1) the commission makes all of the findings specified in subdivision 2 with respect to
17.32	the subsequent financing order; and

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18.1	(2) the modification contained in the subsequent financing order does not in any way
18.2	impair the covenants and terms of the extraordinary event bonds being refinanced, retired,
18.3	or refunded.
18.4	Subd. 5. Effect on commission jurisdiction. (a) Except as provided in paragraph (b),
18.5	the commission, in exercising the powers and carrying out the duties under this section, is
18.6	prohibited from:
18.7	(1) considering extraordinary event bonds issued under this section to be debt of the
18.8	utility other than for income tax purposes, unless it is necessary to consider the extraordinary
18.9	event bonds to be debt in order to achieve consistency with prevailing utility debt rating
18.10	methodologies;
18.11	(2) considering the extraordinary event charges paid under the financing order to be
18.12	revenue of the utility;
18.13	(3) considering the extraordinary event or financing costs specified in the financing
18.14	order to be the regulated costs or assets of the utility; or
18.15	(4) determining that any prudent action taken by a utility that is consistent with the
18.16	financing order is unjust or unreasonable.
18.17	(b) Nothing in this subdivision:
18.18	(1) affects the authority of the commission to apply or modify any billing mechanism
18.19	designed to recover extraordinary event charges;
18.20	(2) prevents or precludes the commission from (i) investigating a utility's compliance
18.21	with the terms and conditions of a financing order, and (ii) requiring compliance with the
18.22	financing order; or
18.23	(3) prevents or precludes the commission from imposing regulatory sanctions against a
18.24	utility for failure to comply with the terms and conditions of a financing order or the
18.25	requirements of this section.
18.26	(c) The commission is prohibited from refusing to allow a utility to recover any costs
18.27	associated with the replacement of natural gas facilities solely because the utility has elected
18.28	to finance the natural gas facility replacement through a financing mechanism other than
18.29	extraordinary event bonds.
18.30	EFFECTIVE DATE. This section is effective the day following final enactment.

4th Engrossment

Sec. 10. [216B.493]	POSTORDER COMMISSION DUTIES.	

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Subdivision 1. Financing cost review. Within 120 days after the date extraordinary event bonds are issued, a utility subject to a financing order must file with the commission the actual initial and ongoing financing costs, the final structure and pricing of the extraordinary event bonds, and the actual extraordinary event charge. The commission must review the prudence of the natural gas utility's actions to determine whether the actual financing costs were the lowest that could reasonably be achieved given the terms of the financing order and market conditions prevailing at the time of the bond's issuance.

Subd. 2. **Enforcement.** If the commission determines that a utility's actions under this section are not prudent or are inconsistent with the financing order, the commission may apply any remedies available, provided that any remedy applied may not directly or indirectly impair the security for the extraordinary event bonds.

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

Sec. 11. [216B.494] USE OF OUTSIDE EXPERTS.

- (a) In carrying out the duties under this section, the commission may:
- 19.16 (1) contract with outside consultants and counsel experienced in securitized utility
 19.17 customer-backed bond financing similar to extraordinary event bonds; and
- 19.18 (2) hire and compensate additional temporary staff as needed.
- Expenses incurred by the commission under this paragraph must be treated as financing costs and included in the extraordinary event charge. The costs incurred under clause (1) are not an obligation of the state and are assigned solely to the transaction.
 - (b) A utility presented with a written request from the commission for reimbursement of the commission's expenses incurred under paragraph (a), accompanied by a detailed account of those expenses, must remit full payment of the expenses to the commission within 30 days of receiving the request.
 - (c) If a utility's application for a financing order is denied or withdrawn for any reason and extraordinary event bonds are not issued, the commission's costs to retain expert consultants under this section must be paid by the applicant utility and are deemed to be prudent deferred expenses eligible for recovery in the utility's future rates.
- 19.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

	12. [216B.495] EXTRAORDINARY EVENT CHARGE; BILLING
	ATMENT.
	A utility that obtains a financing order and causes extraordinary event bonds to be
issued	<u>l must:</u>
<u>(1)</u>	include on each customer's monthly natural gas bill:
<u>(i)</u>	a statement that a portion of the charges represents extraordinary event charges
appro	ved in a financing order;
<u>(ii</u>) the amount and rate of the extraordinary event charge as a separate line item titled
"extra	ordinary event charge"; and
<u>(ii</u>	i) if extraordinary event property has been transferred to an assignee, a statement that
the as	signee is the owner of the rights to extraordinary event charges and that the utility or
other	entity, if applicable, is acting as a collection agent or servicer for the assignee; and
<u>(2)</u>) file annually with the commission:
<u>(i)</u>	a calculation of the impact of financing the retirement or replacement of natural gas
facilit	ies on customer rates, itemized by customer class; and
<u>(ii</u>) evidence demonstrating that extraordinary event revenues are applied solely to the
epayı	ment of extraordinary event bonds and other financing costs.
<u>(b)</u>	Extraordinary event charges are nonbypassable and must be paid by all existing and
future	customers receiving service from the utility or the utility's successors or assignees
ınder	commission-approved rate schedules or special contracts.
<u>(c)</u>	A utility's failure to comply with this section does not invalidate, impair, or affect
any fi	nancing order, extraordinary event property, extraordinary event charge, or
extrac	ordinary event bonds, but does subject the utility to penalties under applicable
comm	nission rules.
EI	FFECTIVE DATE. This section is effective the day following final enactment.
Sac	13. [216B.496] EXTRAORDINARY EVENT PROPERTY.
Sec.	13. 210B,490 EATRAORDINART EVENT TROTERIT.
Su	bdivision 1. General. (a) Extraordinary event property is an existing present property
right c	or interest in a property right, even though the imposition and collection of extraordinary
event	charges depend on the utility collecting extraordinary event charges and on future
natura	al gas consumption. The property right or interest exists regardless of whether the

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revenues or proceeds arising from the extraordinary event property have been billed, have accrued, or have been collected.

- (b) Extraordinary event property exists until all extraordinary event bonds issued under a financing order are paid in full and all financing costs and other costs of the extraordinary event bonds have been recovered in full.
- (c) All or any portion of extraordinary event property described in a financing order issued to a utility may be transferred, sold, conveyed, or assigned to a successor or assignee that is wholly owned, directly or indirectly, by the utility and is created for the limited purpose of acquiring, owning, or administering extraordinary event property or issuing extraordinary event bonds authorized by the financing order. All or any portion of extraordinary event property may be pledged to secure extraordinary event bonds issued under a financing order, amounts payable to financing parties and to counterparties under any ancillary agreements, and other financing costs. Each transfer, sale, conveyance, assignment, or pledge by a utility or an affiliate of extraordinary event property is a transaction in the ordinary course of business.
- (d) If a utility defaults on any required payment of charges arising from extraordinary event property described in a financing order, a court, upon petition by an interested party and without limiting any other remedies available to the petitioner, must order the sequestration and payment of the revenues arising from the extraordinary event property to the financing parties.
- (e) The interest of a transferee, purchaser, acquirer, assignee, or pledgee in extraordinary event property specified in a financing order issued to a utility, and in the revenue and collections arising from the property, is not subject to setoff, counterclaim, surcharge, or defense by the utility or any other person, or in connection with the reorganization, bankruptcy, or other insolvency of the utility or any other entity.
- (f) A successor to a utility, whether resulting from a reorganization, bankruptcy, or other 21.26 insolvency proceeding; merger or acquisition; sale; other business combination; transfer by 21.27 operation of law; utility restructuring; or otherwise, must perform and satisfy all obligations 21.28 of, and has the same duties and rights under, a financing order as the utility to which the 21.29 financing order applies. A successor to a utility must perform the duties and exercise the 21.30 rights in the same manner and to the same extent as the utility, including collecting and 21.31 paying to any person entitled to receive revenues, collections, payments, or proceeds of 21.32 extraordinary event property. 21.33

22.1	Subd. 2. Security interests in extraordinary event property. (a) The creation,
22.2	perfection, and enforcement of any security interest in extraordinary event property to secure
22.3	the repayment of the principal and interest on extraordinary event bonds, amounts payable
22.4	under any ancillary agreement, and other financing costs are governed solely by this section.
22.5	(b) A security interest in extraordinary event property is created, valid, and binding
22.6	when:
22.7	(1) the financing order that describes the extraordinary event property is issued;
22.8	(2) a security agreement is executed and delivered; and
22.9	(3) value is received for the extraordinary event bonds.
22.10	(c) Once a security interest in extraordinary event property is created, the security interest
22.11	attaches without any physical delivery of collateral or any other act. The lien of the security
22.12	interest is valid, binding, and perfected against all parties having claims of any kind in tort,
22.13	contract, or otherwise against the person granting the security interest, regardless of whether
22.14	the parties have notice of the lien, upon the filing of a financing statement with the secretary
22.15	of state.
22.16	(d) The description or indication of extraordinary event property in a transfer or security
22.17	agreement and a financing statement is sufficient only if the description or indication refers
22.18	to this section and the financing order creating the extraordinary event property.
22.19	(e) A security interest in extraordinary event property is a continuously perfected security
22.20	interest and has priority over any other lien, created by operation of law or otherwise, which
22.21	may subsequently attach to the extraordinary event property unless the holder of the security
22.22	interest has agreed otherwise in writing.
22.23	(f) The priority of a security interest in extraordinary event property is not affected by
22.24	the commingling of extraordinary event property or extraordinary event revenue with other
22.25	money. An assignee, bondholder, or financing party has a perfected security interest in the
22.26	amount of all extraordinary event property or extraordinary event revenue that is pledged
22.27	to pay extraordinary event bonds, even if the extraordinary event property or extraordinary
22.28	event revenue is deposited in a cash or deposit account of the utility in which the
22.29	extraordinary event revenue is commingled with other money. Any other security interest
22.30	that applies to the other money does not apply to the extraordinary event revenue.
22.31	(g) Neither a subsequent commission order amending a financing order under section
22.32	216B.492, subdivision 4, nor application of an adjustment mechanism authorized by a

23.1	financing order under section 216B.492, subdivision 3, affects the validity, perfection, or
23.2	priority of a security interest in or transfer of extraordinary event property.
23.3	(h) A valid and enforceable security interest in extraordinary event property is perfected
23.4	only when the security interest has attached and when a financing order has been filed with
23.5	the secretary of state in accordance with procedures established by the secretary of state.
23.6	The financing order must name the pledgor of the extraordinary event property as debtor
23.7	and identify the property.
23.8	Subd. 3. Sales of extraordinary event property. (a) A sale, assignment, or transfer of
23.9	extraordinary event property is an absolute transfer and true sale of, and not a pledge of or
23.10	secured transaction relating to, the seller's right, title, and interest in, to, and under the
23.11	extraordinary event property if the documents governing the transaction expressly state that
23.12	the transaction is a sale or other absolute transfer. A transfer of an interest in extraordinary
23.13	event property may be created when:
23.14	(1) the financing order creating and describing the extraordinary event property is
23.15	effective;
23.16	(2) the documents evidencing the transfer of the extraordinary event property are executed
23.17	and delivered to the assignee; and
23.18	(3) value is received.
23.19	(b) A transfer of an interest in extraordinary event property must be filed with the
23.20	secretary of state against all third persons and perfected under sections 336.3-301 to
23.21	336.3-312, including any judicial lien or other lien creditors or any claims of the seller or
23.22	creditors of the seller, other than creditors holding a prior security interest, ownership
23.23	interest, or assignment in the extraordinary event property previously perfected under this
23.24	subdivision or subdivision 2.
23.25	(c) The characterization of a sale, assignment, or transfer as an absolute transfer and
23.26	true sale, and the corresponding characterization of the property interest of the assignee, is
23.27	not affected or impaired by:
23.28	(1) commingling of extraordinary event revenue with other money;
23.29	(2) the retention by the seller of:
23.30	(i) a partial or residual interest, including an equity interest, in the extraordinary event
23.31	property, whether direct or indirect, or whether subordinate or otherwise; or

