

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 4091

(SENATE AUTHORS: PRATT and by request)

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		General Orders: Stricken and re-referred to Finance Comm report: To pass as amended Second reading

1.1 A bill for an act

1.2 relating to state government; appropriating money for higher education, commerce,

1.3 jobs, and economic growth; making policy and technical changes; requiring reports;

1.4 appropriating money; amending Minnesota Statutes 2020, sections 3.732,

1.5 subdivision 1; 116C.779, subdivision 1; 116J.035, by adding a subdivision; 116J.55,

1.6 subdivisions 1, 5, 6; 116J.552, subdivision 6; 116J.8747, subdivisions 2, 3, 4;

1.7 116J.993, subdivision 3; 116L.04, subdivision 1a; 116L.17, subdivision 1; 116L.98,

1.8 subdivisions 2, 3; 136A.103; 136A.25; 136A.26; 136A.27; 136A.28; 136A.29,

1.9 subdivisions 1, 3, 6, 9, 10, 14, 19, 20, 21, 22, by adding a subdivision; 136A.32,

1.10 subdivision 4; 136A.33; 136A.34, subdivisions 3, 4; 136A.36; 136A.38; 136A.41;

1.11 136A.42; 136F.02, subdivision 1; 136F.302, subdivisions 1, 2; 136F.38,

1.12 subdivisions 2, 4; 136F.67, subdivision 1; 137.022, subdivision 4; 181.032; 181.101;

1.13 216B.096, subdivision 11; 216B.24, by adding a subdivision; 216B.243, subdivision

1.14 3b; 216B.50, subdivision 1; 216C.435, subdivision 8; 216C.436, subdivision 2,

1.15 by adding a subdivision; 237.55; 268.18, by adding a subdivision; 326B.106,

1.16 subdivision 4; 326B.163, subdivision 5, by adding a subdivision; 326B.164,

1.17 subdivision 13; 326B.36, subdivision 7, by adding a subdivision; 326B.42,

1.18 subdivisions 1b, 1c; 326B.437; 326B.46, subdivision 2; 354B.20, subdivision 7;

1.19 Minnesota Statutes 2021 Supplement, sections 10A.01, subdivision 35; 116C.7792;

1.20 136F.38, subdivision 3; 216C.376, subdivision 5; 326B.153, subdivision 1; Laws

1.21 2020, chapter 118, section 5, subdivision 1; Laws 2021, First Special Session

1.22 chapter 2, article 1, sections 2, subdivisions 1, 9, 19, 20, 25, 26, 27, 33, 34, 38; 3,

1.23 subdivisions 1, 3; 4, subdivisions 1, 4; Laws 2021, First Special Session chapter

1.24 4, article 2, section 3, subdivision 1; Laws 2021, First Special Session chapter 10,

1.25 article 1, sections 2, subdivision 2; 5; article 2, section 24, subdivisions 1, 3, 4, 5,

1.26 7; article 3, section 14, subdivision 1; proposing coding for new law in Minnesota

1.27 Statutes, chapters 116L; 124D; 136A; 216B; 216H; 465; repealing Minnesota

1.28 Statutes 2020, sections 136A.29, subdivision 4; 136F.03; Laws 2005, chapter 97,

1.29 article 10, section 3, as amended; Laws 2021, First Special Session chapter 4,

1.30 article 2, section 3, subdivision 3.

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

1.32 **ARTICLE 1**

1.33 **HIGHER EDUCATION APPROPRIATIONS**

1.34 Section 1. **HIGHER EDUCATION APPROPRIATIONS.**

3.1 administration of the grant program. The base
 3.2 for this appropriation is \$500,000 for fiscal
 3.3 year 2024 and later.

3.4 **Subd. 4. Owatonna Learn to Earn Coalition;**
 3.5 **Office of Higher Education**

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980,000

3.6 This appropriation is for a grant to the
 3.7 Owatonna Learn to Earn Coalition to help the
 3.8 Owatonna and Steele County region grow and
 3.9 retain a talented workforce. This is a onetime
 3.10 appropriation and is available until June 30,
 3.11 2024. Of this amount:

3.12 (1) \$900,000 is to develop educational learning
 3.13 spaces with state-of-the-art equipment and
 3.14 student support services in high-demand career
 3.15 pathway programs. Of this amount, \$306,000
 3.16 is to equip the new Owatonna High School's
 3.17 Industrial Technology classrooms with
 3.18 state-of-the-art equipment to introduce
 3.19 students to high-skill, high-wage, technical
 3.20 careers, and \$594,000 is to equip the
 3.21 Owatonna Riverland Community College
 3.22 Campus with state-of-the-art instructional
 3.23 equipment to offer credit and noncredit
 3.24 technical programs in automation robotics
 3.25 engineering technology and information
 3.26 technology; and

3.27 (2) \$80,000 is to create learn to earn
 3.28 opportunities for students and employers by
 3.29 engaging employers in the Owatonna
 3.30 community to offer tuition reimbursement or
 3.31 scholarships and part-time work and school
 3.32 schedules to employees who agree to continue
 3.33 their education while working for them.

4.1 **Subd. 5. Owatonna Learn to Earn Coalition;**
 4.2 **Department of Employment and Economic**
 4.3 **Development**

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20,000

4.4 For transfer to the commissioner of
 4.5 employment and economic development for
 4.6 a grant to the Owatonna Learn to Earn
 4.7 Coalition to conduct a comprehensive local
 4.8 needs assessment to examine current and
 4.9 future workforce needs in the region. The
 4.10 coalition shall retain a consultant and utilize
 4.11 state demographer resources to involve
 4.12 education, business, and community
 4.13 stakeholders to guide the high school's career
 4.14 pathways, the college's programs of study, and
 4.15 the business's support of work-based learning
 4.16 programs that help them recruit, develop, and
 4.17 retain a vibrant workforce to keep the regional
 4.18 economy strong. This is a onetime
 4.19 appropriation and is available until June 30,
 4.20 2024.

4.21 **Sec. 3. BOARD OF REGENTS OF THE**
 4.22 **UNIVERSITY OF MINNESOTA**

4.23 **Subdivision 1. Total Appropriation**

\$

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454,000

4.24 The amounts that may be spent for each
 4.25 purpose are specified in the following
 4.26 subdivisions.

4.27 **Subd. 2. Operations and Maintenance**

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454,000

4.28 \$454,000 in fiscal year 2023 is to improve
 4.29 campus safety, bolstering the technology
 4.30 infrastructure with cameras and strategic
 4.31 information accessibility, and provide a safe
 4.32 campus by increasing security and full-time
 4.33 law enforcement presence. The base for this
 4.34 appropriation is \$2,390,000 for fiscal year
 4.35 2024 and later.

5.1 Sec. 4. Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 1, is
 5.2 amended to read:

5.3			<u>274,269,000</u>
5.4	Subdivision 1. Total Appropriation	\$ 271,702,000	\$ <u>275,019,000</u>

5.5 The amounts that may be spent for each
 5.6 purpose are specified in the following
 5.7 subdivisions.

5.8 Sec. 5. Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 9, is
 5.9 amended to read:

5.10	Subd. 9. Intervention for College Attendance		
5.11	Program Grants	1,143,000	1,142,000

5.12 For the intervention for college attendance
 5.13 program under Minnesota Statutes, section
 5.14 136A.861.

5.15 The commissioner may use no more than ~~three~~
 5.16 ~~percent~~ \$34,000 each year of this appropriation
 5.17 to administer the intervention for college
 5.18 attendance program grants.

5.19 Sec. 6. Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 19, is
 5.20 amended to read:

5.21	Subd. 19. Spinal Cord Injury and Traumatic		
5.22	Brain Injury Research Grant Program	3,000,000	3,000,000

5.23 For transfer to the spinal cord and traumatic
 5.24 brain injury grant account in the special
 5.25 revenue fund under Minnesota Statutes,
 5.26 section 136A.901, subdivision 1.

5.27 The commissioner may use no more than ~~three~~
 5.28 ~~percent~~ \$90,000 each year of the amount
 5.29 transferred under this subdivision to administer
 5.30 the grant program.

