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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. **2708**

01/31/2022

Authored by Fischer

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; providing rebates for electric motorboat and qualifying electric
- 1.3 marine power train purchases; appropriating money; proposing coding for new
- 1.4 law in Minnesota Statutes, chapter 216C.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. [216C.403] ELECTRIC MOTORBOAT AND QUALIFYING ELECTRIC
- 1.7 MARINE POWER TRAIN REBATES.
- 1.8 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms in this subdivision
- 1.9 have the meanings given.
- 1.10 (b) "Electric motorboat" means a motorboat that is powered by a qualifying electric
- 1.11 marine power train.
- 1.12 (c) "Eligible new electric motorboat" means an electric motorboat that meets the
- 1.13 requirements of subdivision 2, paragraph (a).
- 1.14 (d) "Eligible used electric motorboat" means an electric motorboat that meets the
- 1.15 requirements of subdivision 2, paragraph (b).
- 1.16 (e) "Motorboat" has the meaning given in section 86B.005, subdivision 9.
- 1.17 (f) "New eligible electric motorboat" means an eligible electric motorboat that has not
- 1.18 been registered in any state.
- 1.19 (g) "Qualifying electric marine power train" means a fully electric outboard or inboard
- 1.20 motor with continuous power greater than 15 kilowatts used by vessels, of which the sole
- 1.21 source of propulsive power is the energy stored in battery packs. Qualifying electric marine
- 1.22 power train includes required accessories, such as throttles, displays, and battery packs.

2.1 Subd. 2. **Eligible electric motorboat or qualifying electric marine power train.** (a)

2.2 A new electric motorboat or qualifying electric marine power train is eligible for a rebate
2.3 under this section if the electric motorboat or qualifying electric marine power train:

2.4 (1) has not been previously owned, except as provided under clause (3);

2.5 (2) is used by a manufacturer as a floor model or test drive electric motorboat, and has
2.6 not been previously registered in Minnesota or any other state;

2.7 (3) is returned to a manufacturer by a purchaser:

2.8 (i) within two weeks of the date the electric motorboat or qualifying electric marine
2.9 power train is purchased or the date the purchaser's financing for the electric motorboat or
2.10 qualifying electric marine power train is disapproved; or

2.11 (ii) before the purchaser takes delivery, even if the electric motorboat or qualifying
2.12 electric marine power train is registered in Minnesota;

2.13 (4) is purchased directly from an original equipment manufacturer; and

2.14 (5) is purchased after the effective date of this act for use by the purchaser and not for
2.15 resale.

2.16 (b) A used electric motorboat or qualifying electric marine power train is eligible for an
2.17 electric motorboat rebate under this section if the electric motorboat or qualifying electric
2.18 marine power train has previously been owned in Minnesota or another state and has not
2.19 been modified from the original manufacturer's specifications.

2.20 Subd. 3. **Eligible purchaser.** A person who purchases an eligible new or used electric
2.21 motorboat or qualifying electric marine power train is eligible for a rebate under this section
2.22 if the person:

2.23 (1) is one of the following:

2.24 (i) a resident of Minnesota, as defined in section 290.01, subdivision 7, paragraph (a),
2.25 when the electric motorboat or qualifying electric marine power train is purchased;

2.26 (ii) a business that has a valid address in Minnesota from which business is conducted;

2.27 (iii) a nonprofit corporation incorporated under chapter 317A; or

2.28 (iv) a political subdivision of Minnesota;

2.29 (2) has not received a rebate or tax credit from Minnesota for the purchase of an electric
2.30 motorboat or qualifying electric marine power train; and

2.31 (3) registers the electric motorboat or qualifying electric marine power train in Minnesota.

3.1 Subd. 4. **Rebate amounts.** (a) A \$5,000 rebate may be issued under this section to an
3.2 eligible purchaser to purchase an eligible new electric motorboat.

3.3 (b) A \$2,500 rebate may be issued under this section to an eligible purchaser to purchase
3.4 a qualifying electric marine power train.

3.5 (c) A \$1,000 rebate may be issued under this section to an eligible purchaser to purchase
3.6 an eligible used electric motorboat.

3.7 (d) A \$500 rebate may be issued under this section to an eligible purchaser to purchase
3.8 a used qualifying electric marine power train.

3.9 Subd. 5. **Limits.** The number of rebates allowed under this section is limited to no more
3.10 than one rebate per resident per household. Businesses are not subject to this limitation.

3.11 Subd. 6. **Program administration.** (a) Rebate applications under this section must be
3.12 filed with the commissioner on a form developed by the commissioner.

3.13 (b) The commissioner must develop administrative procedures governing the application
3.14 and rebate award process. The commissioner must review applications and award rebates
3.15 on a first-come, first-served basis.

3.16 (c) The commissioner must, in coordination with manufacturers and other state agencies
3.17 as applicable, develop a procedure to allow a rebate to be used by an eligible purchaser at
3.18 the point of sale so that the rebate amount may be subtracted from the selling price of the
3.19 eligible electric motorboat or qualifying electric marine power train.

3.20 (d) The commissioner may reduce the rebate amounts provided under subdivision 4 or
3.21 restrict program eligibility based on availability of money to issue rebates or other factors.

3.22 Subd. 7. **Expiration.** This section expires June 30, 2030.

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

3.24 Sec. 2. **APPROPRIATION.**

3.25 (a) Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j),
3.26 \$..... in fiscal year 2022 is appropriated from the renewable development account under
3.27 Minnesota Statutes, section 116C.779, subdivision 1, to the commissioner of commerce to
3.28 award rebates for eligible electric motorboat or qualifying electric marine power train
3.29 purchases under Minnesota Statutes, section 216C.403. Rebates under this paragraph must
3.30 be awarded only to eligible purchasers located within the retail electric service area of the
3.31 public utility that is subject to Minnesota Statutes, section 116C.779.

4.1 (b) \$..... in fiscal year 2022 is appropriated from the general fund to the commissioner
4.2 of commerce to award rebates for eligible electric motorboat or qualifying electric marine
4.3 power train purchases under Minnesota Statutes, section 216C.403. Rebates under this
4.4 paragraph must be awarded only to eligible purchasers located outside the retail electric
4.5 service area of the public utility that is subject to Minnesota Statutes, section 116C.779.