	(ii) the right to recover costs associated with taxes, franchise fees, or license fees imposed
<u>O</u> 1	n the collection of extraordinary event revenue;
	(3) any recourse that the purchaser may have against the seller;
	(4) any indemnification rights, obligations, or repurchase rights made or provided by
th	ne seller;
	(5) an obligation of the seller to collect extraordinary event revenues on behalf of an
as	ssignee;
	(6) the treatment of the sale, assignment, or transfer for tax, financial reporting, or other
p	urposes;
	(7) any subsequent financing order amending a financing order under section 216B.492,
sı	ubdivision 4, paragraph (d); or
	(8) any application of an adjustment mechanism under section 216B.492, subdivision
3	, paragraph (a), clause (6).
	EFFECTIVE DATE. This section is effective the day following final enactment.
	Sec. 14. [216B.497] EXTRAORDINARY EVENT BONDS.
	(a) Banks, trust companies, savings and loan associations, insurance companies, executors,
<u>a</u>	dministrators, guardians, trustees, and other fiduciaries may legally invest any money
W	rithin the individual's or entity's control in extraordinary event bonds.
	(b) Extraordinary event bonds issued under a financing order are not debt of or a pledge
0	f the faith and credit or taxing power of the state, any agency of the state, or any political
sı	abdivision. Holders of extraordinary event bonds may not have taxes levied by the state
<u>O</u> 1	r a political subdivision in order to pay the principal or interest on extraordinary event
b	onds. The issuance of extraordinary event bonds does not directly, indirectly, or contingently
o	bligate the state or a political subdivision to levy any tax or make any appropriation to pay
p	rincipal or interest on the extraordinary event bonds.
	(c) The state pledges to and agrees with holders of extraordinary event bonds, any
as	ssignee, and any financing parties that the state will not:
	(1) take or permit any action that impairs the value of extraordinary event property; or
	(2) reduce, alter, or impair extraordinary event charges that are imposed, collected, and
re	emitted for the benefit of holders of extraordinary event bonds, any assignee, and any
fi	nancing parties until any principal, interest, and redemption premium payable on

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transmission company operating in this state, without first being authorized so to do by the

commission. Upon the filing of an application for the approval and consent of the

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commission, the commission shall investigate, with or without public hearing. The commission shall hold a public hearing, upon such notice as the commission may require. If the commission finds that the proposed action is consistent with the public interest, it shall give its consent and approval by order in writing. In reaching its determination, the commission shall take into consideration the reasonable value of the property, plant, or securities to be acquired or disposed of, or merged and consolidated.

This section does not apply to the purchase of property to replace or add to the plant of the public utility by construction.

- Sec. 18. Minnesota Statutes 2021 Supplement, section 216C.376, subdivision 5, is amended to read:
 - Subd. 5. **Program funding.** (a) In 2022, the public utility subject to section 116C.779 must withhold \$8,000,000 from the transfer made under section 116C.779, subdivision 1, paragraph (e), to pay for assistance provided by the program under this section. In 2024, the amount that must be withheld is \$8,000,000. The money withheld under this paragraph must be used to pay for financial assistance awarded under this section and the costs to administer this section. Any money that remains unexpended on June 30, 2027, five years after the money is withheld cancels to the renewable development account.
 - (b) 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 that is subject to this section for the life of the system, regardless of the duration of the financial assistance provided by the public utility under this section.
- Sec. 19. Minnesota Statutes 2020, section 216C.435, subdivision 8, is amended to read: 26.22
 - Subd. 8. Qualifying commercial real property. "Qualifying commercial real property" means a multifamily residential dwelling, or a commercial or industrial building, or farmland that the implementing entity has determined, after review of an energy audit or, renewable energy system feasibility study, or agronomic assessment, can be benefited by benefit from the installation of cost-effective energy improvements or land and water improvements, as defined in section 216C.436, subdivision 1b. Qualifying commercial real property includes new construction.

27.1	Sec. 20. Minnesota Statutes 2020, section 216C.436, is amended by adding a subdivision
27.2	to read:
27.3	Subd. 1b. Definition. For the purposes of this section, "land and water improvements"
27.4	means:
27.5	(1) any improvement to qualifying farmland, as defined in section 273.13, subdivision
27.6	23, that is permanent in nature, results in improved agricultural productivity or resiliency,
27.7	and reduces environmental impact; or
27.8	(2) water conservation measures, which includes permanently affixed equipment,
27.9	appliances, or improvements that reduce a property's water consumption or that enable the
27.10	property to manage water more efficiently.
27.11	Sec. 21. Minnesota Statutes 2020, section 216C.436, subdivision 2, is amended to read:
27.12	Subd. 2. Program requirements. A commercial PACE loan program must:
27.13	(1) impose requirements and conditions on financing arrangements to ensure timely
27.14	repayment;
27.15	(2) require an energy audit or renewable energy system feasibility study to be conducted
27.16	on the qualifying commercial real property and reviewed by the implementing entity prior
27.17	to approval of the financing;
27.18	(3) require the inspection of all installations and a performance verification of at least
27.19	ten percent of the cost-effective energy improvements or land and water improvements
27.20	financed by the program;
27.21	(4) not prohibit the financing of all cost-effective energy improvements or land and
27.22	water improvements not otherwise prohibited by this section;
27.23	(5) require that all cost-effective energy improvements or land and water improvements
27.24	be made to a qualifying commercial real property prior to, or in conjunction with, an
27.25	applicant's repayment of financing for cost-effective energy improvements for that property;
27.26	(6) have cost-effective energy improvements or land and water improvements financed
27.27	by the program performed by a licensed contractor as required by chapter 326B or other
27.28	law or ordinance;
27.29	(7) require disclosures to borrowers by the implementing entity of the risks involved in
27.30	borrowing, including the risk of foreclosure if a tax delinquency results from a default;
27.31	(8) provide financing only to those who demonstrate an ability to repay;

28.1	(9) not provide financing for a qualifying commercial real property in which the owner
28.2	is not current on mortgage or real property tax payments;
28.3	(10) require a petition to the implementing entity by all owners of the qualifying
28.4	commercial real property requesting collections of repayments as a special assessment under
28.5	section 429.101;
28.6	(11) provide that payments and assessments are not accelerated due to a default and that
28.7	a tax delinquency exists only for assessments not paid when due; and
28.8	(12) require that liability for special assessments related to the financing runs with the
28.9	qualifying commercial real property; and
28.10	(13) prior to financing any improvements to or imposing any assessment upon qualifying
28.11	commercial real property, require notice to and written consent from the mortgage lender
28.12	of any mortgage encumbering or otherwise secured by the qualifying commercial real
28.13	property.
28.14	Sec. 22. [216H.022] CARBON CAPTURE AND SEQUESTRATION; STATE
28.15	POLICY.
28.16	It is the policy of the state to support the development and deployment of carbon capture
28.17	and sequestration technologies in Minnesota that demonstrate at least an 80 percent capability
28.18	of carbon capture as a method of reducing greenhouse gas emissions in order to achieve the
28.19	state greenhouse gas emission-reduction goals established under section 216H.02, subdivision
28.20	<u>1.</u>
28.21	EFFECTIVE DATE. This section is effective the day following final enactment.
28.22	Sec. 23. Minnesota Statutes 2020, section 237.55, is amended to read:
28.23	237.55 ANNUAL REPORT ON TELECOMMUNICATIONS ACCESS.
28.24	The commissioner of commerce must prepare a report for presentation to the Public
28.25	Utilities Commission by January March 31 of each year. Each report must review the
28.26	accessibility of telecommunications services to persons who have communication disabilities,
28.27	describe services provided, account for annual revenues and expenditures for each aspect
28.28	of the fund to date, and include predicted program future operation.
28.29	Sec. 24. [465.485] BAN ON ENERGY HOOKUPS; PROHIBITION.
28.30	A political subdivision is prohibited from adopting an ordinance, resolution, code, policy,
28.31	or permit requirement that prohibits or has the effect of preventing a utility from (1)

reactor power generation in Minnesota.

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study evaluating the potential costs, benefits, and impacts of advanced nuclear technology

30.1	(b) At a minimum, the study must address the potential costs, benefits, and impacts of
30.2	advanced nuclear technology reactor power generation on:
30.3	(1) Minnesota's greenhouse gas emissions reduction goals under the Next Generation
30.4	Energy Act, Laws 2007, chapter 136;
30.5	(2) system costs for ratepayers;
30.6	(3) system reliability;
30.7	(4) the environment;
30.8	(5) local jobs; and
30.9	(6) local economic development.
30.10	(c) The study must also evaluate:
30.11	(1) current Minnesota statutes and administrative rules that would require modifications
30.12	in order to enable the construction and operation of advanced nuclear reactors; and
30.13	(2) the economic feasibility of replacing coal-fired boilers with advanced nuclear reactors,
30.14	while accounting for the avoided costs that result from the closure of coal-fired plants.
30.15	Subd. 2. Report. The commissioner of commerce must submit the results of the study
30.16	under subdivision 1 to the chairs and ranking minority members of the legislative committees
30.17	having jurisdiction over energy finance and policy no later than January 31, 2023.
30.18	Sec. 28. DECOMMISSIONING AND DEMOLITION PLAN FOR COAL-FIRED
30.19	PLANT.
30.20	As a part of the next resource plan filing under Minnesota Statutes, section 216B.2422,
30.21	subdivision 2, but no later than December 31, 2025, the public utility that owns an electric
30.22	generation facility that is powered by coal, scheduled for retirement in 2028, and located
30.23	within the St. Croix National Scenic Riverway must provide, to the extent known, the public
30.24	utility's plan and a detailed timeline to decommission and demolish the electric generation
30.25	facility and remediate pollution at the electric generation facility site. The public utility
30.26	must also provide a copy of the plan and timeline to the governing body of the municipality
30.27	where the electric generation facility is located on the same date the plan and timeline are
30.28	submitted to the Public Utilities Commission. If a resource plan is not filed or required
30.29	before December 31, 2025, the plan and timeline must be submitted to the Public Utilities
30.30	Commission and the municipality as a separate filing by December 31, 2025.
30.31	EFFECTIVE DATE. This section is effective the day following final enactment.

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Sec. 29. TRIBAL ADVOCACY COUNCIL ON ENERGY; DEPARTMENT OF **COMMERCE SUPPORT.**

- (a) The Department of Commerce may provide technical support and subject matter expertise to assist and help facilitate any efforts taken by the 11 federally recognized Indian tribes in Minnesota to establish a tribal advocacy council on energy.
- (b) When providing support to a tribal advocacy council on energy, the Department of Commerce may assist the council:
- (1) assess and evaluate common tribal energy issues, including (i) identifying and prioritizing energy issues, (ii) facilitating idea sharing between the tribes to generate solutions to energy issues, and (iii) assisting decision making with respect to resolving energy issues;
- (2) develop new statewide energy policies or proposed legislation, including (i) organizing stakeholder meetings, (ii) gathering input and other relevant information, (iii) assisting with policy proposal development, evaluation, and decision making, and (iv) helping facilitate actions taken to submit, and obtain approval for or have enacted, policies or legislation approved by the council;
- (3) make efforts to raise awareness and provide educational opportunities with respect to tribal energy issues by (i) identifying information resources, (ii) gathering feedback on issues and topics the council identifies as areas of interest, and (iii) identifying topics for educational forums and helping facilitate the forum process; and
- (4) identify, evaluate, and disseminate successful energy-related practices, and develop mechanisms or opportunities to implement the successful practices.
- (c) Nothing in this section requires or otherwise obligates the 11 federally recognized Indian tribes in Minnesota to establish a tribal advocacy council on energy, nor does it require or obligate any one of the 11 federally recognized Indian tribes in Minnesota to participate in or implement a decision or support an effort made by an established tribal advocacy council on energy.
- 31.27 (d) Any support provided by the Department of Commerce to a tribal advocacy council on energy under this section may be provided only upon request of the council and is limited 31.28 to issues and areas where the Department of Commerce's expertise and assistance is 31.29 requested. 31.30

Sec. 30. APPROPRIATIONS.