6.1 Sec. 7. Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 20, is
6.2 amended to read:

6.3	Subd. 20. Summer Academic Enrichment		
6.4	Program	250,000	250,000

6.5 For summer academic enrichment grants under
6.6 Minnesota Statutes, section 136A.091.

6.7 The commissioner may use no more than ~~three~~
6.8 ~~percent~~ \$8,000 each year of this appropriation
6.9 to administer the grant program under this
6.10 subdivision.

6.11 Sec. 8. Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 25, is
6.12 amended to read:

6.13	Subd. 25. Grants to Student Teachers in		
6.14	Shortage Areas	500,000	500,000

6.15 For grants to student teachers in shortage areas
6.16 under Minnesota Statutes, section 136A.1275.

6.17 The commissioner may use no more than ~~three~~
6.18 ~~percent~~ \$15,000 each year of the appropriation
6.19 for administration of the program.

6.20 Sec. 9. Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 26, is
6.21 amended to read:

6.22	Subd. 26. Grants to Underrepresented Student		1,000,000
6.23	Teachers	1,000,000	<u>1,250,000</u>

6.24 For grants to underrepresented student teachers
6.25 under Minnesota Statutes, section 136A.1274.

6.26 The commissioner may use no more than ~~three~~
6.27 ~~percent~~ \$30,000 the first year and \$38,000 the
6.28 second year of the appropriation for
6.29 administration of the program.

6.30 The base for this appropriation is ~~\$1,125,000~~
6.31 \$1,250,000 in fiscal year 2024 and later.

7.1 Sec. 10. Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 27,
7.2 is amended to read:

7.3 **Subd. 27. Teacher Shortage Loan Repayment** 200,000 200,000

7.4 For transfer to the teacher shortage loan
7.5 repayment account in the special revenue fund
7.6 under Minnesota Statutes, section 136A.1791,
7.7 subdivision 8.

7.8 The commissioner may use no more than ~~three~~
7.9 ~~percent~~ \$6,000 each year of the amount
7.10 transferred under this subdivision to administer
7.11 the program.

7.12 Sec. 11. Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 33,
7.13 is amended to read:

7.14 **Subd. 33. Minnesota Independence College and** 1,250,000 ~~1,250,000~~
7.15 **Community** 1,250,000 1,750,000

7.16 For a grant to Minnesota Independence
7.17 College and Community for need-based
7.18 scholarships and tuition reduction. Beginning
7.19 with students first enrolled in the fall of 2019,
7.20 eligibility is limited to resident students as
7.21 defined in Minnesota Statutes, section
7.22 136A.101, subdivision 8.

7.23 The base for this appropriation is ~~\$1,000,000~~
7.24 \$1,207,000 in fiscal year 2024 and later.

7.25 Sec. 12. Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 34,
7.26 is amended to read:

7.27 **Subd. 34. Student Loan Debt Counseling** 200,000 200,000

7.28 For student loan debt counseling under
7.29 Minnesota Statutes, section 136A.1788.

7.30 The Office of Higher Education may use no
7.31 more than ~~three percent~~ \$6,000 each year of

8.1 the appropriation to administer the student
8.2 loan debt counseling program.

8.3 Sec. 13. Laws 2021, First Special Session chapter 2, article 1, section 2, subdivision 38,
8.4 is amended to read:

8.5 **Subd. 38. Aspiring Teachers of Color**
8.6 **Scholarship Pilot Program**

1,500,000

1,500,000

8.7 (a) This appropriation is for the aspiring
8.8 teachers of color scholarship pilot program
8.9 under article 2, section 45.

8.10 (b) The commissioner of the Office of Higher
8.11 Education may use no more than ~~three percent~~
8.12 \$45,000 each year of the appropriation to
8.13 administer the aspiring teachers of color
8.14 scholarship program.

8.15 (c) This is a onetime appropriation. The base
8.16 for this appropriation is \$0 in fiscal year 2024
8.17 and later. Notwithstanding Minnesota Statutes,
8.18 section 16A.28, unencumbered balances under
8.19 this subdivision do not cancel until July 1,
8.20 2025.

8.21 Sec. 14. Laws 2021, First Special Session chapter 2, article 1, section 3, subdivision 1, is
8.22 amended to read:

8.23 **Subdivision 1. Total Appropriation** **\$ 791,992,000** **\$ 789,491,000**
8.24 **\$ 800,140,000**

8.25 The amounts that may be spent for each
8.26 purpose are specified in the following
8.27 subdivisions.

8.28 Sec. 15. Laws 2021, First Special Session chapter 2, article 1, section 3, subdivision 3, is
8.29 amended to read:

8.30 **Subd. 3. Operations and Maintenance** **753,795,000** **751,295,000**
8.31 **761,944,000**

- 9.1 (a) The Board of Trustees must establish
9.2 tuition rates as follows:
- 9.3 (1) for the 2021-2022 and 2022-2023
9.4 academic years, tuition rates for undergraduate
9.5 students at colleges and universities must not
9.6 be increased by more than 3.5 percent as
9.7 compared to the previous academic year,
9.8 except that a university may change base
9.9 tuition to adjust for the reduction of online
9.10 differential charges provided the change is
9.11 revenue-neutral; and
- 9.12 (2) the student tuition relief may not be offset
9.13 by increases in mandatory fees, charges, or
9.14 other assessments to the student. Colleges and
9.15 universities are permitted to increase
9.16 differential tuition charges in fiscal years 2022
9.17 and 2023 where costs for course or program
9.18 delivery have increased due to extraordinary
9.19 circumstances beyond the control of the
9.20 college or university. Rates and rationale must
9.21 be approved by the Board of Trustees.
- 9.22 (b) The Board of Trustees must request
9.23 guidance from the United States Department
9.24 of Education regarding whether it is
9.25 permissible to allocate federal funds received
9.26 under section 314 of the Consolidated
9.27 Appropriations Act, 2021, as provided by
9.28 Public Law 116-260, and section 2003 of the
9.29 American Rescue Plan Act, as provided by
9.30 Public Law 117-2, to provide a tuition credit
9.31 for enrolled students or refund for students
9.32 who are no longer enrolled in an amount equal
9.33 to the amount of the online differential tuition
9.34 rate charged to students for courses moved
9.35 online due to the coronavirus pandemic during

10.1 the 2020-2021 academic year that were not
10.2 offered as online courses during the previous
10.3 academic year. If the department advises that
10.4 this is a permissible use of the federal funds,
10.5 institutions must issue such tuition credits to
10.6 enrolled students and must inform students
10.7 who are no longer enrolled in the institution
10.8 of their eligibility for a refund. In order to
10.9 receive a refund, the student must apply for
10.10 the refund.

10.11 (c) \$5,700,000 in fiscal year 2022 and
10.12 \$5,700,000 in fiscal year 2023 are to provide
10.13 supplemental aid for operations and
10.14 maintenance to the president of each two-year
10.15 institution in the system with at least one
10.16 campus that is not located in a metropolitan
10.17 county, as defined in Minnesota Statutes,
10.18 section 473.121, subdivision 4. The board
10.19 shall transfer at least \$158,000 for each
10.20 campus not located in a metropolitan county
10.21 in each year to the president of each institution
10.22 that includes such a campus.

10.23 (d) The Board of Trustees is requested to help
10.24 Minnesota close the attainment gap by funding
10.25 activities which improve retention and
10.26 completion for students of color.

10.27 (e) \$4,500,000 in fiscal year 2022 and
10.28 ~~\$4,500,000~~ \$14,500,000 in fiscal year 2023
10.29 are for workforce development scholarships
10.30 under Minnesota Statutes, section 136F.38.
10.31 Of this appropriation, up to \$200,000 is
10.32 available in each year to administer the
10.33 program. Of this amount, \$7,500,000 in the
10.34 second year and later must be used for
10.35 scholarships to students enrolled in a law

11.1 enforcement program of study. If there is a
11.2 balance of unobligated funds to law
11.3 enforcement students by February 15 of each
11.4 year, the board may reallocate the balance to
11.5 other purposes under this paragraph. The base
11.6 for this appropriation is \$9,500,000 for fiscal
11.7 year 2024 and later.

