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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. **2014**

02/20/2023 Authored by Bierman, Hollins, Long, Acomb, Stephenson and others
The bill was read for the first time and referred to the Committee on Climate and Energy Finance and Policy

1.1 A bill for an act
1.2 relating to energy conservation; expanding the uses of state supplementary
1.3 weatherization grants; establishing a weatherization training grant program; creating
1.4 an account; requiring a report; appropriating money; amending Minnesota Statutes
1.5 2022, section 216C.264, subdivision 5, by adding subdivisions; proposing coding
1.6 for new law in Minnesota Statutes, chapter 216C.

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

1.8 Section 1. Minnesota Statutes 2022, section 216C.264, is amended by adding a subdivision
1.9 to read:

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

1.12 (b) "Low-income conservation program" means a utility program that offers energy
1.13 conservation services to low-income households under sections 216B.2403, subdivision 5,
1.14 and 216B.241, subdivision 7.

1.15 (c) "Preweatherization measure" has the meaning given in section 216B.2402, subdivision
1.16 20.

1.17 (d) "Weatherization assistance program" means the federal program described in Code
1.18 of Federal Regulations, title 10, part 440 et seq., designed to assist low-income households
1.19 reduce energy use in a cost-effective manner.

1.20 (e) "Weatherization assistance services" means the energy conservation measures installed
1.21 in households under the weatherization assistance program.

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

2.1 Sec. 2. Minnesota Statutes 2022, section 216C.264, is amended by adding a subdivision
2.2 to read:

2.3 Subd. 1b. **State supplementary weatherization grants account.** (a) A state
2.4 supplementary weatherization grants account is established as a separate account in the
2.5 special revenue fund in the state treasury. The commissioner must credit appropriations and
2.6 transfers to the account. Earnings, including interest, dividends, and any other earnings
2.7 arising from assets of the account, must be credited to the account. Money remaining in the
2.8 account at the end of a fiscal year does not cancel to the general fund but remains in the
2.9 account until expended. The commissioner must manage the account.

2.10 (b) Money in the account is appropriated to the commissioner for the purposes of
2.11 subdivision 5.

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

2.13 Sec. 3. Minnesota Statutes 2022, section 216C.264, subdivision 5, is amended to read:

2.14 Subd. 5. **Grant allocation.** (a) The commissioner must distribute supplementary state
2.15 grants in a manner consistent with the goal of producing the maximum number of weatherized
2.16 units. Supplementary state grants ~~are provided primarily for the payment of~~ may be used:

2.17 (1) to address physical deficiencies in a residence that increase heat loss, including
2.18 deficiencies that prohibit the residence from being eligible to receive federal weatherization
2.19 assistance;

2.20 (2) to install preweatherization measures established by the commissioner under section
2.21 216B.241, subdivision 7, paragraph (g);

2.22 (3) to increase the number of weatherized residences;

2.23 (4) to conduct outreach activities to make income-eligible households aware of the
2.24 weatherization services available to income-eligible households, to assist applicants to fill
2.25 out applications for weatherization assistance, and to provide translation services where
2.26 necessary;

2.27 (5) to enable a project in a multifamily building to proceed even if the project cannot
2.28 comply with the federal requirement that the project must be completed within the same
2.29 federal fiscal year in which a project begins;

2.30 (6) to address shortages of workers trained to provide weatherization services, including
2.31 expanding training opportunities in existing and new training programs;

3.1 (7) to support the operation of the weatherization training program under section
3.2 216C.2641;

3.3 (8) to pay additional labor costs for the federal weatherization program; and

3.4 (9) as an incentive for the increased production of weatherized units.

3.5 (b) Criteria for the allocation of state grants to local agencies include existing local
3.6 agency production levels, emergency needs, and the potential for maintaining or increasing
3.7 acceptable levels of production in the area.

3.8 (c) An eligible local agency may receive advance funding for 90 days' production, but
3.9 thereafter must receive grants solely on the basis of program criteria.

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

3.11 Sec. 4. **[216C.2641] WEATHERIZATION TRAINING GRANT PROGRAM.**

3.12 Subdivision 1. **Establishment.** The commissioner of commerce must establish a
3.13 weatherization training grant program to award grants to train workers for careers in the
3.14 weatherization industry.

3.15 Subd. 2. **Grants.** (a) The commissioner must award grants through a competitive grant
3.16 process.

3.17 (b) An eligible entity under paragraph (c) seeking a grant under this section must submit
3.18 a written application to the commissioner using a form developed by the commissioner.

3.19 (c) The commissioner may award grants under this section only to:

3.20 (1) a nonprofit organization exempt from taxation under section 501(c)(3) of the United
3.21 States Internal Revenue Code;

3.22 (2) a labor organization, as defined in section 179.01, subdivision 6; or

3.23 (3) a job training center or educational institution that the commissioner of commerce
3.24 determines has the ability to train workers for weatherization careers.

3.25 (d) Grant funds must be used to pay costs associated with training workers for careers
3.26 in the weatherization industry, including related supplies, materials, instruction, and
3.27 infrastructure.

3.28 (e) When awarding grants under this section, the commissioner must give priority to
3.29 applications that provide the highest quality training to prepare trainees for weatherization
3.30 employment opportunities that meet technical standards and certifications developed by the

4.1 Building Performance Institute, Inc., or the Standard Work Specifications developed by the
 4.2 United States Department of Energy for the federal Weatherization Assistance Program.

4.3 Subd. 3. **Reports.** By January 15, 2025, and each January 15 thereafter, the commissioner
 4.4 must submit a report to the chairs and ranking minority members of the senate and house
 4.5 of representatives committees with jurisdiction over energy policy. The report must detail
 4.6 the use of grant funds under this section, including data on the number of trainees trained
 4.7 and the career progress of trainees supported by prior grants.

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

4.9 Sec. 5. **PREWEATHERIZATION MEASURES; APPROPRIATION.**

4.10 (a) \$..... in fiscal year 2024 is appropriated from the general fund to the commissioner
 4.11 of commerce to provide grants to community action agencies and other agencies that
 4.12 weatherize residences to install preweatherization measures in residential buildings occupied
 4.13 by eligible low-income households, as provided under Minnesota Statutes, sections
 4.14 216B.2403, subdivision 5; 216B.241, subdivision 7; and 216C.264. This is a onetime
 4.15 appropriation. Money made available from the appropriation under this section must be
 4.16 expended by December 31, 2034.

4.17 (b) Of the amount appropriated in paragraph (a):

4.18 (1) up to ten percent may be used to supplement utility spending on preweatherization
 4.19 measures as part of a low-income conservation program; and

4.20 (2) up to ten percent may be used to:

4.21 (i) recruit and train energy auditors and installers of weatherization assistance services;
 4.22 and

4.23 (ii) provide financial incentives to contractors and workers who install weatherization
 4.24 assistance services.

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