32.1

Subdivision 1. Advanced nuclear study. \$150,000 in fiscal year 2023 is appropriated 32.2 from the general fund to the commissioner of commerce to conduct an advanced nuclear 32.3 study and develop a report. This is a onetime appropriation. 32.4 32.5 Subd. 2. Solar for schools. \$4,150,000 in fiscal year 2023 is appropriated from the general fund to the commissioner of commerce to provide financial assistance to schools 32.6 to purchase and install solar energy generating systems under Minnesota Statutes, section 32.7 216C.375. This appropriation must be expended on schools located outside the electric 32.8 service territory of the public utility that is subject to Minnesota Statutes, section 116C.779. 32.9 32.10 This appropriation is available until June 30, 2028. The base amount for fiscal year 2024 is \$5,700,000. The base amount for fiscal year 2025 is \$0. 32.11 32.12 Subd. 3. Granite Falls hydroelectric generating facility. Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j), \$2,290,000 is appropriated in fiscal 32.13 year 2023 from the renewable development account established under Minnesota Statutes, 32.14 section 116C.779, subdivision 1, to the commissioner of commerce for a grant to the city 32.15 of Granite Falls for repair and overage costs related to the city's existing hydroelectric 32.16 generating facility. This is a onetime appropriation. Any amount of the appropriation under 32.17 this paragraph that remains unexpended on June 30, 2024, must be returned to the renewable 32.18 development account. 32.19 Subd. 4. Community energy transition grants. \$3,500,000 in fiscal year 2023 is 32.20 appropriated from the renewable development account to the commissioner of employment 32.21 and economic development. This appropriation is available only for grants to eligible 32.22 communities located within the service territory of the public utility subject to Minnesota 32.23 Statutes, section 116C.779. This is a onetime appropriation and is available until June 30, 32.24 32.25 2029. Subd. 5. National Sports Center solar array. Notwithstanding Minnesota Statutes, 32.26 section 116C.779, subdivision 1, paragraph (j), \$3,500,000 in fiscal year 2023 is appropriated 32.27 from the renewable development account to the Minnesota Amateur Sports Commission to 32.28

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install solar arrays. This appropriation may be used to install solar arrays on an ice rink and

a maintenance facility at the National Sports Center in Blaine. This is a onetime appropriation.

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34.1	of the house of representatives and the senate
34.2	having jurisdiction over public safety and
34.3	employment issues and to the chair of the
34.4	Legislative Commission on Pensions and
34.5	Retirement.
34.6	(b)(1) \$50,000 in fiscal year 2023 is
34.7	appropriated from the workforce development
34.8	fund to the commissioner of labor and industry
34.9	for a grant to Abijah's on the Backside to
34.10	provide equine experiential mental health
34.11	therapy to first responders suffering from
34.12	job-related trauma and post-traumatic stress
34.13	disorder.
34.14	(2) For purposes of this section, a "first
34.15	responder" is a peace officer as defined in
34.16	Minnesota Statutes, section 626.84,
34.17	subdivision 1, paragraph (c); a full-time
34.18	firefighter as defined in Minnesota Statutes,
34.19	section 299N.03, subdivision 5; or a volunteer
34.20	firefighter as defined in Minnesota Statutes,
34.21	section 299N.03, subdivision 7.
34.22	(3) Abijah's on the Backside must report to
34.23	the commissioner of labor and industry and
34.24	the chairs and ranking minority members of
34.25	the house of representatives and senate
34.26	committees overseeing labor and industry
34.27	policy and finance on the equine experiential
34.28	mental health therapy provided to first
34.29	responders under this section. The report must
34.30	include an overview of the program's budget,
34.31	a detailed explanation of program
34.32	expenditures, the number of first responders
34.33	served by the program, and a list and
34.34	explanation of the services provided to and
34.35	benefits received by program participants. An

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36.1	development grants under Minnesota Statutes,
36.2	sections 116J.551 to 116J.558. This
36.3	appropriation is available until expended.
36.4	(e) \$139,000 each year is for the Center for
36.5	Rural Policy and Development.
36.6	(f) \$25,000 each year is for the administration
36.7	of state aid for the Destination Medical Center
36.8	under Minnesota Statutes, sections 469.40 to
36.9	469.47.
36.10	(g) \$875,000 each year is for the host
36.11	community economic development program
36.12	established in Minnesota Statutes, section
36.13	116J.548.
36.14	(h)(1) \$2,500,000 each year is for grants to
36.15	local communities to increase the number of
36.16	quality child care providers to support
36.17	economic development. This appropriation is
36.18	available through June 30, 2023. Fifty percent
36.19	of grant funds must go to communities located
36.20	outside the seven-county metropolitan area as
36.21	defined in Minnesota Statutes, section
36.22	473.121, subdivision 2. In fiscal year 2024
36.23	and beyond, the base amount is \$1,500,000.
36.24	(2) Grant recipients must obtain a 50 percent
36.25	nonstate match to grant funds in either cash
36.26	or in-kind contribution, unless the
36.27	commissioner waives the requirement. Grant
36.28	funds available under this subdivision must
36.29	be used to implement projects to reduce the
36.30	child care shortage in the state, including but
36.31	not limited to funding for child care business
36.32	start-ups or expansion, training, facility
36.33	modifications, direct subsidies or incentives
36.34	to retain employees, or improvements required

37.1	for licensing, and assistance with licensing
37.2	and other regulatory requirements. In awarding
37.3	grants, the commissioner must give priority
37.4	to communities that have demonstrated a
37.5	shortage of child care providers.
37.6	(3) Within one year of receiving grant funds,
37.7	grant recipients must report to the
37.8	commissioner on the outcomes of the grant
37.9	program, including but not limited to the
37.10	number of new providers, the number of
37.11	additional child care provider jobs created, the
37.12	number of additional child care slots, and the
37.13	amount of cash and in-kind local funds
37.14	invested. Within one month of all grant
37.15	recipients reporting on program outcomes, the
37.16	commissioner must report the grant recipients'
37.17	outcomes to the chairs and ranking members
37.18	of the legislative committees with jurisdiction
37.19	over early learning and child care and
37.20	economic development.
37.21	(i) \$1,500,000 each year is for a grant to the
37.22	Minnesota Initiative Foundations. This
37.23	appropriation is available until June 30, 2025.
37.24	In fiscal year 2024 and beyond, the base
37.25	amount is \$1,000,000. The Minnesota
37.26	Initiative Foundations must use grant funds
37.27	under this section to:
37.28	(1) facilitate planning processes for rural
37.29	communities resulting in a community solution
37.30	action plan that guides decision making to
37.31	sustain and increase the supply of quality child
37.32	care in the region to support economic
37.33	development;
37.34	(2) engage the private sector to invest local
37.35	resources to support the community solution

38.1	action plan and ensure quality child care is a
38.2	vital component of additional regional
38.3	economic development planning processes;
38.4	(3) provide locally based training and technical
38.5	assistance to rural child care business owners
38.6	individually or through a learning cohort.
38.7	Access to financial and business development
38.8	assistance must prepare child care businesses
38.9	for quality engagement and improvement by
38.10	stabilizing operations, leveraging funding from
38.11	other sources, and fostering business acumen
38.12	that allows child care businesses to plan for
38.13	and afford the cost of providing quality child
38.14	care; and
38.15	(4) recruit child care programs to participate
38.16	in quality rating and improvement
38.17	measurement programs. The Minnesota
38.18	Initiative Foundations must work with local
38.19	partners to provide low-cost training,
38.20	professional development opportunities, and
38.21	continuing education curricula. The Minnesota
38.22	Initiative Foundations must fund, through local
38.23	partners, an enhanced level of coaching to
38.24	rural child care providers to obtain a quality
38.25	rating through measurement programs.
38.26	(j) \$8,000,000 each year is for the Minnesota
38.27	job creation fund under Minnesota Statutes,
38.28	section 116J.8748. Of this amount, the
38.29	commissioner of employment and economic
38.30	development may use up to three percent for
38.31	administrative expenses. This appropriation
38.32	is available until expended.
38.33	(k) \$10,029,000 the first year and \$10,028,000
38.34	the second year are for the Minnesota
38.35	investment fund under Minnesota Statutes,

39.1	section 116J.8731. Of this amount, the
39.2	commissioner of employment and economic
39.3	development may use up to three percent for
39.4	administration and monitoring of the program.
39.5	In fiscal year 2024 and beyond, the base
39.6	amount is \$12,370,000. This appropriation is
39.7	available until expended. Notwithstanding
39.8	Minnesota Statutes, section 116J.8731, money
39.9	appropriated to the commissioner for the
39.10	Minnesota investment fund may be used for
39.11	the redevelopment program under Minnesota
39.12	Statutes, sections 116J.575 and 116J.5761, at
39.13	the discretion of the commissioner. Grants
39.14	under this paragraph are not subject to the
39.15	grant amount limitation under Minnesota
39.16	Statutes, section 116J.8731.
39.17	(1) \$0 each year is for the redevelopment
39.18	program under Minnesota Statutes, sections
39.19	116J.575 and 116J.5761. In fiscal year 2024
39.20	and beyond, the base amount is \$2,246,000.
39.21	(m) \$1,000,000 each year is for the Minnesota
39.22	emerging entrepreneur loan program under
39.23	Minnesota Statutes, section 116M.18. Funds
39.24	available under this paragraph are for transfer
39.25	into the emerging entrepreneur program
39.26	special revenue fund account created under
39.27	Minnesota Statutes, chapter 116M, and are
39.28	available until expended. Of this amount, up
39.29	to four percent is for administration and
39.30	monitoring of the program.
39.31	(n) \$325,000 each year is for the Minnesota
39.32	Film and TV Board. The appropriation in each
39.33	year is available only upon receipt by the
39.34	board of \$1 in matching contributions of
39.35	money or in-kind contributions from nonstate

- sources for every \$3 provided by this
- appropriation, except that each year up to
- \$50,000 is available on July 1 even if the
- 40.4 required matching contribution has not been
- 40.5 received by that date.
- 40.6 (o) \$12,000 each year is for a grant to the
- 40.7 Upper Minnesota Film Office.
- 40.8 (p) \$500,000 each year is for a grant to the
- 40.9 Minnesota Film and TV Board for the film
- 40.10 production jobs program under Minnesota
- 40.11 Statutes, section 116U.26. This appropriation
- 40.12 is available until June 30, 2025.
- 40.13 (q) \$4,195,000 each year is for the Minnesota
- 40.14 job skills partnership program under
- 40.15 Minnesota Statutes, sections 116L.01 to
- 40.16 116L.17. If the appropriation for either year
- 40.17 is insufficient, the appropriation for the other
- 40.18 year is available. This appropriation is
- 40.19 available until expended.
- 40.20 (r) \$1,350,000 each year from the workforce
- 40.21 development fund is for jobs training grants
- 40.22 under Minnesota Statutes, section 116L.41.
- 40.23 (s) \$2,500,000 each year is for Launch
- 40.24 Minnesota. This appropriation is available
- 40.25 until June 30, 2025. The base in fiscal year
- 40.26 2026 is \$0. Of this amount:
- 40.27 (1) \$1,500,000 each year is for innovation
- 40.28 grants to eligible Minnesota entrepreneurs or
- 40.29 start-up businesses to assist with their
- 40.30 operating needs;
- 40.31 (2) \$500,000 each year is for administration
- 40.32 of Launch Minnesota; and

- 41.1 (3) \$500,000 each year is for grantee activities
- 41.2 at Launch Minnesota.
- 41.3 (t) \$1,148,000 the first year is for a grant to
- the Northeast Entrepreneur Fund, a small
- 41.5 business administration microlender and
- 41.6 community development financial institution
- 41.7 operating in northern Minnesota. Grant funds
- 41.8 must be used as capital for accessing
- 41.9 additional federal lending for small businesses
- 41.10 impacted by COVID-19 and must be returned
- 41.11 to the commissioner for deposit in the general
- 41.12 fund if the Northeast Entrepreneur Fund fails
- 41.13 to secure such federal funds before January 1,
- 41.14 2022.
- 41.15 (u) \$80,000,000 the first year is for the Main
- 41.16 Street Economic Revitalization Loan Program.
- 41.17 Of this amount, up to \$300,000 is for the
- 41.18 commissioner's administration and monitoring
- 41.19 of the program. This appropriation is available
- 41.20 until June 30, 2025.
- 41.21 (v) \$70,000,000 the first year is for the Main
- 41.22 Street COVID-19 Relief Grant Program. Of
- 41.23 this amount, up to:
- 41.24 (1) \$34,950,000 is for grants to the Minnesota
- 41.25 Initiative Foundations to serve businesses
- 41.26 outside of the metropolitan area as defined in
- 41.27 Minnesota Statutes, section 473.121,
- 41.28 subdivision 2;
- 41.29 (2) \$34,950,000 is for grants to partner
- 41.30 organizations to serve businesses inside the
- 41.31 metropolitan area as defined in Minnesota
- 41.32 Statutes, section 473.121, subdivision 2; and
- 41.33 (3) \$100,000 is for the commissioner's
- 41.34 administration and monitoring of the program.