11.8 (f) \$300,000 in fiscal year 2022 and \$300,000
11.9 in fiscal year 2023 are for transfer to the Cook
11.10 County Higher Education Board to provide
11.11 educational programming, workforce
11.12 development, and academic support services
11.13 to remote regions in northeastern Minnesota.
11.14 The Cook County Higher Education Board
11.15 shall continue to provide information to the
11.16 Board of Trustees on the number of students
11.17 served, credit hours delivered, and services
11.18 provided to students.

11.19 (g) This appropriation includes \$40,000 in
11.20 fiscal year 2022 and \$40,000 in fiscal year
11.21 2023 to implement the sexual assault policies
11.22 required under Minnesota Statutes, section
11.23 135A.15.

11.24 (h) This appropriation includes \$8,000,000 in
11.25 fiscal year 2022 and \$8,000,000 in fiscal year
11.26 2023 for upgrading the Integrated Statewide
11.27 Record System.

11.28 (i) This appropriation includes \$250,000 in
11.29 fiscal year 2022 and \$250,000 in fiscal year
11.30 2023 to implement the Z-Degree program
11.31 under Minnesota Statutes, section 136F.305.
11.32 The base for this appropriation is \$50,000 in
11.33 fiscal year 2024 and later.

12.1 (j) \$1,500,000 in fiscal year 2022 is for the
12.2 mental health awareness program for students
12.3 required under Minnesota Statutes, section
12.4 136F.20, subdivision 4. Of this amount:
12.5 \$500,000 must be used for training
12.6 opportunities under Minnesota Statutes,
12.7 section 136F.20, subdivision 4, paragraph (a),
12.8 clause (2); and \$200,000 must be used for
12.9 grants to colleges and universities to establish
12.10 peer support pilot programs in Minnesota
12.11 Statutes, section 136F.20, subdivision 4,
12.12 paragraph (c). The Board of Trustees shall
12.13 convene a committee that includes students to
12.14 review and approve grant applications.
12.15 Notwithstanding Minnesota Statutes, section
12.16 16A.28, unencumbered balances under this
12.17 paragraph do not cancel until July 1, 2025.

12.18 (k) \$1,000,000 in fiscal year 2022 is for
12.19 colleges and universities to comply with the
12.20 student basic needs requirements under
12.21 Minnesota Statutes, section 136F.202. The
12.22 Board of Trustees must use at least 25 percent
12.23 of this appropriation for grants to colleges and
12.24 universities to comply with Minnesota
12.25 Statutes, section 136F.202, subdivision 1,
12.26 paragraph (a). The board must use a
12.27 consultation and committee process that
12.28 includes students to review and approve grant
12.29 applications. Notwithstanding Minnesota
12.30 Statutes, section 16A.28, unencumbered
12.31 balances under this paragraph do not cancel
12.32 until July 1, 2025.

12.33 (l) The total operations and maintenance base
12.34 for fiscal year 2024 and later is ~~\$751,095,000~~
12.35 \$756,095,000.

13.1 Sec. 16. Laws 2021, First Special Session chapter 2, article 1, section 4, subdivision 1, is
 13.2 amended to read:

13.3					<u>692,813,000</u>
13.4	Subdivision 1. Total Appropriation		\$	692,813,000	\$
					<u>694,813,000</u>

13.5 Appropriations by Fund

13.6		2022	2023
13.7			690,656,000
13.8	General	690,656,000	<u>692,656,000</u>
13.9	Health Care Access	2,157,000	2,157,000

13.10 The amounts that may be spent for each
 13.11 purpose are specified in the following
 13.12 subdivisions.

13.13 Sec. 17. Laws 2021, First Special Session chapter 2, article 1, section 4, subdivision 4, is
 13.14 amended to read:

13.15 **Subd. 4. Special Appropriations**

13.16	(a) Agriculture and Extension Service	42,922,000	42,922,000
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13.17 For the Agricultural Experiment Station and
 13.18 the Minnesota Extension Service:

13.19 (1) the agricultural experiment stations and
 13.20 Minnesota Extension Service must convene
 13.21 agricultural advisory groups to focus research,
 13.22 education, and extension activities on producer
 13.23 needs and implement an outreach strategy that
 13.24 more effectively and rapidly transfers research
 13.25 results and best practices to producers
 13.26 throughout the state;

13.27 (2) this appropriation includes funding for
 13.28 research and outreach on the production of
 13.29 renewable energy from Minnesota biomass
 13.30 resources, including agronomic crops, plant
 13.31 and animal wastes, and native plants or trees.

13.32 The following areas should be prioritized and
 13.33 carried out in consultation with Minnesota

- 14.1 producers, renewable energy, and bioenergy
14.2 organizations:
- 14.3 (i) biofuel and other energy production from
14.4 perennial crops, small grains, row crops, and
14.5 forestry products in conjunction with the
14.6 Natural Resources Research Institute (NRRI);
- 14.7 (ii) alternative bioenergy crops and cropping
14.8 systems; and
- 14.9 (iii) biofuel coproducts used for livestock feed;
- 14.10 (3) this appropriation includes funding for the
14.11 College of Food, Agricultural, and Natural
14.12 Resources Sciences to establish and provide
14.13 leadership for organic agronomic,
14.14 horticultural, livestock, and food systems
14.15 research, education, and outreach and for the
14.16 purchase of state-of-the-art laboratory,
14.17 planting, tilling, harvesting, and processing
14.18 equipment necessary for this project;
- 14.19 (4) this appropriation includes funding for
14.20 research efforts that demonstrate a renewed
14.21 emphasis on the needs of the state's agriculture
14.22 community. The following areas should be
14.23 prioritized and carried out in consultation with
14.24 Minnesota farm organizations:
- 14.25 (i) vegetable crop research with priority for
14.26 extending the Minnesota vegetable growing
14.27 season;
- 14.28 (ii) fertilizer and soil fertility research and
14.29 development;
- 14.30 (iii) soil, groundwater, and surface water
14.31 conservation practices and contaminant
14.32 reduction research;

- 15.1 (iv) discovering and developing plant varieties
 15.2 that use nutrients more efficiently;
- 15.3 (v) breeding and development of turf seed and
 15.4 other biomass resources in all three Minnesota
 15.5 biomes;
- 15.6 (vi) development of new disease-resistant and
 15.7 pest-resistant varieties of turf and agronomic
 15.8 crops;
- 15.9 (vii) utilizing plant and livestock cells to treat
 15.10 and cure human diseases;
- 15.11 (viii) the development of dairy coproducts;
- 15.12 (ix) a rapid agricultural response fund for
 15.13 current or emerging animal, plant, and insect
 15.14 problems affecting production or food safety;
- 15.15 (x) crop pest and animal disease research;
- 15.16 (xi) developing animal agriculture that is
 15.17 capable of sustainably feeding the world;
- 15.18 (xii) consumer food safety education and
 15.19 outreach;
- 15.20 (xiii) programs to meet the research and
 15.21 outreach needs of organic livestock and crop
 15.22 farmers; and
- 15.23 (xiv) alternative bioenergy crops and cropping
 15.24 systems; and growing, harvesting, and
 15.25 transporting biomass plant material; and
- 15.26 (5) by February 1, 2023, the Board of Regents
 15.27 must submit a report to the legislative
 15.28 committees and divisions with jurisdiction
 15.29 over agriculture and higher education finance
 15.30 on the status and outcomes of research and
 15.31 initiatives funded in this paragraph.

