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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. **2875**

- 01/31/2022 Authored by Long, Stephenson, Haley and Boe
The bill was read for the first time and referred to the Committee on Climate and Energy Finance and Policy
- 02/14/2022 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
- 02/24/2022 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time
- 03/03/2022 Calendar for the Day
Read for the Third Time
Passed by the House and transmitted to the Senate
- 03/21/2022 Passed by the Senate and returned to the House
- 03/24/2022 Presented to Governor
Governor Approval

1.1 A bill for an act

1.2 relating to energy; modifying the Prairie Island Net Zero project; establishing a

1.3 grant; appropriating money; amending Laws 2020, chapter 118, sections 3,

1.4 subdivision 3; 5, subdivision 2; Laws 2021, First Special Session chapter 4, article

1.5 2, section 3, by adding a subdivision.

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

1.7 Section 1. Laws 2020, chapter 118, section 3, subdivision 3, is amended to read:

1.8 Subd. 3. **Bids.** The Prairie Island Indian Community must obtain bids to construct the

1.9 proposed project from no fewer than three separate contractors and must enter into one or

1.10 more contracts to complete the project and must submit the certified total cost to the

1.11 commissioner no later than January 1, ~~2022~~ 2023.

1.12 **EFFECTIVE DATE.** This section is effective retroactively from December 31, 2021.

1.13 Sec. 2. Laws 2020, chapter 118, section 5, subdivision 2, is amended to read:

1.14 Subd. 2. **Prairie Island Net Zero Project.** ~~(a)~~ Notwithstanding Minnesota Statutes,

1.15 section 116C.779, subdivision 1, paragraph (j), \$16,000,000 in fiscal year 2021 is

1.16 appropriated from the renewable development account under Minnesota Statutes, section

1.17 116C.779, subdivision 1, to the commissioner of commerce for a grant to the Prairie Island

1.18 Indian Community to implement the Prairie Island renewable energy project under section

1.19 3. The base for this project is \$15,200,000 in fiscal year 2022 and \$15,000,000 in fiscal

1.20 year 2023. The base for fiscal year 2024 is \$0. ~~Any unspent funds remaining in the account~~

1.21 ~~upon completion of the project cancel to the renewable development account under Minnesota~~

1.22 ~~Statutes, section 116C.779, subdivision 1~~ This appropriation is available until June 30, 2031.

2.1 The commissioner of commerce shall manage the grant, including the disbursement of grant
2.2 funds to the Prairie Island Indian Community.

2.3 ~~(b) The commissioner shall reserve a portion of the appropriation made under this section
2.4 to pay actual expenditures on the project that exceed the certified total cost. The amount
2.5 reserved shall be the lesser of:~~

2.6 ~~(1) 20 percent of the certified total cost for the project; or~~

2.7 ~~(2) the difference between the certified total cost and the amount appropriated under
2.8 this section.~~

2.9 ~~(c) Notwithstanding paragraph (a), if the certified total cost for the project is less than
2.10 \$46,200,000, the commissioner shall withhold from the project base in fiscal year 2023 an
2.11 amount equal to the difference between \$46,200,000 and the sum of the amount of the
2.12 certified total cost and the amount reserved by the commissioner under paragraph (b), and
2.13 shall transfer the withheld amount to the renewable development account.~~

2.14 ~~(d) For the purposes of this subdivision, "certified total cost" means the total cost of all
2.15 contracts the Prairie Island Indian Community enters into with contractors to complete the
2.16 Prairie Island Net Zero Project under section 3.~~

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

2.18 Sec. 3. Laws 2021, First Special Session chapter 4, article 2, section 3, is amended by
2.19 adding a subdivision to read:

2.20 **Subd. 7. Prairie Island Net Zero Project.** (a) Notwithstanding Minnesota Statutes,
2.21 section 116C.779, subdivision 1, paragraph (j), \$15,200,000 in fiscal year 2022 and
2.22 \$15,000,000 in fiscal year 2023 are appropriated from the renewable development account
2.23 under Minnesota Statutes, section 116C.779, subdivision 1, to the commissioner of commerce
2.24 for a grant to the Prairie Island Indian Community to implement the Prairie Island Net Zero
2.25 Project under Laws 2020, chapter 118, section 3. The base for this project in fiscal year
2.26 2024 is \$0. This appropriation is available until June 30, 2031. The commissioner of
2.27 commerce shall manage the grant, including the disbursement of grant money to the Prairie
2.28 Island Indian Community.

2.29 (b) The commissioner shall reserve a portion of the appropriation made under this section
2.30 and Laws 2020, chapter 118, section 5, subdivision 2, to pay actual expenditures on the
2.31 project that exceed the certified total cost. The amount reserved shall be the lesser of:

2.32 (1) 20 percent of the certified total cost for the project; or

3.1 (2) the difference between the certified total cost and \$46,200,000.

3.2 (c) Notwithstanding paragraph (a), if the certified total cost for the project is less than
3.3 \$46,200,000, the commissioner shall withhold from the project appropriation in fiscal year
3.4 2023 an amount equal to the difference between \$46,200,000 and the sum of the amount
3.5 of the certified total cost and the amount reserved by the commissioner under paragraph
3.6 (b), and shall cancel the withheld amount to the renewable development account.

3.7 (d) For the purposes of this subdivision, "certified total cost" means the total cost of all
3.8 contracts the Prairie Island Indian Community enters into with contractors to complete the
3.9 Prairie Island Net Zero Project under Laws 2020, chapter 118, section 3.

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