- 42.1 (w) \$250,000 each year is for the publication,
- 42.2 dissemination, and use of labor market
- 42.3 information under Minnesota Statutes, section
- 42.4 116J.401.
- 42.5 (x) \$500,000 each year is for the airport
- 42.6 infrastructure renewal (AIR) grant program
- 42.7 under Minnesota Statutes, section 116J.439.
- 42.8 In awarding grants with this appropriation, the
- 42.9 commissioner must prioritize eligible
- 42.10 applicants that did not receive a grant pursuant
- 42.11 to the appropriation in Laws 2019, First
- 42.12 Special Session chapter 7, article 1, section 2,
- 42.13 subdivision 2, paragraph (q).
- 42.14 (y) \$750,000 each year is from the workforce
- 42.15 development fund for grants to the
- 42.16 Neighborhood Development Center for small
- 42.17 business programs, including:
- 42.18 (1) training, lending, and business services;
- 42.19 (2) model outreach and training in greater
- 42.20 Minnesota; and
- 42.21 (3) development of new business incubators.
- 42.22 This is a onetime appropriation.
- 42.23 (z) \$5,000,000 in the first year is for a grant
- 42.24 to Lake of the Woods County for the
- 42.25 forgivable loan program for remote
- 42.26 recreational businesses. This appropriation is
- 42.27 available until April 1, 2022 2023.
- 42.28 **EFFECTIVE DATE.** This section is effective retroactively from March 31, 2022.
- Sec. 4. Laws 2021, First Special Session chapter 10, article 1, section 5, is amended to
- 42.30 read:
- 42.31 Sec. 5. BUREAU OF MEDIATION SERVICES \$ 2,370,000 \$ 2,415,000

(a) \$125,000 each year is for purposes of the
Public Employment Relations Board under
Minnesota Statutes, section 179A.041. This
is a onetime appropriation.
(b) \$68,000 each year is for grants to area
labor management committees. Grants may
be awarded for a 12-month period beginning
July 1 each year. Any unencumbered balance
remaining at the end of the first year does not
eancel but is available for the second year.
(e) \$47,000 each year is for rulemaking,
staffing, and other costs associated with peace
officer grievance procedures.
C. 5 MINNESOTA INVESTMENT BUND AND MINNESOTA IOD ODE ATION
Sec. 5. MINNESOTA INVESTMENT FUND AND MINNESOTA JOB CREATION
FUND REQUIREMENTS EXTENSIONS.
Notwithstanding any other law to the contrary, a recipient of a Minnesota Investment
Fund grant under Minnesota Statutes, section 116J.8731, or a recipient of a Minnesota Job
Creation Fund grant under Minnesota Statutes, section 116J.8748, who is unable to meet
the minimum capital investment requirements, wage, or minimum job creation goals or
requirements provided in a business subsidy agreement, as applicable, during or within the
12-month period following a peacetime emergency related to the COVID-19 pandemic shall
be granted an extension until December 31, 2023, to meet those capital investment, wage,
or job creation goals or requirements before the grant must be repaid.
EFFECTIVE DATE. This section is effective retroactively from March 15, 2020.
ARTICLE 3
DEED POLICY
Section 1 Minnesota Statutes 2020 section 1161 025 is amended by adding a subdivision
Section 1. Minnesota Statutes 2020, section 116J.035, is amended by adding a subdivision
to read:
Subd. 7a. Competitive grants. The commissioner shall, when awarding competitive
grants to organizations for the purpose of providing job training, give priority to programs
or organizations that focus job training in high-wage, high-demand careers. For purposes
of this subdivision, "high-wage, high-demand" has the meaning given in section 116L.99.

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Sec. 2. Minnesota Statutes 2020, section 116J.55, subdivision 6, is amended to re-	
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- Subd. 6. Eligible expenditures. (a) Money in the account established in subdivision 3 must be used only to:
 - (1) award grants to eligible communities under this section; and
- (2) reimburse the department's reasonable costs to administer this section, up to a maximum of five percent of the appropriation made to the commissioner under this section. The commissioner may transfer part of the allowable administrative portion of this appropriation to the Environmental Quality Board to assist communities with regulatory coordination, and dedicated technical assistance on conversion for these communities.
 - (b) An eligible community awarded a grant under this section may use the grant to plan for or address the economic and social impacts on the eligible community of the electric generating plant's cessation of operations, including but not limited to land use studies, economic planning, researching, planning, and implementing activities and impact studies and other planning activities enabling communities to become shovel-ready and support the transition from power plants to other economic activities to minimize the negative impacts of power plant closures on tax revenues and jobs designed to:
- (1) assist workers at the plant find new employment, including worker retraining and 44.17 developing small business start-up skills; 44.18
- (2) increase the eligible community's property tax base; and 44.19
- (3) develop alternative economic development strategies to attract new employers to the 44.20 eligible community. 44.21
- Sec. 3. Minnesota Statutes 2020, section 116J.552, subdivision 6, is amended to read: 44.22
- Subd. 6. Municipality. "Municipality" means the statutory or home rule charter city, 44.23
- 44.24 town, federally recognized Tribe, or, in the case of unorganized territory, the county in
- which the site is located. 44.25
- Sec. 4. Minnesota Statutes 2020, section 116J.8747, subdivision 2, is amended to read: 44.26
- Subd. 2. Qualified job training program. To qualify for grants under this section, a 44.27 job training program must satisfy the following requirements: 44.28
- (1) the program must be operated by a nonprofit corporation that qualifies under section 44.29 501(c)(3) of the Internal Revenue Code; 44.30
- (2) the program may spend up to \$5,500 in total training per participant; 44.31

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- 45.1 (3) the program must provide education and training in:
- 45.2 (i) basic skills, such as reading, writing, financial literacy, digital literacy, mathematics, 45.3 and communications;
- 45.4 (ii) long-term plans for success including participant coaching for two years after 45.5 placement;
- 45.6 (iii) soft skills, including skills critical to success on the job; and
- 45.7 (iv) access to internships, technology training, personal and emotional intelligence skill development, and other support services;
 - (4) the program may provide income supplements not to exceed \$2,000 per participant support services, when needed, to participants for housing, counseling, tuition, and other basic needs;
 - (5) individuals served by the program must be 18 years of age or older as of the date of enrollment, and have household income in the six months immediately before entering the program that is 200 percent or less of the federal poverty guideline for Minnesota, based on family size; and
- 45.16 (6) the program must be certified by the commissioner of employment and economic development as meeting the requirements of this subdivision.
- 45.18 Sec. 5. Minnesota Statutes 2020, section 116J.8747, subdivision 3, is amended to read:
- Subd. 3. **Graduation and retention grant requirements.** (a) For purposes of a placement grant under this section, a qualified graduate is a graduate of a job training program qualifying under subdivision 2 who is placed in a job in Minnesota that pays at least the current state minimum wage. To qualify for a retention grant under this section for a retention fee, a job in which the graduate is retained must pay at least the current state minimum wage.
- (b) Programs are limited to one placement and one retention payment for a qualified graduate in a performance program.
- Sec. 6. Minnesota Statutes 2020, section 116J.8747, subdivision 4, is amended to read:
- Subd. 4. **Duties of program.** (a) A program certified by the commissioner under subdivision 2 must comply with the requirements of this subdivision.
- (b) A program must maintain <u>and provide upon request records</u> for each qualified graduate. The records must include information sufficient to verify the graduate's eligibility

under this section, identify the employer, and describe the job including its compensation rate and, benefits, and average hours per week.

- (c) A program is subject to the reporting requirements under section 116L.98.
- Sec. 7. Minnesota Statutes 2020, section 116J.993, subdivision 3, is amended to read:
 - Subd. 3. **Business subsidy.** "Business subsidy" or "subsidy" means a state or local government agency grant, contribution of personal property, real property, infrastructure, the principal amount of a loan at rates below those commercially available to the recipient, any reduction or deferral of any tax or any fee, any guarantee of any payment under any loan, lease, or other obligation, or any preferential use of government facilities given to a business.
- The following forms of financial assistance are not a business subsidy:
- 46.12 (1) a business subsidy of less than \$150,000;

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- 46.13 (2) assistance that is generally available to all businesses or to a general class of similar businesses, such as a line of business, size, location, or similar general criteria;
- 46.15 (3) public improvements to buildings or lands owned by the state or local government that serve a public purpose and do not principally benefit a single business or defined group of businesses at the time the improvements are made;
- 46.18 (4) redevelopment property polluted by contaminants as defined in section 116J.552, subdivision 3;
- (5) assistance provided for the sole purpose of renovating old or decaying building stock or bringing it up to code and assistance provided for designated historic preservation districts, provided that the assistance is equal to or less than 50 percent of the total cost;
- 46.23 (6) assistance to provide job readiness and training services if the sole purpose of the assistance is to provide those services;
- 46.25 (7) assistance for housing;
- 46.26 (8) assistance for pollution control or abatement, including assistance for a tax increment 46.27 financing hazardous substance subdistrict as defined under section 469.174, subdivision 46.28 23;
- 46.29 (9) assistance for energy conservation;
- 46.30 (10) tax reductions resulting from conformity with federal tax law;
- 46.31 (11) workers' compensation and unemployment insurance;

(12) benefits derived from regulation;

- 47.2 (13) indirect benefits derived from assistance to educational institutions;
- 47.3 (14) funds from bonds allocated under chapter 474A, bonds issued to refund outstanding 47.4 bonds, and bonds issued for the benefit of an organization described in section 501(c)(3) 47.5 of the Internal Revenue Code of 1986, as amended through December 31, 1999;
- 47.6 (15) assistance for a collaboration between a Minnesota higher education institution and a business;
- 47.8 (16) assistance for a tax increment financing soils condition district as defined under section 469.174, subdivision 19;
- 47.10 (17) redevelopment when the recipient's investment in the purchase of the site and in 47.11 site preparation is 70 percent or more of the assessor's current year's estimated market value;
- 47.12 (18) general changes in tax increment financing law and other general tax law changes 47.13 of a principally technical nature;
- 47.14 (19) federal assistance until the assistance has been repaid to, and reinvested by, the state or local government agency;
- 47.16 (20) funds from dock and wharf bonds issued by a seaway port authority;
- 47.17 (21) business loans and loan guarantees of \$150,000 or less;
- 47.18 (22) federal loan funds provided through the United States Department of Commerce,
 Economic Development Administration, Department of the Treasury; and
- 47.20 (23) property tax abatements granted under section 469.1813 to property that is subject to valuation under Minnesota Rules, chapter 8100.
- Sec. 8. Minnesota Statutes 2020, section 116L.04, subdivision 1a, is amended to read:
- Subd. 1a. **Pathways program.** The pathways program may provide grants-in-aid for developing programs which assist in the transition of persons from welfare to work and assist individuals at or below 200 percent of the federal poverty guidelines. The program is to be operated by the board. The board shall consult and coordinate with program administrators at the Department of Employment and Economic Development to design and provide services for temporary assistance for needy families recipients.
- Pathways grants-in-aid may be awarded to educational or other nonprofit training institutions or to workforce development intermediaries for education and training programs and services supporting education and training programs that serve eligible recipients.