15.32 (b) **Health Sciences**

9,204,000

9,204,000

- 16.1 \$346,000 each year is to support up to 12
 16.2 resident physicians in the St. Cloud Hospital
 16.3 family practice residency program. The
 16.4 program must prepare doctors to practice
 16.5 primary care medicine in rural areas of the
 16.6 state. The legislature intends this program to
 16.7 improve health care in rural communities,
 16.8 provide affordable access to appropriate
 16.9 medical care, and manage the treatment of
 16.10 patients in a more cost-effective manner. The
 16.11 remainder of this appropriation is for the rural
 16.12 physicians associates program; the Veterinary
 16.13 Diagnostic Laboratory; health sciences
 16.14 research; dental care; the Biomedical
 16.15 Engineering Center; and the collaborative
 16.16 partnership between the University of
 16.17 Minnesota and Mayo Clinic for regenerative
 16.18 medicine, research, clinical translation, and
 16.19 commercialization.
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|-------|--|-----------|------------------|
| 16.20 | (c) College of Science and Engineering | 1,140,000 | 1,140,000 |
| 16.21 | For the geological survey and the talented | | |
| 16.22 | youth mathematics program. | | |
| 16.23 | | | <u>7,431,000</u> |
| 16.24 | (d) System Special | 7,431,000 | <u>9,431,000</u> |
| 16.25 | For general research, the Labor Education | | |
| 16.26 | Service, Natural Resources Research Institute, | | |
| 16.27 | Center for Urban and Regional Affairs, Bell | | |
| 16.28 | Museum of Natural History, and the | | |
| 16.29 | Humphrey exhibit. | | |
| 16.30 | \$2,250,000 in fiscal year 2022 and \$2,250,000 | | |
| 16.31 | <u>\$4,250,000</u> in fiscal year 2023 are for the | | |
| 16.32 | Natural Resources Research Institute to invest | | |
| 16.33 | in applied research for economic development. | | |
| 16.34 | The base for this appropriation is \$7,181,000 | | |
| 16.35 | in fiscal year 2024 and later and, of this | | |

17.1 amount, \$2,000,000 per fiscal year is for the
 17.2 Natural Resources Research Institute to invest
 17.3 in applied research for economic development.

17.4 **(e) University of Minnesota and Mayo**
 17.5 **Foundation Partnership**

7,991,000

7,991,000

17.6 This appropriation is for the following
 17.7 activities:

17.8 (1) \$7,491,000 in fiscal year 2022 and
 17.9 \$7,491,000 in fiscal year 2023 are for the
 17.10 direct and indirect expenses of the
 17.11 collaborative research partnership between the
 17.12 University of Minnesota and the Mayo
 17.13 Foundation for research in biotechnology and
 17.14 medical genomics. An annual report on the
 17.15 expenditure of these funds must be submitted
 17.16 to the governor and the chairs of the legislative
 17.17 committees responsible for higher education
 17.18 finance by June 30 of each fiscal year.

17.19 (2) \$500,000 in fiscal year 2022 and \$500,000
 17.20 in fiscal year 2023 are to award competitive
 17.21 grants to conduct research into the prevention,
 17.22 treatment, causes, and cures of Alzheimer's
 17.23 disease and other dementias.

17.24 **Sec. 18. EDUCATION APPROPRIATIONS.**

17.25 **Subdivision 1. Department of Education.** The sum indicated in this section is
 17.26 appropriated from the general fund to the Department of Education for the fiscal year
 17.27 designated. This sum is in addition to appropriations made for the same purpose in any other
 17.28 law.

17.29 **Subd. 2. General education aid.** For general education aid under Minnesota Statutes,
 17.30 section 126C.13, subdivision 4:

17.31 § 24,000 2023

17.32 The 2023 appropriation includes \$0 for 2022 and \$24,000 for 2023.

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

18.1

ARTICLE 2

18.2

HIGHER EDUCATION PROVISIONS

18.3

Section 1. [124D.351] SKILLS PATH PROGRAM.

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Subdivision 1. **Purpose.** The purpose of the skills path program is to provide students with clear pathways from high school to careers in skilled work and the trades and create opportunities for students to enter postsecondary programs and employment-based training in high school.

18.8

18.9

Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

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(b) "Career and technical education dual credit program" means a postsecondary career or technical education course under section 124D.09, subdivision 5a; a secondary course that has a current articulation agreement for postsecondary credit hours with a participating institution; or a youth skills training program that awards postsecondary credit to students.

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(c) "Employment-based training" means a registered apprenticeship or apprenticeship readiness program, a dual-training program, a workforce training program at an opportunities industrialization center, or other work-based learning programs in which the student has paid employment.

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Subd. 3. **Eligible institutions.** (a) A secondary public school, an American Indian-controlled Tribal contract or grant school eligible for aid under section 124D.83, a vocational center school, a nonpublic school, or any combination of schools is eligible to apply for a skills path program designation.

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(b) A Minnesota state college or university, an institution licensed or registered as a postsecondary institution by the Office of Higher Education, or an institution exempt from the provisions of sections 136A.61 to 136A.71 or 136A.822 to 136A.834, as approved by the Office of Higher Education, may partner with an institution in paragraph (a) to provide a postsecondary options enrollment career and technical education course for eligible students in a skills path program.

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(c) An eligible institution may work in partnership with one or more postsecondary programs designated in paragraph (b) to create a two-year program that incorporates secondary and postsecondary credit along with employment-based training to award an associate degree in skilled occupations.

18.32

18.33

Subd. 4. **Skills path programs.** The commissioner of higher education must develop an application consistent with section 136A.247, and may consult with the commissioners

19.1 of education and labor and industry, for programs that provide students with clear pathways
 19.2 from high school to careers in skilled work and the trades to be designated as skills path
 19.3 programs. Skills path programs must include career-connected learning options, career and
 19.4 technical education dual credit program options, and employment-based training opportunities
 19.5 to be eligible for this designation. Applicants must demonstrate how skills path programs
 19.6 will be marketed to students and what other local partners and employers are involved in
 19.7 developing career pathway opportunities. Skills path programs may be identified in skilled
 19.8 occupations and the trades, including manufacturing, construction, health care services,
 19.9 information technology, agriculture, transportation, child care, law enforcement, energy,
 19.10 and other related industries.

19.11 Subd. 5. **Interaction with education finance.** For the purpose of computing state aids
 19.12 for the school district, students participating in the skills path programs under this section
 19.13 shall be counted in the average daily membership of the school district.

19.14 Subd. 6. **Academic credit.** A school district may grant academic credit for skills path
 19.15 programs under this section in accordance with local requirements.

19.16 Sec. 2. Minnesota Statutes 2020, section 136A.103, is amended to read:

19.17 **136A.103 INSTITUTION ELIGIBILITY REQUIREMENTS.**

19.18 (a) A postsecondary institution is eligible for state student aid under chapter 136A and
 19.19 sections 197.791 and 299A.45, if the institution ~~is located in this state and:~~

19.20 (1) is operated by this state or the Board of Regents of the University of Minnesota; ~~or~~

19.21 (2) is operated privately, is located in the state, and, as determined by the office, meets
 19.22 the requirements of paragraph (b); or

19.23 (3) is a university that:

19.24 (i) is a nonprofit entity as defined by Internal Revenue Code, section 501(c)(3);

19.25 (ii) is accredited by the institutional accreditor, Northwest Commission on Colleges and
 19.26 Universities;

19.27 (iii) provides online education;

19.28 (iv) offers exclusively competency-based education; and

19.29 (v) as determined by the office, meets the requirements of paragraph (b).

19.30 For purposes of this clause, competency-based education means an educational delivery
 19.31 model which organizes academic content by competency rather than more traditional

20.1 methods, such as by course, and measures a student's academic progress by assessing learning
20.2 outcomes, typically on the basis of mastery of a defined set of competency standards.

20.3 (b) A private institution must:

20.4 (1) maintain academic standards substantially equivalent to those of comparable
20.5 institutions operated in this state;

20.6 (2) be licensed or registered as a postsecondary institution by the office; and

20.7 (3)(i) by July 1, 2010, participate in the federal Pell Grant program under Title IV of
20.8 the Higher Education Act of 1965, Public Law 89-329, as amended; or

20.9 (ii) if an institution was participating in state student aid programs as of June 30, 2010,
20.10 and the institution did not participate in the federal Pell Grant program by June 30, 2010,
20.11 the institution must require every student who enrolls to sign a disclosure form, provided
20.12 by the office, stating that the institution is not participating in the federal Pell Grant program.

20.13 (c) An institution that offers only graduate-level degrees or graduate-level nondegree
20.14 programs is an eligible institution if the institution is licensed or registered as a postsecondary
20.15 institution by the office.

20.16 (d) An eligible institution under paragraph (b), clause (3), item (ii), that changes
20.17 ownership as defined in section 136A.63, subdivision 2, must participate in the federal Pell
20.18 Grant program within four calendar years of the first ownership change to continue eligibility.

