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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 3686

02/25/2026 Authored by Sexton and Mekeland The bill was read for the first time and referred to the Committee on Energy Finance and Policy

1.1 A bill for an act
1.2 relating to state energy grants; modifying the priority position of nonprofit
1.3 organizations to receive certain state energy grants; amending Minnesota Statutes
1.4 2025 Supplement, section 216C.391, subdivision 3.

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

1.6 Section 1. Minnesota Statutes 2025 Supplement, section 216C.391, subdivision 3, is
1.7 amended to read:

1.8 Subd. 3. Grant awards; eligible entities; priorities. (a) Grants may be awarded under
1.9 this section to eligible entities in accordance with the following order of priorities:

1.10 (1) federal formula funds directed to the state that require a match;

1.11 (2) federal funds directed to a political subdivision or a Tribal government that require
1.12 a match;

1.13 (3) federal funds directed to an institution of higher education, a consumer-owned utility,
1.14 or a business, or a nonprofit organization that require a match;

1.15 (4) federal funds directed to an investor-owned utility or a nonprofit organization
1.16 that require a match;

1.17 (5) federal funds directed to an eligible entity not included in clauses (1) to (4) that
1.18 require a match; and

1.19 (6) all other grant opportunities directed to eligible entities that do not require a match
1.20 but for which the commissioner determines that a grant made under this section is likely to
1.21 enhance the likelihood of an applicant receiving federal funds, or to increase the potential
1.22 amount of federal funds received.

2.1 (b) By November 15, 2023, the commissioner must develop and publicly post, and report
2.2 to the chairs and ranking minority members of the legislative committees with jurisdiction
2.3 over energy finance, the federal energy grant funds that are eligible for state matching funds
2.4 under this section.

2.5 (c) Notwithstanding section 16B.98, subdivision 5, paragraph (b), a grant made under
2.6 this section may exceed five years.

2.7 **EFFECTIVE DATE.** This section is effective the day following final enactment and
2.8 applies to grant applications filed on or after that date.