48.1 Preference shall be given to projects that:

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- (1) provide employment with benefits paid to employees;
- 48.3 (2) provide employment where there are defined career paths for trainees;
- 48.4 (3) pilot the development of an educational pathway that can be used on a continuing 48.5 basis for transitioning persons from welfare to work; and
 - (4) demonstrate the active participation of Department of Employment and Economic Development workforce centers, Minnesota State College and University institutions and other educational institutions, and local welfare agencies.
 - Pathways projects must demonstrate the active involvement and financial commitment of <u>participating</u> private <u>business</u> <u>businesses</u>, <u>Tribal-owned businesses</u>, and <u>municipal and county hospitals</u>. Pathways projects must be matched with cash or in-kind contributions on at least a one-half-to-one ratio by participating private <u>business</u> <u>businesses</u>, <u>Tribal-owned</u> businesses, and municipal or county hospitals.
- A single grant to any one institution shall not exceed \$400,000. A portion of a grant may be used for preemployment training.
- Sec. 9. Minnesota Statutes 2020, section 116L.17, subdivision 1, is amended to read:
- Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given them in this subdivision.
 - (b) "Commissioner" means the commissioner of employment and economic development.
 - (c) "Dislocated worker" means an individual who is a resident of Minnesota at the time employment ceased or was working in the state at the time employment ceased and:
 - (1) has been permanently separated or has received a notice of permanent separation from public or private sector employment and is eligible for or has exhausted entitlement to unemployment benefits, and is unlikely to return to the previous industry or occupation;
 - (2) has been long-term unemployed and has limited opportunities for employment or reemployment in the same or a similar occupation in the area in which the individual resides, including older individuals who may have substantial barriers to employment by reason of age;
- 48.29 (3) has been terminated or has received a notice of termination of employment as a result 48.30 of a plant closing or a substantial layoff at a plant, facility, or enterprise;

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(4) has been self-employed, including farmers and ranchers, and is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters;

- (5) is a veteran as defined by section 197.447, has been discharged or released from active duty under honorable conditions within the last 36 months, and (i) is unemployed or (ii) is employed in a job verified to be below the skill level and earning capacity of the veteran;
- (6) is an individual determined by the United States Department of Labor to be covered by trade adjustment assistance under United States Code, title 19, sections 2271 to 2331, as amended; or
- (7) is a displaced homemaker. A "displaced homemaker" is an individual who has spent a substantial number of years in the home providing homemaking service and (i) has been dependent upon the financial support of another; and now due to divorce, separation, death, or disability of that person, must now find employment to self support; or (ii) derived the substantial share of support from public assistance on account of dependents in the home and no longer receives such support. To be eligible under this clause, the support must have ceased while the worker resided in Minnesota.
- For the purposes of this section, "dislocated worker" does not include an individual who was an employee, at the time employment ceased, of a political committee, political fund, principal campaign committee, or party unit, as those terms are used in chapter 10A, or an organization required to file with the federal elections commission.
- (d) "Eligible organization" means a state or local government unit, nonprofit organization, community action agency, business organization or association, or labor organization.
- (e) "Plant closing" means the announced or actual permanent shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment.
- (f) "Substantial layoff" means a permanent reduction in the workforce, which is not a 49.27 result of a plant closing, and which results in an employment loss at a single site of 49.28 employment during any 30-day period for at least 50 employees excluding those employees that work less than 20 hours per week. 49.30

	SF4091	REVISOR	SS	S4091-4	4th Engrossment
50.1	Sec. 10. [11	6L.36] REQUIREN	MENTS FOR O	GRANTS TO NONE	<u>PROFIT</u>
50.2	ORGANIZA	TIONS.			
50.3	Subdivision	on 1. Purpose. In ord	der to ensure th	at grants are awarded	to mission-centered
50.4	and fiscally re	esponsible grantees,	a nonprofit org	anization that is a rec	ipient of a future or
50.5	past grant or o	direct appropriation	made by or thro	ough the department r	nust provide
50.6	information to	the commissioner a	as specified in t	his section.	
50.7 50.8		Definitions. (a) For the ave the meanings gives	•	this section, the terms	s defined in this
50.9				e present value of sto	ck options, the value
50.10	of employee b	penefits, employer co	ontributions to r	retirement or deferred	compensation plans
50.11	on behalf of t	he officer or employ	ee, and any oth	er compensation or b	enefit of value.
50.12	(c) "Highl	y compensated emp	loyee" means a	n employee of a nonp	rofit organization
50.13	with estimate	d annual wages that:			
50.14	(1) are gre	eater than 80 percent	of the governo	r's annual salary; and	
50.15	(2) are equ	ual to, or greater than	a, 80 percent of	the estimated annual	wages of the second
50.16	highest paid e	employee of the nonp	orofit organizat	ion.	
50.17	(d) "Nonp	rofit organization" n	neans an organi	zation described in U	nited States Code,
50.18	title 26, section	on 501(c)(3), and is e	exempt from in	come tax under Unite	d States Code, title
50.19	26, section 50	01(a).			
50.20	<u>Subd. 3.</u> R	Requirements. (a) B	y September 1	of each year, a nonpro	ofit organization that
50.21	is recipient of	a future or past grant	or direct approp	oriation made by or the	ough the department
50.22	must provide	the following to the	commissioner:		
50.23	(1) numbe	r of and compensation	on for any highly	y compensated emplo	yees of the nonprofit
50.24	organization;				
50.25	(2) admini	strative expenses of	the nonprofit of	rganization for the pro	evious three years as

expenses, and fundraising expenses, for the previous three years; and 50.28

(4) revenue for the previous three years.

evidenced by the nonprofit's Internal Revenue Service Form 990;

(b) A nonprofit organization that has been in operation for fewer than three years shall submit the data required under paragraph (a), clauses (2) to (4), for the time period since the inception of the nonprofit organization.

(3) total functional expenses, including the nonprofit's program expenses, administrative

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- Subd. 4. Reporting to legislature. Beginning February 15, 2023, and each year thereafter, the commissioner must submit a combined report containing the information provided by the grant recipients to the chairs and ranking minority members of the legislative committees and budget divisions with jurisdiction over economic development. The commissioner shall also include in the report a calculation of each nonprofit's percentage of expenses and a revenue and expenses trend comparison over the previous three years.
- Sec. 11. Minnesota Statutes 2020, section 116L.98, subdivision 2, is amended to read:
- Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given.
 - (b) "Credential" means postsecondary degrees, diplomas, licenses, and certificates awarded in recognition of an individual's attainment of measurable technical or occupational skills necessary to obtain employment or advance with an occupation. This definition does not include eertificates awarded by workforce investment boards or work-readiness certificates.
 - (c) "Exit" means to have not received service under a workforce program for 90 consecutive calendar days. The exit date is the last date of service.
 - (d) "Net impact" means the use of matched control groups and regression analysis to estimate the impacts attributable to program participation net of other factors, including observable personal characteristics and economic conditions.
- (e) "Pre-enrollment" means the period of time before an individual was enrolled in a workforce program.
- Sec. 12. Minnesota Statutes 2020, section 116L.98, subdivision 3, is amended to read:
- Subd. 3. Uniform outcome report card; reporting by commissioner. (a) By December 31 of each even-numbered year, the commissioner must report to the chairs and ranking minority members of the committees of the house of representatives and the senate having jurisdiction over economic development and workforce policy and finance the following information separately for each of the previous two fiscal or calendar years, for each program subject to the requirements of subdivision 1:
- 51.29 (1) the total number of participants enrolled;
- (2) the median pre-enrollment wages based on participant wages for the second through the fifth calendar quarters immediately preceding the quarter of enrollment excluding those with zero income;

52.1	(3) the total number of participants with zero income in the second through fifth calendar
52.2	quarters immediately preceding the quarter of enrollment;
52.3	(4) the total number of participants enrolled in training;
52.4	(5) the total number of participants enrolled in training by occupational group;
52.5	(6) the total number of participants that exited the program and the average enrollment
52.6	duration of participants that have exited the program during the year;
52.7	(7) the total number of exited participants who completed training;
52.8	(8) the total number of exited participants who attained a credential;
52.9	(9) the total number of participants employed during three consecutive quarters
52.10	immediately following the quarter of exit, by industry;
52.11	(10) the median wages of participants employed during three consecutive quarters
52.12	immediately following the quarter of exit;
52.13	(11) the total number of participants employed during eight consecutive quarters
52.14	immediately following the quarter of exit, by industry;
52.15	(12) the median wages of participants employed during eight consecutive quarters
52.16	immediately following the quarter of exit;
52.17	(13) the total cost of the program;
52.18	(14) the total cost of the program per participant;
52.19	(15) the cost per credential received by a participant; and
52.20	(16) the administrative cost of the program.
52.21	(b) The report to the legislature must contain:
52.22	(1) participant information by education level, race and ethnicity, gender, and geography,
52.23	and a comparison of exited participants who completed training and those who did not; and
52.24	(2) a list of any grant recipients that did not satisfy all of the reporting requirements of
52.25	this section for the applicable reporting period.
52.26	(c) The requirements of this section apply to programs administered directly by the
52.27	commissioner or administered by other organizations under a grant made by the department.

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Sec. 13. Minnesota Statutes 2020, section 181.032, is amended to read:

181.032 REQUIRED STATEMENT OF EARNINGS BY EMPLOYER; NOTICE TO EMPLOYEE.

- (a) At the end of each pay period, the employer shall provide each employee an earnings statement, either in writing or by electronic means, covering that pay period. An employer who chooses to provide an earnings statement by electronic means must provide employee access to an employer-owned computer during an employee's regular working hours to review and print earnings statements.
- (b) The earnings statement may be in any form determined by the employer but must include:
- 53.11 (1) the name of the employee;
- 53.12 (2) the rate or rates of pay and basis thereof, including whether the employee is paid by 53.13 hour, shift, day, week, salary, piece, commission, or other method;
- 53.14 (3) allowances, if any, claimed pursuant to permitted meals and lodging;
- 53.15 (4) the total number of hours worked by the employee unless exempt from chapter 177;
- 53.16 (5) the total amount of gross pay earned by the employee during that period;
- (6) a list of deductions made from the employee's pay;
- 53.18 (7) the net amount of pay after all deductions are made;
- 53.19 (8) the date on which the pay period ends;
- 53.20 (9) the legal name of the employer and the operating name of the employer if different 53.21 from the legal name;
- 53.22 (10) the physical address of the employer's main office or principal place of business, 53.23 and a mailing address if different; and
- 53.24 (11) the telephone number of the employer.
- (c) An employer must provide earnings statements to an employee in writing, rather than by electronic means, if the employer has received at least 24 hours notice from an employee that the employee would like to receive earnings statements in written form. Once an employer has received notice from an employee that the employee would like to receive earnings statements in written form, the employer must comply with that request on an ongoing basis.

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54.1	(d) At With	nin seven days of the	e start of emplo	yment, an employer	shall provide each
54.2	employee a wr	itten notice <u>, either in</u>	writing or by e	electronic means, cont	taining the following
54.3	information:				
54.4	(1) the rate	or rates of pay and l	basis thereof, in	ncluding whether the	employee is paid by
54.5	the hour, shift,	day, week, salary, p	piece, commiss	ion, or other method,	and the specific

- the hour, shift, day, week, salary, piece, commission, or other method, and the specific application of any additional rates, as well as any pay schedule or range of pay for an employee who is reasonably expected to move between job duties, classifications, and pay or benefit structures in their day-to-day duties;
 - (2) allowances, if any, claimed pursuant to permitted meals and lodging;
- 54.10 (3) paid vacation, sick time, or other paid time-off accruals and terms of use;
 - (4) the employee's employment status and whether the employee is exempt from minimum wage, overtime, and other provisions of chapter 177, and on what basis;
 - (5) a list of deductions that may be made from the employee's pay;
 - (6) the number of days in the pay period, the regularly scheduled pay day, and the pay day on which the employee will receive the first payment of wages earned;
 - (7) the legal name of the employer and the operating name of the employer if different from the legal name;
 - (8) the physical address of the employer's main office or principal place of business, and a mailing address if different; and
 - (9) the telephone number of the employer-; and
 - (10) a checkbox to indicate whether a hiring employer is a staffing agency and space for a staffing agency to indicate the initial entity for which the employee will perform work.
 - (e) The employer must keep a copy of the notice under paragraph (d) signed by each employee acknowledging receipt of the notice. An employee's signature on the notice constitutes acknowledgment of receipt of the notice and does not create a contract. For the purposes of this paragraph, "signed" means a written signature or an electronic signature as defined in section 325L.02. The notice must be provided to each employee in English. The English version of the notice must include text provided by the commissioner that informs employees that they may request, by indicating on the form, the notice be provided in a particular language. If requested, the employer shall provide the notice in the language requested by the employee. The commissioner shall make available to employers the text

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to be included in the English version of the notice required by this section and assist employers with translation of the notice in the languages requested by their employees.