20.19 (e) An institution that loses its eligibility for the federal Pell Grant program is not an
20.20 eligible institution. The office may terminate an institution's eligibility to participate in state
20.21 student aid programs effective the date of the loss of eligibility for the federal Pell Grant
20.22 program.

20.23 (f) An institution must maintain adequate administrative and financial standards and
20.24 compliance with all state statutes, rules, and administrative policies related to state financial
20.25 aid programs.

20.26 (g) The office may terminate a postsecondary institution's eligibility to participate in
20.27 state student aid programs if the institution is terminated from participating in federal
20.28 financial aid programs by the United States Department of Education for a violation of laws,
20.29 regulations, or participation agreements governing federal financial aid programs.

20.30 **EFFECTIVE DATE.** This section is effective July 1, 2023.

21.1 **Sec. 3. [136A.1213] GRANTS FOR STUDENTS PURSUING LAW ENFORCEMENT.**

21.2 **Subdivision 1. Grant amount; eligibility.** (a) A student is eligible for a \$3,000 annual
 21.3 grant, awarded at the beginning of the academic term and distributed evenly between two
 21.4 terms, if the student:

21.5 (1) meets the eligibility requirements in section 136A.121, subdivision 2;

21.6 (2) is enrolled for at least nine credits in a law enforcement degree program or a nondegree
 21.7 program under section 626.84, subdivision 1, paragraph (g);

21.8 (3) attends an eligible institution as defined in section 136A.103; and

21.9 (4) is making satisfactory academic progress as defined under section 136A.101,
 21.10 subdivision 10.

21.11 (b) The lifetime limit for:

21.12 (1) nondegree students is \$3,000;

21.13 (2) associate degree students is \$6,000; and

21.14 (3) baccalaureate degree students is \$12,000.

21.15 **Subd. 2. Application.** To receive a grant under this section, a student must apply in the
 21.16 form and manner specified by the commissioner.

21.17 **Sec. 4. [136A.247] SKILLS PATH GRANT PROGRAM.**

21.18 **Subdivision 1. Grant amount.** The commissioner of higher education shall award grants
 21.19 up to \$50,000 per grant to up to ten secondary schools annually for skills path programs
 21.20 under section 124D.351 that align career and technical education dual credit program options
 21.21 with employment-based training opportunities. Applications must demonstrate how grant
 21.22 funding will provide students with clear pathways from high school to postsecondary training
 21.23 that lead to careers in skilled work and the trades. The commissioner of higher education
 21.24 may work with the commissioner of education and the commissioner of labor and industry
 21.25 to develop the grant application and administer the grants.

21.26 **Subd. 2. Grant uses.** (a) A secondary school awarded a grant under this section must
 21.27 use the grant award for any of the following implementation and coordination activities:

21.28 (1) marketing efforts to students about skills path program opportunities;

21.29 (2) coordinating academic, vocational, and occupational learning; school-based and
 21.30 work-based learning; and secondary and postsecondary education for participants in the
 21.31 program;

22.1 (3) reimbursement of tuition, books, required tools, and other expenses necessary for
 22.2 participation in the program; and

22.3 (4) any other implementation or coordination activity that the commissioner may direct
 22.4 or permit the eligible institution to perform.

22.5 (b) Grant awards may not be used to pay the wages of a student directly or indirectly.

22.6 Subd. 3. **Grant application.** The following information must be included in the grant
 22.7 application:

22.8 (1) the identity of each secondary school that is a participant in the skills path program;

22.9 (2) the identity of each registered apprenticeship program or apprenticeship readiness
 22.10 program, dual-training program, workforce training program at an opportunities
 22.11 industrialization center, or other work-based learning program in which the student has the
 22.12 opportunity for paid employment that is a participant in the skills path program;

22.13 (3) the identity of each postsecondary institution, intermediate school district, public
 22.14 agency, nonprofit organization, union, career and technical education consortium, or
 22.15 workforce development authority that is a participant in the skills path program;

22.16 (4) the identity of any employers participating in the skills path program;

22.17 (5) a description of any career-connected learning components;

22.18 (6) a description of the career and technical education dual-credit program options;

22.19 (7) a description of any postsecondary education components in the skills path program;

22.20 (8) a description of employment-based training opportunities; and

22.21 (9) applicable career planning information.

22.22 Sec. 5. Minnesota Statutes 2020, section 136F.02, subdivision 1, is amended to read:

22.23 Subdivision 1. **Membership.** The board consists of 15 members appointed by the
 22.24 governor, including three members who are students who have attended an institution for
 22.25 at least one year and are enrolled at the time of appointment at least half time in a degree,
 22.26 diploma, or certificate program in an institution governed by the board. The student members
 22.27 shall include one member from a community college, one member from a state university,
 22.28 and one member from a technical college. One member representing labor must be appointed
 22.29 after considering the recommendations made under section 136F.045. The governor is not
 22.30 bound by the recommendations. Appointments to the board are with the advice and consent
 22.31 of the senate. At least one member of the board must be a resident of each congressional

23.1 district. All other members must be appointed to represent the state at large. In selecting
 23.2 appointees, the governor must consider the needs of the board and the balance of the board
 23.3 membership with respect to labor and business representation ~~and~~; racial, gender, geographic,
 23.4 and ethnic composition; and occupation and experience. In selecting appointees, the governor
 23.5 must consider the needs of the board for skills relevant to the governance of the Minnesota
 23.6 State Colleges and Universities and the candidate's ability to discharge the responsibilities
 23.7 of the board.

23.8 A commissioner of a state agency may not serve as a member of the board.

23.9 Sec. 6. Minnesota Statutes 2020, section 136F.302, subdivision 1, is amended to read:

23.10 Subdivision 1. **ACT or SAT college ready score; Minnesota Comprehensive**
 23.11 **Assessment career and college ready benchmarks.** (a) A state college or university must
 23.12 not require an individual to take a ~~remedial~~ developmental, noncredit course in a subject
 23.13 area if the individual has received a college ready ACT or SAT score or met a career and
 23.14 college ready Minnesota Comprehensive Assessment benchmark in that subject area. Only
 23.15 the ACT and SAT scores an individual received and the Minnesota Comprehensive
 23.16 Assessment benchmarks an individual met in the previous five years are valid for purposes
 23.17 of this section. Each state college and university must post notice of the exemption from
 23.18 ~~remedial~~ developmental course taking on its website explaining student course placement
 23.19 requirements. Prior to enrolling an individual in a developmental course, a college or
 23.20 university must (1) determine if the individual's performance on the ACT, SAT, or Minnesota
 23.21 Comprehensive Assessments exempts the individual from the developmental course under
 23.22 this paragraph, and (2) inform the individual if a developmental course is required.

23.23 (b) When deciding if an individual is admitted to or if an individual may enroll in a state
 23.24 college or university, the state college or university must consider the individual's scores
 23.25 on the high school Minnesota Comprehensive Assessments, in addition to other factors
 23.26 determined relevant by the college or university.

23.27 Sec. 7. Minnesota Statutes 2020, section 136F.302, subdivision 2, is amended to read:

23.28 Subd. 2. **Testing Process for determining if ~~remediating~~ developmental education**
 23.29 **is necessary.** (a) A college or university must not determine if an individual is placed in a
 23.30 developmental, noncredit course based solely on a testing process. A state college or
 23.31 university may use multiple measures to make a holistic determination on whether to place
 23.32 an individual in a developmental course. Multiple measures may include:

23.33 (1) testing under paragraph (b);

24.1 (2) the individual's scores on the high school Minnesota Comprehensive Assessments,
 24.2 the ACT, or the SAT;

24.3 (3) high school grade point average;

24.4 (4) teacher recommendations; and

24.5 (5) other factors determined relevant by the college or university.

24.6 (b) A college or university testing process used to determine whether an individual is
 24.7 placed in a ~~remedial~~ developmental, noncredit course must comply with this subdivision.
 24.8 Prior to taking a test, an individual must be given reasonable time and opportunity to review
 24.9 materials provided by the college or university covering the material to be tested which
 24.10 must include a sample test. An individual who is required to take a ~~remedial~~ developmental,
 24.11 noncredit course as a result of a test given by a college or university must be given an
 24.12 opportunity to retake the test at the earliest time determined by the individual when testing
 24.13 is otherwise offered. The college or university must provide an individual with study materials
 24.14 for the purpose of retaking and passing the test.

24.15 Sec. 8. Minnesota Statutes 2020, section 136F.38, subdivision 2, is amended to read:

24.16 Subd. 2. **Scholarship awards.** The program shall award scholarships at the beginning
 24.17 of an academic term, in the amount of \$2,500, or \$5,000 for law enforcement students, to
 24.18 be distributed evenly between two terms.

24.19 Sec. 9. Minnesota Statutes 2021 Supplement, section 136F.38, subdivision 3, is amended
 24.20 to read:

24.21 Subd. 3. **Program eligibility.** (a) Scholarships shall be awarded only to a student eligible
 24.22 for resident tuition, as defined in section 135A.043, who is enrolled in any of the following
 24.23 programs of study or certification: (1) advanced manufacturing; (2) agriculture; (3) health
 24.24 care services; (4) information technology; (5) early childhood; (6) transportation; ~~or~~ (7)
 24.25 construction; (8) law enforcement; or (9) a program of study under paragraph (b).

24.26 (b) Each institution may add one additional area of study or certification, based on a
 24.27 workforce shortage for full-time employment requiring postsecondary education that is
 24.28 unique to the institution's specific region, as reported in the most recent Department of
 24.29 Employment and Economic Development job vacancy survey data for the economic
 24.30 development region in which the institution is located. A workforce shortage area is one in
 24.31 which the job vacancy rate for full-time employment in a specific occupation in a region is

25.1 higher than the state average vacancy rate for that same occupation. The institution may
 25.2 change the area of study or certification based on new data once every two years.

25.3 (c) The student must be enrolled for at least nine credits in a two-year college in the
 25.4 Minnesota State Colleges and Universities system to be eligible for first- and second-year
 25.5 scholarships.

25.6 (d) The student is eligible for a one-year transfer scholarship if the student transfers from
 25.7 a two-year college after two or more terms, and the student is enrolled for at least nine
 25.8 credits in a four-year university in the Minnesota State Colleges and Universities system.

25.9 Sec. 10. Minnesota Statutes 2020, section 136F.38, subdivision 4, is amended to read:

25.10 Subd. 4. **Renewal; cap.** A student who has received a scholarship may apply again but
 25.11 total lifetime awards are not to exceed \$7,500 per student, or \$15,000 for law enforcement
 25.12 students. Students may only be awarded a second scholarship upon completion of two
 25.13 academic terms. Students may be awarded a third scholarship if the student transfers to a
 25.14 corresponding program at a Minnesota state university.

25.15 Sec. 11. Minnesota Statutes 2020, section 137.022, subdivision 4, is amended to read:

25.16 Subd. 4. **Mineral research; scholarships.** (a) All income credited after July 1, 1992,
 25.17 to the permanent university fund from royalties for mining under state mineral leases from
 25.18 and after July 1, 1991, must be allocated as provided in this subdivision.

25.19 (b)(1) Beginning January 1, 2013, 50 percent of the income must be allocated according
 25.20 to this paragraph. One-half of the income under this paragraph, up to ~~\$50,000,000~~
 25.21 \$100,000,000, must be credited to the mineral research account of the fund to be allocated
 25.22 for the Natural Resources Research Institute-Duluth and Coleraine facilities, for mineral
 25.23 and mineral-related research including mineral-related environmental research. The other
 25.24 one-half of the income under this paragraph, up to \$25,000,000, is credited to an endowment
 25.25 for the costs of operating a mining, ~~metallurgical~~ mineral, mineral-related, or related
 25.26 engineering science, technology, engineering, and mathematics (STEM) degree program
 25.27 programs offered through the University of Minnesota at Mesabi Range Community and
 25.28 Technical College and the Swenson College of Science and Engineering at Duluth to support
 25.29 workforce development and collaborations benefiting regional academics, industry, and
 25.30 natural resources on the Iron Range in northeast Minnesota and for scholarships for
 25.31 Minnesota students to attend the mining, metallurgical, or related engineering program
 25.32 mineral, mineral-related, or STEM programs. The maximum scholarship awarded to attend
 25.33 the ~~mining, metallurgical, or related engineering degree program~~ programs funded under

26.1 this paragraph cannot exceed ~~\$6,500~~ 75 percent of current in-state tuition rates per academic
26.2 year and may be awarded a maximum of four academic years.

26.3 (2) The remainder of the income under paragraph (a) plus the amount of any income
26.4 under clause (1) after ~~\$50,000,000~~ \$100,000,000 has been credited to the mineral research
26.5 account for the Natural Resources Research Institute and the amount of any income over
26.6 the ~~\$25,000,000 for the engineering program~~ programming in clause (1) must be credited
26.7 to the endowed scholarship account of the fund for distribution annually for scholastic
26.8 achievement as provided by the Board of Regents to undergraduates enrolled at the University
26.9 of Minnesota who are resident students as defined in section 136A.101, subdivision 8.

26.10 (c) The annual distribution from the endowed scholarship account must be allocated to
26.11 the various campuses of the University of Minnesota in proportion to the number of
26.12 undergraduate resident students enrolled on each campus.

26.13 (d) The Board of Regents must report to the education committees of the legislature
26.14 biennially at the time of the submission of its budget request on the disbursement of money
26.15 from the endowed scholarship account and to the environment and natural resources
26.16 committees on the use of the mineral research account.

26.17 (e) Capital gains and losses and portfolio income of the permanent university fund must
26.18 be credited to its three accounts in proportion to the market value of each account.

26.19 (f) The endowment support from the income and capital gains of the endowed mineral
26.20 research and endowed scholarship accounts of the fund must not total more than six percent
26.21 per year of the 36-month trailing average market value of the account from which the support
26.22 is derived.

26.23 **Sec. 12. REVISOR INSTRUCTION.**

26.24 The revisor of statutes shall substitute the term "developmental" for "remedial" wherever
26.25 the term refers to remedial education courses at a postsecondary institution. The revisor
26.26 shall also make grammatical changes related to the changes in terms to preserve the meaning
26.27 of the text.

26.28 **Sec. 13. REPEALER.**

26.29 Minnesota Statutes 2020, section 136F.03, is repealed.

27.1 **ARTICLE 3**

27.2 **MINNESOTA HEALTH AND EDUCATION FACILITIES AUTHORITY**

27.3 Section 1. Minnesota Statutes 2020, section 136A.25, is amended to read:

27.4 **136A.25 CREATION.**

27.5 A state agency known as the Minnesota ~~Higher~~ Health and Education Facilities Authority
27.6 is hereby created.

27.7 Sec. 2. Minnesota Statutes 2020, section 136A.26, is amended to read:

27.8 **136A.26 MEMBERSHIPS; OFFICERS; COMPENSATION; REMOVAL.**

27.9 Subdivision 1. **Membership.** The Minnesota ~~Higher~~ Health and Education Facilities
27.10 Authority shall consist of ~~eight~~ nine members appointed by the governor with the advice
27.11 and consent of the senate, and a representative of the ~~office~~ Office of Higher Education.

27.12 All members to be appointed by the governor shall be residents of the state. At least two
27.13 members must reside outside the metropolitan area as defined in section 473.121, subdivision
27.14 2. At least one of the members shall be a person having a favorable reputation for skill,
27.15 knowledge, and experience in the field of state and municipal finance; ~~and~~ at least one shall
27.16 be a person having a favorable reputation for skill, knowledge, and experience in the building
27.17 construction field; ~~and~~ at least one of the members shall be a trustee, director, officer, or
27.18 employee of an institution of higher education; and at least one of the members shall be a
27.19 trustee, director, officer, or employee of a health care organization.

27.20 Subd. 1a. **Private College Council member.** The president of the Minnesota Private
27.21 College Council, or the president's designee, shall serve without compensation as an advisory,
27.22 nonvoting member of the authority.