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- (f) The notice requirement under paragraph (d) is satisfied for an employee if the employee has received all of the information required in paragraph (d) specific to the employee through a collective bargaining agreement, employee handbook, offer letter, or a combination of those documents. In such an instance, the employer must retain a record or listing of the referenced documents that satisfied the notice requirement in paragraph (d).
- (g) An employer must provide the employee any written changes to the information contained in the notice under paragraph (d) prior to the, either in writing or by electronic means, by the date of the employee's next earnings statement following the date the changes take effect. The notice of changes to information under this paragraph does not require a signature by the employee acknowledging receipt. The requirements of this paragraph are satisfied if the changes to information are contained on the employee's next earnings statement.
- (h) Notice is not required under paragraph (g) to an employee for discretionary pay. For the purposes of this section, "discretionary pay" means compensation paid by the employer for which the amount and timing are not disclosed in advance by the employer and are at the employer's sole discretion.
- (i) Notice is not required under paragraph (g) to an employee employed by a staffing agency upon subsequent job placements following the initial placement by the staffing agency.
- (j) The commissioner shall issue a written warning to an employer upon the first finding of a violation or violations of the notice requirements found in paragraphs (d) to (g). For purposes of this paragraph, discovery by the commissioner of more than one violation of the notice requirements under paragraphs (d) to (g) at the same employer during the same investigation shall be considered a single violation.
 - Sec. 14. Minnesota Statutes 2020, section 181.101, is amended to read:

181.101 WAGES; HOW OFTEN PAID.

(a) Except as provided in paragraph (b), every employer must pay all wages, including salary, earnings, and gratuities earned by an employee at least once every 31 days and all commissions earned by an employee at least once every three months, on a regular payday designated in advance by the employer regardless of whether the employee requests payment at longer intervals. Unless paid earlier, the wages earned during the first half of the first

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31-day pay period become due on the first regular payday following the first day of work. If wages or commissions earned are not paid, the commissioner of labor and industry or the commissioner's representative may serve a demand for payment on behalf of an employee. In addition to other remedies under section 177.27, if payment of wages is not made within ten days of service of the demand, the commissioner may charge and collect the wages earned at the employee's rate or rates of pay or at the rate or rates required by law, including any applicable statute, regulation, rule, ordinance, government resolution or policy, contract, or other legal authority, whichever rate of pay is greater, and a penalty in the amount of the employee's average daily earnings at the same rate or rates, not exceeding 20 days total, for each day beyond the ten-day limit following the demand. If payment of commissions is not made within ten days of service of the demand, the commissioner may charge and collect the commissions earned and a penalty equal to 1/15 of the commissions earned but unpaid, not exceeding 20 days total, for each day beyond the ten-day limit. Money collected by the commissioner must be paid to the employee concerned. This section does not prevent an employee from prosecuting a claim for wages. This section does not prevent a school district, other public school entity, or other school, as defined under section 120A.22, from paying any wages earned by its employees during a school year on regular paydays in the manner provided by an applicable contract or collective bargaining agreement, or a personnel policy adopted by the governing board. For purposes of this section, "employee" includes a person who performs agricultural labor as defined in section 181.85, subdivision 2. For purposes of this section, wages are earned on the day an employee works. This section provides a substantive right for employees to the payment of wages, including salary, earnings, and gratuities, as well as commissions, in addition to the right to be paid at certain times.

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(b) An employer of a volunteer firefighter, as defined in section 424A.001, subdivision 10, a member of an organized first responder squad that is formally recognized by a political subdivision in the state, or a volunteer ambulance driver or attendant must pay all wages earned by the volunteer firefighter, first responder, or volunteer ambulance driver or attendant at least once every 31 days, unless the employer and the employee mutually agree upon payment at longer intervals.

Sec. 15. Minnesota Statutes 2020, section 268.18, is amended by adding a subdivision to read:

Subd. 7. Overpayments; report to legislature. Beginning January 15, 2023, and each January 15 thereafter, the commissioner must report to the chairs and ranking minority members of the committees of the house of representatives and the senate having jurisdiction

57.1	over unemployment insurance for the previous calendar year, to the extent that the following
57.2	information is not classified as not public under chapter 13 or 268:
57.3	(1) the number and total dollar amount of overpayments made by the department,
57.4	regardless of whether the improper recipient of the overpayment was identified by the
57.5	department;
57.6	(2) the number and total dollar amount of overpayments as a percentage of total claims
57.7	paid over the same period;
57.8	(3) for each overpayment, the dollar amount of the overpayment and information as to
57.9	whether the overpayment was made due to:
57.10	(i) misrepresentation by a legitimate applicant;
57.11	(ii) fraud attempt through identity theft; or
57.12	(iii) other fraud attempt by an unidentified imposter or hijacker;
57.13	(4) information regarding the number of suspected fraud attempts by imposters or
57.14	hijackers that the department identified and stopped prior to issuing an overpayment; and
57.15	(5) the number of times the department referred fraud cases to law enforcement.
57.16	Sec. 16. Laws 2021, First Special Session chapter 10, article 2, section 24, subdivision 1,
57.17	is amended to read:
57.18	Subdivision 1. Establishment. Lake of the Woods County shall establish a loan program
57.19	to make forgivable loans to eligible remote recreational businesses that experienced a loss
57.20	in revenue that is greater than 30 percent during the period between March 15, 2020 2021,
57.21	and March 15, 2021 2022, as compared with the previous year March 15, 2019, and March
57.22	<u>15, 2020</u> .
57.23	EFFECTIVE DATE. This section is effective retroactively from March 31, 2022.
57.24	Sec. 17. Laws 2021, First Special Session chapter 10, article 2, section 24, subdivision 3,
57.25	is amended to read:
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57.26	Subd. 3. Eligibility. To be eligible for a forgivable loan, a remote recreational business
57.27	must:
57.28	(1) have been in operation on March 15, 2020 2021.

58.1	(2) show that the closure and ongoing COVID-19-related requirements of the United
58.2	States and Canadian border restricted the ability of American customers to access the location
58.3	of the remote recreational business; and
58.4	(3) not have received a grant under the Main Street COVID-19 relief grant program.
58.5	EFFECTIVE DATE. This section is effective retroactively from March 31, 2022.
58.6	Sec. 18. Laws 2021, First Special Session chapter 10, article 2, section 24, subdivision 4,
58.7	is amended to read:
58.8	Subd. 4. Application. (a) Lake of the Woods County shall develop forms and procedures
58.9	for soliciting and reviewing applications for loans under this section.
58.10	(b) Loans shall be made before April 1, 2022 December 30, 2022. Any funds not spent
58.11	by April 1, 2022 2023, must be returned to the state general fund.
58.12	(c) If there are insufficient funds to fund all claims in full, the county shall distribute
58.13	funds on a prorated basis.
58.14	EFFECTIVE DATE. This section is effective retroactively from March 31, 2022.
58.15	Sec. 19. Laws 2021, First Special Session chapter 10, article 2, section 24, subdivision 5,
58.16	is amended to read:
58.17	Subd. 5. Maximum loan amount. The maximum loan amount shall be equal to 75
58.18	percent of the remote recreational business's gross annual receipts for fiscal year years 2020
58.19	and 2021, not to exceed \$500,000 per eligible remote recreational business.
58.20	EFFECTIVE DATE. This section is effective retroactively from March 31, 2022.
58.21	Sec. 20. Laws 2021, First Special Session chapter 10, article 2, section 24, subdivision 7,
58.22	is amended to read:
58.23	Subd. 7. Report to legislature. By January 15 April 30, 2023, Lake of the Woods County
58.24	shall report to the legislative committees with jurisdiction over economic development
58.25	policy and finance on the loans provided to remote recreational businesses under this section.
58.26	EFFECTIVE DATE. This section is effective retroactively from March 31, 2022.

Sec. 21. PAY FOR PERFORMANCE. 59.1 Of the amounts appropriated in law from the workforce development fund for grants to 59.2 pass-through entities, 25 percent in fiscal year 2024 and 50 percent in fiscal year 2025 are 59.3 for performance grants under Minnesota Statutes, section 116J.8747. 59.4 **ARTICLE 4** 59.5 LABOR APPROPRIATIONS 59.6 Section 1. APPROPRIATIONS. 59.7 The sums shown in the columns under "Appropriations" are added to the appropriations 59.8 in Laws 2021, First Special Session chapter 10, or other law to the specified agencies. The 59.9 appropriations are from the general fund, or another named fund, and are available for the 59.10 fiscal years indicated for each purpose. The figures "2022" and "2023" used in this article 59.11 mean that the appropriations listed under them are available for the fiscal year ending June 59.12 30, 2022, or June 30, 2023, respectively. Appropriations for the fiscal year ending June 30, 59.13 2022, are effective the day following final enactment. 59.14 **APPROPRIATIONS** 59.15 Available for the Year 59.16 **Ending June 30** 59.17 59.18 2022 2023 Sec. 2. DEPARTMENT OF LABOR AND 59.19 **INDUSTRY** 59.20 **Subdivision 1. Total Appropriation** \$ <u>-0-</u> \$ 25,000 59.21 Appropriations by Fund 59.22 59.23 2022 2023 59.24 General -0-25,000 Subd. 2. Workforce Development Initiatives -0-25,000 59.25 \$25,000 in fiscal year 2023 is for youth skills 59.26 59.27 training grants under Minnesota Statutes, section 175.46. This is a onetime 59.28

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4th Engrossment

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LABOR AND INDUSTRY POLICY AND TECHNICAL

ARTICLE 5

Section 1. Minnesota Statutes 2020, section 326B.106, subdivision 4, is amended to read:

- Subd. 4. Special requirements. (a) Space for commuter vans. The code must require that any parking ramp or other parking facility constructed in accordance with the code include an appropriate number of spaces suitable for the parking of motor vehicles having a capacity of seven to 16 persons and which are principally used to provide prearranged commuter transportation of employees to or from their place of employment or to or from a transit stop authorized by a local transit authority.
- (b) **Smoke detection devices.** The code must require that all dwellings, lodging houses, apartment houses, and hotels as defined in section 299F.362 comply with the provisions of section 299F.362.
- (c) **Doors in nursing homes and hospitals.** The State Building Code may not require that each door entering a sleeping or patient's room from a corridor in a nursing home or hospital with an approved complete standard automatic fire extinguishing system be constructed or maintained as self-closing or automatically closing.
- (d) Child care facilities in churches; ground level exit. A licensed day care center serving fewer than 30 preschool age persons and which is located in a belowground space in a church building is exempt from the State Building Code requirement for a ground level exit when the center has more than two stairways to the ground level and its exit.
- (e) Family and group family day care. Until the legislature enacts legislation specifying appropriate standards, the definition of dwellings constructed in accordance with the International Residential Code as adopted as part of the State Building Code applies to family and group family day care homes licensed by the Department of Human Services under Minnesota Rules, chapter 9502.
- (f) Enclosed stairways. No provision of the code or any appendix chapter of the code may require stairways of existing multiple dwelling buildings of two stories or less to be enclosed.
- (g) **Double cylinder dead bolt locks.** No provision of the code or appendix chapter of the code may prohibit double cylinder dead bolt locks in existing single-family homes, townhouses, and first floor duplexes used exclusively as a residential dwelling. Any recommendation or promotion of double cylinder dead bolt locks must include a warning about their potential fire danger and procedures to minimize the danger.

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- (h) Relocated residential buildings. A residential building relocated within or into a political subdivision of the state need not comply with the State Energy Code or section 326B.439 provided that, where available, an energy audit is conducted on the relocated building.
- (i) Automatic garage door opening systems. The code must require all residential buildings as defined in section 325F.82 to comply with the provisions of sections 325F.82 and 325F.83.
- (j) Exterior wood decks, patios, and balconies. The code must permit the decking surface and upper portions of exterior wood decks, patios, and balconies to be constructed of (1) heartwood from species of wood having natural resistance to decay or termites, including redwood and cedars, (2) grades of lumber which contain sapwood from species of wood having natural resistance to decay or termites, including redwood and cedars, or (3) treated wood. The species and grades of wood products used to construct the decking surface and upper portions of exterior decks, patios, and balconies must be made available to the building official on request before final construction approval.
- (k) Bioprocess piping and equipment. No permit fee for bioprocess piping may be imposed by municipalities under the State Building Code, except as required under section 326B.92 subdivision 1. Permits for bioprocess piping shall be according to section 326B.92 administered by the Department of Labor and Industry. All data regarding the material production processes, including the bioprocess system's structural design and layout, are nonpublic data as provided by section 13.7911.
- (1) Use of ungraded lumber. The code must allow the use of ungraded lumber in geographic areas of the state where the code did not generally apply as of April 1, 2008, to the same extent that ungraded lumber could be used in that area before April 1, 2008.
- (m) Window cleaning safety. The code must require the installation of dedicated anchorages for the purpose of suspended window cleaning on (1) new buildings four stories or greater; and (2) buildings four stories or greater, only on those areas undergoing reconstruction, alteration, or repair that includes the exposure of primary structural components of the roof The code shall incorporate by reference nationally recognized safety standards for window cleaning developed by the International Window Cleaning Association (IWCA) and approved by the American National Standards Institute (ANSI). Such standards shall require that window cleaning safety features be provided for all windows on:
 - (1) new buildings where determined by the standard; and

- (2) existing buildings undergoing alterations where both of the following conditions are 62.1 met: 62.2 (i) the windows do not currently have safe window cleaning features; and 62.3 (ii) the proposed work area being altered can include provisions for safe window cleaning. 62.4 The commissioner may waive all or a portion of the requirements of this paragraph 62.5 related to reconstruction, alteration, or repair, if the installation of dedicated anchorages 62.6 62.7 would not result in significant safety improvements due to limits on the size of the project, or other factors as determined by the commissioner. 62.8 Sec. 2. Minnesota Statutes 2021 Supplement, section 326B.153, subdivision 1, is amended 62.9 to read: 62.10Subdivision 1. Building permits. (a) Fees for building permits submitted as required 62.11 in section 326B.107 include: 62.12 (1) the fee as set forth in the fee schedule in paragraph (b) or as adopted by a municipality; 62.13 and 62.14 62.15 (2) the surcharge required by section 326B.148. (b) The total valuation and fee schedule is: 62.16 (1) \$1 to \$500, \$29.50 \$21; 62.17 (2) \$501 to \$2,000, \$28 \$21 for the first \$500 plus \$3.70 \$2.75 for each additional \$100 62.18 or fraction thereof, to and including \$2,000; 62.19 (3) \$2,001 to \$25,000, \$83.50 \$62.25 for the first \$2,000 plus \$16.55 \$12.50 for each 62.20 additional \$1,000 or fraction thereof, to and including \$25,000; 62.21 (4) \$25,001 to \$50,000, \$464.15 \$349.75 for the first \$25,000 plus \$12 \$9 for each 62.22 additional \$1,000 or fraction thereof, to and including \$50,000; 62.23 (5) \$50,001 to \$100,000, $\frac{$764.15}{}$ \$574.75 for the first \$50,000 plus $\frac{$8.45}{}$ \$6.25 for 62.24 each additional \$1,000 or fraction thereof, to and including \$100,000; 62.25 (6) \$100,001 to \$500,000, \$1,186.65 \$887.25 for the first \$100,000 plus \$6.75 \$5 for 62.26 each additional \$1,000 or fraction thereof, to and including \$500,000; 62.27
- 62.28 (7) \$500,001 to \$1,000,000, \$3,886.65 \$2,887.25 for the first \$500,000 plus \$5.50 \$4.25 for each additional \$1,000 or fraction thereof, to and including \$1,000,000; and

63.1	(8) \$1,000,001 and up, $\frac{$6,636.65}{$5,012.25}$ for the first \$1,000,000 plus $\frac{$4.50}{$2.75}$
63.2	for each additional \$1,000 or fraction thereof.
63.3	(c) Other inspections and fees are:
63.4	(1) inspections outside of normal business hours (minimum charge two hours), \$63.25
63.5	per hour;
63.6	(2) reinspection fees, \$63.25 per hour;
63.7	(3) inspections for which no fee is specifically indicated (minimum charge one-half
63.8	hour), \$63.25 per hour; and
63.9	(4) additional plan review required by changes, additions, or revisions to approved plans
63.10	(minimum charge one-half hour), \$63.25 per hour.
63.11	(d) If the actual hourly cost to the jurisdiction under paragraph (c) is greater than \$63.25,
63.12	then the greater rate shall be paid. Hourly cost includes supervision, overhead, equipment,
63.13	hourly wages, and fringe benefits of the employees involved.
63.14	EFFECTIVE DATE. This section is effective retroactively from October 1, 2021.
(2.15	See 2 Minnesote Statutes 2020, section 226D 162, subdivision 5, is amended to read
63.15	Sec. 3. Minnesota Statutes 2020, section 326B.163, subdivision 5, is amended to read:
63.16	Subd. 5. Elevator. As used in this chapter, "elevator" means moving walks and vertical
63.17	transportation devices such as escalators, passenger elevators, freight elevators, dumbwaiters,
63.18	hand-powered elevators, endless belt lifts, and wheelchair platform lifts. Elevator does not
63.19	include external temporary material lifts or temporary construction personnel elevators at
63.20	sites of construction of new or remodeled buildings.
63.21	Sec. 4. Minnesota Statutes 2020, section 326B.163, is amended by adding a subdivision
63.22	to read:
63.23	Subd. 5a. Platform lift. As used in this chapter, "platform lift" means a powered hoisting
63.24	and lowering device designed to transport mobility-impaired persons on a guided platform.
63.25	Sec. 5. Minnesota Statutes 2020, section 326B.164, subdivision 13, is amended to read:
63.26	Subd. 13. Exemption from licensing. (a) Employees of a licensed elevator contractor
63.27	or licensed limited elevator contractor are not required to hold or obtain a license under this
63.28	section or be provided with direct supervision by a licensed master elevator constructor,
63.29	licensed limited master elevator constructor, licensed elevator constructor, or licensed limited
63 30	elevator constructor to install maintain or repair platform lifts and stairway chairlifts

54.1	Unlicensed employees performing elevator work under this exemption must comply with
54.2	subdivision 5. This exemption does not include the installation, maintenance, repair, or
54.3	replacement of electrical wiring for elevator equipment.
54.4	(b) Contractors or individuals shall not be required to hold or obtain a license under this
54.5	section when performing work on:
54.6	(1) conveyors, including vertical reciprocating conveyors;
54.7	(2) platform lifts not covered under section 326B.163, subdivision 5a; or
54.8	(3) dock levelers.
54.9	Sec. 6. Minnesota Statutes 2020, section 326B.36, subdivision 7, is amended to read:
54.10	Subd. 7. Exemptions from inspections. Installations, materials, or equipment shall not
54.11	be subject to inspection under sections 326B.31 to 326B.399:
54.12	(1) when owned or leased, operated and maintained by any employer whose maintenance
54.13	electricians are exempt from licensing under sections 326B.31 to 326B.399, while performing
54.14	electrical maintenance work only as defined by rule;
54.15	(2) when owned or leased, and operated and maintained by any electrical,
54.16	communications, or railway utility, cable communications company as defined in section
54.17	238.02, or telephone company as defined under section 237.01, in the exercise of its utility.
54.18	antenna, or telephone function; and
54.19	(i) are used exclusively for the generations, transformation, distribution, transmission,
54.20	load control, or metering of electric current, or the operation of railway signals, or the
54.21	transmission of intelligence, and do not have as a principal function the consumption or use
54.22	of electric current by or for the benefit of any person other than such utility, cable
54.23	communications company, or telephone company; and
54.24	(ii) are generally accessible only to employees of such utility, cable communications
54.25	company, or telephone company or persons acting under its control or direction; and
54.26	(iii) are not on the load side of the service point or point of entrance for communication
64.27	systems;
54.28	(3) when used in the street lighting operations of an electrical utility;
54.29	(4) when used as outdoor area lights which are owned and operated by an electrical
64 30	utility and which are connected directly to its distribution system and located upon the

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- utility's distribution poles, and which are generally accessible only to employees of such utility or persons acting under its control or direction;
- (5) when the installation, material, and equipment are in facilities subject to the jurisdiction of the federal Mine Safety and Health Act; or
- (6) when the installation, material, and equipment is part of an elevator installation for which the elevator contractor, licensed under section 326B.164, is required to obtain a permit from the authority having jurisdiction as provided by section 326B.184, and the inspection has been or will be performed by an elevator inspector certified and licensed by the department. This exemption shall apply only to installations, material, and equipment permitted or required to be connected on the load side of the disconnecting means required for elevator equipment under National Electrical Code Article 620, and elevator communications and alarm systems within the machine room, car, hoistway, or elevator lobby.
- Sec. 7. Minnesota Statutes 2020, section 326B.36, is amended by adding a subdivision to 65.14 read: 65.15
- 65.16 Subd. 8. Electric utility exemptions; additional requirements. For exemptions to inspections exclusively for load control allowed for electrical utilities under subdivision 7, 65.17 clause (2), item (i), the following requirements apply: 65.18
- (1) the exempted work must be conducted by a Class A electrical contractor. If a 65.19 deficiency or code violation is found when conducting such work, the electrical contractor 65.20 or other designee must report the deficiency or code violation to the electric utility; and 65.21
- (2) the electric utility must, within ten calendar days of discovering the need for repair, 65.22 inform the owner: 65.23
- (i) of the location of the materials or equipment that need repair; 65.24
- (ii) that a permit is required for the work; and 65.25
- (iii) of a time frame for the repair to be complete, not to exceed six months, after which 65.26 time the utility must disconnect the materials or equipment. 65.27
- Sec. 8. Minnesota Statutes 2020, section 326B.42, subdivision 1b, is amended to read: 65.28
- Subd. 1b. **Backflow prevention rebuilder.** (a) A "backflow prevention rebuilder" is an 65.29 individual who is qualified by training prescribed by the Plumbing Board and possesses a 65.30 master or journeyworker plumber's license to engage in the testing, maintenance, and 65.31

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rebuilding of reduced pressure zone type backflow prevention assemblies as regulated by the Plumbing Code.

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- (b) For the purposes of this section and section 326B.437, a backflow prevention rebuilder who is qualified by training prescribed by the Plumbing Board and engages in rebuilding of backflow prevention assemblies limited to systems used to apply water to soil and plant materials or provide water to landscape features is exempt from the licensing requirements of paragraph (a). Nothing in this paragraph allows an employee or delegate of the backflow prevention rebuilder or tester to engage in the testing, maintenance, and rebuilding of backflow prevention assemblies as regulated by the Plumbing Code, unless the employee or delegate has the requisite backflow prevention tester or rebuilder training prescribed by the Plumbing Board.
- Sec. 9. Minnesota Statutes 2020, section 326B.42, subdivision 1c, is amended to read:
- Subd. 1c. **Backflow prevention tester.** A "backflow prevention tester" is an individual who is qualified by training prescribed by the Plumbing Board to engage in the testing of reduced pressure zone type backflow prevention assemblies as regulated by the Plumbing Code.
- Sec. 10. Minnesota Statutes 2020, section 326B.437, is amended to read:

326B.437 REDUCED PRESSURE BACKFLOW PREVENTION REBUILDERS 66.19 AND TESTERS.

- (a) No person shall perform or offer to perform the installation, maintenance, repair, or replacement, or rebuilding of reduced pressure zone of backflow prevention assemblies unless the person obtains a plumbing contractor's license. An individual shall not engage in the testing, maintenance, repair, or rebuilding of reduced pressure zone backflow prevention assemblies, as regulated by the Plumbing Code, unless the individual is certified by the commissioner as a backflow prevention rebuilder.
- (b) An individual shall not engage in testing of a reduced pressure zone backflow prevention assembly, as regulated by the Plumbing Code, unless the individual possesses a backflow prevention rebuilder certificate or is certified by the commissioner as a backflow prevention tester.
- (c) Certificates are issued for an initial period of two years and must be renewed every two years thereafter for as long as the certificate holder installs, maintains, repairs, rebuilds, or tests reduced pressure zone backflow prevention assemblies. For purposes of calculating

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fees under section 326B.092, an initial or renewed backflow prevention rebuilder or tester certificate shall be considered an entry level license.