27.23 Subd. 1b. **Nonprofit health care association member.** The chief executive officer of
27.24 a Minnesota nonprofit membership association whose members are primarily nonprofit
27.25 health care organizations, or the chief executive officer's designee, shall serve without
27.26 compensation as an advisory, nonvoting member of the authority. The identity of the
27.27 Minnesota nonprofit membership association shall be determined and may be changed from
27.28 time to time by the members of the authority in accordance with and as shall be provided
27.29 in the bylaws of the authority.

27.30 Subd. 2. **Term; compensation; removal.** The membership terms, compensation, removal
27.31 of members, and filling of vacancies for authority members other than the representative
27.32 of the office, ~~and~~ the president of the Private College Council, or the chief executive officer

28.1 of the Minnesota nonprofit membership association described in subdivision 1b shall be as
 28.2 provided in section 15.0575.

28.3 Sec. 3. Minnesota Statutes 2020, section 136A.27, is amended to read:

28.4 **136A.27 POLICY.**

28.5 It is hereby declared that for the benefit of the people of the state, the increase of their
 28.6 commerce, welfare and prosperity and the improvement of their health and living conditions
 28.7 it is essential that health care organizations within the state be provided with appropriate
 28.8 additional means to establish, acquire, construct, improve, and expand health care facilities
 28.9 in furtherance of their purposes; that this and future generations of youth be given the fullest
 28.10 opportunity to learn and to develop their intellectual and mental capacities; ~~that it is essential~~
 28.11 that institutions of higher education within the state be provided with appropriate additional
 28.12 means to assist such youth in achieving the required levels of learning and development of
 28.13 their intellectual and mental capacities; and that health care organizations and institutions
 28.14 of higher education be enabled to refinance outstanding indebtedness incurred to provide
 28.15 existing facilities used for such purposes in order to preserve and enhance the utilization of
 28.16 facilities for purposes of health care and higher education, to extend or adjust maturities in
 28.17 relation to the resources available for their payment, and to save interest costs and thereby
 28.18 reduce health care costs or higher education tuition, fees, and charges; ~~and~~. It is hereby
 28.19 further declared that it is the purpose of sections 136A.25 to 136A.42 to provide a measure
 28.20 of assistance and an alternative method to enable health care organizations and institutions
 28.21 of higher education in the state to provide the facilities and structures which are sorely
 28.22 needed to accomplish the purposes of sections 136A.25 to 136A.42, all to the public benefit
 28.23 and good, to the extent and manner provided herein.

28.24 Sec. 4. Minnesota Statutes 2020, section 136A.28, is amended to read:

28.25 **136A.28 DEFINITIONS.**

28.26 Subdivision 1. **Scope.** In sections 136A.25 to 136A.42, the following words and terms
 28.27 shall, unless the context otherwise requires, have the meanings ascribed to them.

28.28 Subd. 1a. **Affiliate.** "Affiliate" means an entity that directly or indirectly controls, is
 28.29 controlled by, or is under common control with, another entity. For the purposes of this
 28.30 subdivision, "control" means either the power to elect a majority of the members of the
 28.31 governing body of an entity or the power, whether by contract or otherwise, to direct the
 28.32 management and policies of the entity. Affiliate also means an entity whose business or
 28.33 substantially all of whose property is operated under a lease, management agreement, or

29.1 operating agreement by another entity, or an entity who operates the business or substantially
 29.2 all of the property of another entity under a lease, management agreement, or operating
 29.3 agreement.

29.4 Subd. 2. **Authority.** "Authority" means the ~~Higher~~ Health and Education Facilities
 29.5 Authority created by sections 136A.25 to 136A.42.

29.6 Subd. 3. **Project.** "Project" means ~~a structure or structures available for use as a dormitory~~
 29.7 ~~or other student housing facility, a dining hall, student union, administration building,~~
 29.8 ~~academic building, library, laboratory, research facility, classroom, athletic facility, health~~
 29.9 ~~care facility, child care facility, and maintenance, storage, or utility facility and other~~
 29.10 ~~structures or facilities related thereto or required or useful for the instruction of students or~~
 29.11 ~~the conducting of research or the operation of an institution of higher education, whether~~
 29.12 ~~proposed, under construction, or completed, including parking and other facilities or~~
 29.13 ~~structures essential or convenient for the orderly conduct of such institution for higher~~
 29.14 ~~education, and shall also include landscaping, site preparation, furniture, equipment and~~
 29.15 ~~machinery, and other similar items necessary or convenient for the operation of a particular~~
 29.16 ~~facility or structure in the manner for which its use is intended but shall not include such~~
 29.17 ~~items as books, fuel, supplies, or other items the costs of which are customarily deemed to~~
 29.18 ~~result in a current operating charge, and shall~~ a health care facility or an education facility
 29.19 whether proposed, under construction, or completed, and includes land or interests in land,
 29.20 appurtenances, site preparation, landscaping, buildings and structures, systems, fixtures,
 29.21 furniture, machinery, equipment, and parking. Project also includes other structures, facilities,
 29.22 improvements, machinery, equipment, and means of transport of a capital nature that are
 29.23 necessary or convenient for the operation of the facility. Project does not include: (1) any
 29.24 facility used or to be used for sectarian instruction or as a place of religious worship nor;
 29.25 (2) any facility which is used or to be used primarily in connection with any part of the
 29.26 program of a school or department of divinity for any religious denomination; nor (3) any
 29.27 books, supplies, medicine, medical supplies, fuel, or other items, the cost of which are
 29.28 customarily deemed to result in a current operating charge.

29.29 Subd. 4. **Cost.** "Cost," as applied to a project or any portion thereof financed under the
 29.30 provisions of sections 136A.25 to 136A.42, means all or any part of the cost of construction,
 29.31 acquisition, alteration, enlargement, reconstruction and remodeling of a project including
 29.32 all lands, structures, real or personal property, rights, rights-of-way, franchises, easements
 29.33 and interests acquired or used for or in connection with a project, the cost of demolishing
 29.34 or removing any buildings or structures on land so acquired, including the cost of acquiring
 29.35 any lands to which ~~such~~ buildings or structures may be moved, the cost of all machinery

30.1 and equipment, financing charges, interest prior to, during and for a period after completion
 30.2 of such construction and acquisition, provisions for reserves for principal and interest and
 30.3 for extensions, enlargements, additions and improvements, the cost of architectural,
 30.4 engineering, financial and legal services, plans, specifications, studies, surveys, estimates
 30.5 of cost and of revenues, administrative expenses, expenses necessary or incident to
 30.6 determining the feasibility or practicability of constructing the project and such other
 30.7 expenses as may be necessary or incident to the construction and acquisition of the project,
 30.8 the financing of such construction and acquisition and the placing of the project in operation.

30.9 Subd. 5. **Bonds.** "Bonds," or "revenue bonds" means revenue bonds of the authority
 30.10 issued under the provisions of sections 136A.25 to 136A.42, including revenue refunding
 30.11 bonds, notwithstanding that the same may be secured by mortgage or the full faith and credit
 30.12 of a participating institution ~~for higher education~~ or any other lawfully pledged security of
 30.13 a participating institution ~~for higher education~~.

30.14 Subd. 6. **Institution of higher education.** "Institution of higher education" means a
 30.15 nonprofit educational institution within the state authorized to provide a program of education
 30.16 beyond the high school level.

30.17 Subd. 6a. **Health care organization.** (a) "Health care organization" means a nonprofit
 30.18 organization located within the state and authorized by law to operate a nonprofit health
 30.19 care facility in the state. Health care organization also means a nonprofit affiliate of a health
 30.20 care organization as defined under this paragraph, provided the affiliate is located within
 30.21 the state or within a state that is geographically contiguous to Minnesota.

30.22 (b) Health care organization also means a nonprofit organization located within another
 30.23 state that is geographically contiguous to Minnesota and authorized by law to operate a
 30.24 nonprofit health care facility in that state, provided that the nonprofit organization located
 30.25 within the contiguous state is an affiliate of a health care organization located within the
 30.26 state.

30.27 Subd. 6b. **Education facility.** "Education facility" means a structure or structures
 30.28 available for use as a dormitory or other student housing facility, dining hall, student union,
 30.29 administration building, academic building, library, laboratory, research facility, classroom,
 30.30 athletic facility, student health care facility, or child care facility, and includes other facilities
 30.31 or structures related thereto essential or convenient for the orderly conduct of an institution
 30.32 of higher education.