- (d) The Plumbing Board shall adopt expedited rules under section 14.389 that are related to the certification of backflow prevention rebuilders and backflow prevention testers. Section 326B.13, subdivision 8, does not apply to these rules. Notwithstanding the 18-month limitation under section 14.125, this authority expires on December 31, 2014.
- (e) The department shall recognize certification programs that are a minimum of 16 contact hours and include the passage of an examination. The examination must consist of a practical and a written component. This paragraph expires when the Plumbing Board adopts rules under paragraph (d).
- Sec. 11. Minnesota Statutes 2020, section 326B.46, subdivision 2, is amended to read: 67.11
 - Subd. 2. **Bond**; insurance. (a) The bond and insurance requirements of paragraphs (b) and (c) apply to each person who performs or offers to perform plumbing work within the state, including any person who offers to perform or performs sewer or water service installation or backflow prevention testing or rebuilding as described under subdivision 1b, paragraph (b), without a contractor's license. If the person performs or offers to perform any plumbing work other than sewer or water service installation or backflow prevention testing or rebuilding as described under subdivision 1b, paragraph (b), then the person must meet the requirements of paragraphs (b) and (c) as a condition of holding a contractor's license.
 - (b) Each person who performs or offers to perform plumbing work within the state shall give and maintain bond to the state in the penal sum of at least \$25,000 for (1) all plumbing work entered into within the state or (2) all plumbing work and subsurface sewage treatment work entered into within the state. The bond must comply with section 326B.0921. If the bond is for both plumbing work and subsurface sewage treatment work, the bond must comply with the requirements of this section and section 115.56, subdivision 2, paragraph (e).
 - (c) Each person who performs or offers to perform plumbing work within the state shall have and maintain in effect public liability insurance, including products liability insurance with limits of at least \$50,000 per person and \$100,000 per occurrence and property damage insurance with limits of at least \$10,000. The insurance shall be written by an insurer licensed to do business in the state of Minnesota. Each person who performs or offers to perform plumbing work within the state shall maintain on file with the commissioner a certificate evidencing the insurance. In the event of a policy cancellation, the insurer shall send written

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notice to the commissioner at the same time that a cancellation request is received from or a notice is sent to the insured.

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Sec. 12. Laws 2021, First Special Session chapter 10, article 3, section 14, subdivision 1, is amended to read:

Subdivision 1. License required. (a) No individual shall engage in or work at the business of a master plumber, restricted master plumber, journeyworker plumber, and restricted journeyworker plumber unless licensed to do so by the commissioner. A license is not required for individuals performing building sewer or water service installation who have completed pipe laying training as prescribed by the commissioner. A license is not required for individuals servicing or installing a commercial chemical dispensing system or servicing or replacing a commercial dishwashing machine, including connecting a commercial chemical dispensing system or commercial dishwashing machine to a water line or drain line, provided that:

- (1) the individual servicing or installing the commercial chemical dispensing system or servicing or replacing the commercial dishwashing machine is an employee of the manufacturer or distributor of the commercial chemical dispensing system or commercial dishwashing machine;
- (2) the individual servicing or installing the commercial chemical dispensing system or servicing or replacing the commercial dishwashing machine has a minimum of 25 hours of classroom or laboratory training, a minimum of 20 hours of in-field training with a qualified technician on the types of systems being installed, followed by a minimum of 100 hours of supervised field experience. The training and experience curriculum required under this clause must be approved by the commissioner, in consultation with the manufacturer or distributor, but the commissioner shall not require training or experience hours in excess of the amounts specified in this clause;
- (3) the manufacturer or distributor of the commercial chemical dispensing system or commercial dishwashing machine must meet the insurance requirements of section 326B.46, subdivision 2, paragraph (c);
- (4) the connection is a push fit fitting, compression fitting, or threaded pipe fitting to an existing water line or drain, which has been initially installed by a licensed plumber; and
- (5) the commercial chemical dispensing system complies with ASSE 1055 or contains code-approved integral backflow protection.

69.1	A license is not required for individuals performing backflow prevention rebuilding as
69.2	described under subdivision 1b, paragraph (b), provided that the individual: (1) has completed
69.3	backflow prevention rebuilder training as prescribed by the Plumbing Board; and (2) has
69.4	obtained a nationally recognized third-party accredited professional irrigation certification
69.5	and any such professional certifications have been approved by the commissioner.
69.6	A master plumber may also work as a journeyworker plumber, a restricted journeyworker
69.7	plumber, and a restricted master plumber. A journeyworker plumber may also work as a
69.8	restricted journeyworker plumber. Anyone not so licensed may do plumbing work which
69.9	complies with the provisions of the minimum standards prescribed by the Plumbing Board
69.10	on premises or that part of premises owned and actually occupied by the worker as a
69.11	residence, unless otherwise forbidden to do so by a local ordinance.
69.12	(b) No person shall engage in the business of planning, superintending, or installing
69.13	plumbing or shall install plumbing in connection with the dealing in and selling of plumbing
69.14	material and supplies unless at all times a licensed master plumber, or in cities and towns
69.15	with a population of fewer than 5,000 according to the last federal census, a restricted master
69.16	plumber, who shall be responsible for proper installation, is in charge of the plumbing work
69.17	of the person.
69.18	(c) Except as provided in subdivision 1a, no person shall perform or offer to perform
69.19	plumbing work with or without compensation unless the person obtains a contractor's license.
69.20	A contractor's license does not of itself qualify its holder to perform the plumbing work
69.21	authorized by holding a master, journeyworker, restricted master, or restricted journeyworker
69.22	license.
69.23	Sec. 13. LAWS CHAPTER 32 EFFECTIVE DATE.
69.24	Notwithstanding any other law to the contrary, Laws 2022, chapter 32, articles 1 and 2,
69.25	sections 1 to 12, are effective the day following final enactment, and Laws 2022, chapter
69.26	32, article 1, section 1, applies to appointments made on or after that date.
69.27	ARTICLE 6
69.28	FRONTLINE WORKER PREMIUM PAY
69.29	Section 1. FRONTLINE WORKER PREMIUM PAY PROGRAM.
69.30	Subdivision 1. Program established; payments authorized. The commissioner of
69.31	revenue, to the extent feasible, shall make premium payments to eligible frontline workers
69.32	as provided in this section.

70.1	Subd. 2. Definitions. (a) For purposes of this section, the following terms have the
70.2	meanings given.
70.3	(b) "First responder or other emergency frontline worker" means a person who performs
70.4	service for hire for an employer for one day or more as one of the following:
70.5	(1) law enforcement personnel;
70.6	(2) firefighter;
70.7	(3) corrections officer at congregate living settings;
70.8	(4) paramedic;
70.9	(5) ambulance service personnel; and
70.10	(6) emergency medical technician or other first responder whose primary responsibility
70.11	is to respond to medical emergencies before the arrival of a licensed ambulance service.
70.12	(c) "Long-term or other health care frontline worker" means a person who performs
70.13	service for hire for an employer for one day or more as one of the following:
70.14	(1) long-term care facility worker;
70.15	(2) outpatient care worker;
70.16	(3) home care worker;
70.17	(4) personal assistance provider;
70.18	(5) home health provider;
70.19	(6) home delivered meal provider;
70.20	<u>(7) nurse;</u>
70.21	(8) nursing assistant;
70.22	(9) nursing aide;
70.23	(10) medical resident;
70.24	(11) pharmacy staff;
70.25	(12) phlebotomist;
70.26	(13) hospice provider;
70.27	(14) respiratory therapist; or
70.28	(15) worker providing direct patient care in inpatient and outpatient dialysis facilities.

71.1	Subd. 3. Eligibility. A first responder or other emergency frontline worker or a long-term
71.2	or other health care frontline worker is eligible to receive frontline worker premium pay as
71.3	provided under this section if the first responder or other emergency frontline worker or
71.4	long-term or other health care frontline worker:
71.5	(1) was employed as of March 15, 2020, in a position that did not allow for remote work;
71.6	(2) worked at least 1,200 hours in a position as a first responder or other emergency
71.7	frontline worker or a long-term or other health care frontline worker during the period
71.8	between March 15, 2020, and December 31, 2020;
71.9	(3) is able to demonstrate that the nature of their position as a first responder or other
71.10	emergency frontline worker or long-term or other health care frontline worker provided
71.11	sustained COVID-19 exposure or required direct COVID-19 patient care;
71.12	(4) did not collect unemployment benefits for more than four weeks on a cumulative
71.13	basis for the period between March 15, 2020, and December 31, 2020; and
71.14	(5) is a resident of Minnesota.
71.15	Subd. 4. Application; verification of eligibility. (a) An eligible first responder or other
71.16	emergency frontline worker or an eligible long-term or other health care frontline worker
71.17	may apply to the commissioner of revenue in the form and manner determined by the
71.18	commissioner for a payment under this section.
71.19	(b) The commissioner must begin accepting applications from eligible applicants on
71.20	May 16, 2022. The commissioner must not accept applications submitted after June 17,
71.21	<u>2022.</u>
71.22	(c) The commissioner must verify each applicant's eligibility for a payment under this
71.23	section.
71.24	Subd. 5. Use of information. The commissioner of revenue may consult with the
71.25	commissioner of employment and economic development and disclose information to the
71.26	extent necessary to verify eligibility and administer the payments under this section.
71.27	Subd. 6. Payments; amounts. (a) As soon as practicable, the commissioner of revenue
71.28	must make payments to verified applicants in the order in which the application was received.
71.29	(b) The payment for a verified eligible first responder or other emergency frontline
71.30	worker or a verified eligible long-term or other health care frontline worker equals \$1,200.

72.1	Subd. 7. Report. By January 15, 2023, the commissioner of revenue shall report to the
72.2	legislative committees with jurisdiction over taxes and economic development policy and
72.3	finance on the program under this section.
72.4	Subd. 8. Appropriation. (a) \$250,000,000 in fiscal year 2022 is appropriated from the
72.5	general fund to the commissioner of revenue to make the payments required under this
72.6	section. This is a onetime appropriation.
72.7	(b) Any unexpended amount from the appropriation in paragraph (a) remaining after
72.8	June 30, 2023, is canceled.
72.9	EFFECTIVE DATE. This section is effective the day following final enactment.
72.10	Sec. 2. TAX TREATMENT OF FRONTLINE WORKER PREMIUM PAYMENTS.
72.11	(a) For the purposes of this section, "subtraction" has the meaning given in Minnesota
72.12	Statutes, section 290.0132, subdivision 1, and the rules in that subdivision apply for this
72.13	section.
72.14	(b) The amount of frontline worker premium payments received under section 1 is a
72.15	subtraction.
72.16	(c) For purposes of Minnesota Statutes, section 290.0674, subdivision 2a, paragraph (b),
72.17	"income" does not include frontline worker premium payments received under section 1.
72.18	(d) For purposes of Minnesota Statutes, section 290A.03, subdivision 3, paragraph (b),
72.19	"income" does not include frontline worker premium payments received under section 1.
72.20	EFFECTIVE DATE. This section is effective for taxable years in which a taxpayer
72.21	received a frontline worker premium payment.

APPENDIX

Repealed Minnesota Session Laws: S4091-4

Laws 2005, chapter 97, article 10, section 3, as amended by Laws 2013, chapter 85, article 7, section 9

Sec. 9. Laws 2005, chapter 97, article 10, section 3, is amended to read:

Sec. 3. SUNSET.

Sections 1 and 2 shall expire on June 30, 2023.

Laws 2021, First Special Session chapter 4, article 2, section 3, subdivision 3

Sec. 3. **DEPARTMENT OF COMMERCE**

Subd. 3. Third-Party Evaluator

\$500,000 each year is for costs associated with any third-party expert evaluation of a proposal submitted in response to a request for proposal to the Renewable Development Advisory Group under Minnesota Statutes, section 116C.779, subdivision 1, paragraph (l). No portion of this appropriation may be expended or retained by the commissioner of commerce. Any money appropriated under this paragraph that is unexpended at the end of a fiscal year cancels to the renewable development account.