30.33 Subd. 6c. **Health care facility.** (a) "Health care facility" means a structure or structures
 30.34 available for use within this state as a hospital, clinic, psychiatric residential treatment

31.1 facility, birth center, outpatient surgical center, comprehensive outpatient rehabilitation
 31.2 facility, outpatient physical therapy or speech pathology facility, end-stage renal dialysis
 31.3 facility, medical laboratory, pharmacy, radiation therapy facility, diagnostic imaging facility,
 31.4 medical office building, residence for nurses or interns, nursing home, boarding care home,
 31.5 assisted living facility, residential hospice, intermediate care facility for persons with
 31.6 developmental disabilities, supervised living facility, housing with services establishment,
 31.7 board and lodging establishment with special services, adult day care center, day services
 31.8 facility, prescribed pediatric extended care facility, community residential setting, adult
 31.9 foster home, or other facility related to medical or health care research, or the delivery or
 31.10 administration of health care services, and includes other structures or facilities related
 31.11 thereto essential or convenient for the orderly conduct of a health care organization.

31.12 (b) Health care facility also means a facility in a state that is geographically contiguous
 31.13 to Minnesota operated by a health care organization that corresponds by purpose, function,
 31.14 or use with a facility listed in paragraph (a).

31.15 Subd. 7. **Participating institution of higher education.** "~~Participating institution of~~
 31.16 ~~higher education~~" means a health care organization or an institution of higher education
 31.17 that, under the provisions of sections 136A.25 to 136A.42, undertakes the financing and
 31.18 construction or acquisition of a project or undertakes the refunding or refinancing of
 31.19 obligations or of a mortgage or of advances as provided in sections 136A.25 to 136A.42.
 31.20 Community colleges and technical colleges may be considered participating institutions of
 31.21 ~~higher education~~ for the purpose of financing and constructing child care facilities and
 31.22 parking facilities.

31.23 Sec. 5. Minnesota Statutes 2020, section 136A.29, subdivision 1, is amended to read:

31.24 Subdivision 1. **Purpose.** The purpose of the authority shall be to assist health care
 31.25 organizations and institutions of higher education in the construction, financing, and
 31.26 refinancing of projects. The exercise by the authority of the powers conferred by sections
 31.27 136A.25 to 136A.42, shall be deemed and held to be the performance of an essential public
 31.28 function. For the purpose of sections 136A.25 to 136A.42, the authority shall have the
 31.29 powers and duties set forth in subdivisions 2 to 23.

31.30 Sec. 6. Minnesota Statutes 2020, section 136A.29, subdivision 3, is amended to read:

31.31 Subd. 3. **Employees.** The authority is authorized and empowered to appoint and employ
 31.32 employees as it may deem necessary to carry out its duties, determine the title of the
 31.33 employees so employed, and fix the salary of ~~said~~ its employees. Employees of the authority

32.1 shall participate in retirement and other benefits in the same manner that employees in the
 32.2 ~~unclassified service of the office~~ managerial plan under section 43A.18, subdivision 3,
 32.3 participate.

32.4 Sec. 7. Minnesota Statutes 2020, section 136A.29, subdivision 6, is amended to read:

32.5 Subd. 6. **Projects; generally.** (a) The authority is authorized and empowered to determine
 32.6 the location and character of any project to be financed under the provisions of sections
 32.7 136A.25 to 136A.42, and to construct, reconstruct, remodel, maintain, manage, enlarge,
 32.8 alter, add to, repair, operate, lease, as lessee or lessor, and regulate the same, to enter into
 32.9 contracts for any or all of such purposes, to enter into contracts for the management and
 32.10 operation of a project, and to designate a participating institution ~~of higher education~~ as its
 32.11 agent to determine the location and character of a project undertaken by such participating
 32.12 institution ~~of higher education~~ under the provisions of sections 136A.25 to 136A.42 and as
 32.13 the agent of the authority, to construct, reconstruct, remodel, maintain, manage, enlarge,
 32.14 alter, add to, repair, operate, lease, as lessee or lessor, and regulate the same, and as the
 32.15 agent of the authority, to enter into contracts for any or all of such purposes, including
 32.16 contracts for the management and operation of such project.

32.17 (b) Notwithstanding paragraph (a), a project involving a health care facility within the
 32.18 state financed under sections 136A.25 to 136A.42, must comply with all applicable
 32.19 requirements in state law related to authorizing construction of or modifications to a health
 32.20 care facility, including the requirements of sections 144.5509, 144.551, 144A.071, and
 32.21 252.291.

32.22 (c) Contracts of the authority or of a participating institution ~~of higher education~~ to
 32.23 acquire or to construct, reconstruct, remodel, maintain, enlarge, alter, add to, or repair
 32.24 projects shall not be subject to the provisions of chapter 16C or section 574.26, or any other
 32.25 public contract or competitive bid law.

32.26 Sec. 8. Minnesota Statutes 2020, section 136A.29, subdivision 9, is amended to read:

32.27 Subd. 9. **Revenue bonds; limit.** (a) The authority is authorized and empowered to issue
 32.28 revenue bonds whose aggregate principal amount at any time shall not exceed ~~\$1,300,000,000~~
 32.29 \$4,000,000,000 and to issue notes, bond anticipation notes, and revenue refunding bonds
 32.30 of the authority under the provisions of sections 136A.25 to 136A.42, to provide funds for
 32.31 acquiring, constructing, reconstructing, enlarging, remodeling, renovating, improving,
 32.32 furnishing, or equipping one or more projects or parts thereof.

33.1 (b) Of the \$4,000,000,000 limit in paragraph (a), the aggregate principal amount used
 33.2 to fund education facilities may not exceed \$1,750,000,000 at any time, and the aggregate
 33.3 principal amount used to fund health care facilities may not exceed \$2,250,000,000 at any
 33.4 time.

33.5 Sec. 9. Minnesota Statutes 2020, section 136A.29, subdivision 10, is amended to read:

33.6 Subd. 10. **Revenue bonds; issuance, purpose, conditions.** The authority is authorized
 33.7 and empowered to issue revenue bonds to acquire projects from or to make loans to
 33.8 participating institutions ~~of higher education~~ and thereby refinance outstanding indebtedness
 33.9 incurred by participating institutions ~~of higher education~~ to provide funds for the acquisition,
 33.10 construction or improvement of a facility before or after the enactment of sections 136A.25
 33.11 to 136A.42, but otherwise eligible to be and being a project thereunder, whenever the
 33.12 authority finds that such refinancing will enhance or preserve such participating institutions
 33.13 and such facilities or utilization thereof for health care or educational purposes or extend
 33.14 or adjust maturities to correspond to the resources available for their payment, or reduce
 33.15 charges or fees imposed on patients or occupants, or the tuition, charges, or fees imposed
 33.16 on students for the use or occupancy of the facilities of such participating institutions of
 33.17 ~~higher education~~ or costs met by federal or state public funds, or enhance or preserve health
 33.18 care or educational programs and research or the acquisition or improvement of other
 33.19 facilities eligible to be a project or part thereof by the participating institution ~~of higher~~
 33.20 ~~education~~. The amount of revenue bonds to be issued to refinance outstanding indebtedness
 33.21 of a participating institution ~~of higher education~~ shall not exceed the lesser of (a) the fair
 33.22 value of the project to be acquired by the authority from the institution or mortgaged to the
 33.23 authority by the institution or (b) the amount of the outstanding indebtedness including any
 33.24 premium thereon and any interest accrued or to accrue to the date of redemption and any
 33.25 legal, fiscal and related costs in connection with such refinancing and reasonable reserves,
 33.26 as determined by the authority. The provisions of this subdivision do not prohibit the authority
 33.27 from issuing revenue bonds within and charged against the limitations provided in subdivision
 33.28 9 to provide funds for improvements, alteration, renovation, or extension of the project
 33.29 refinanced.

33.30 Sec. 10. Minnesota Statutes 2020, section 136A.29, subdivision 14, is amended to read:

33.31 Subd. 14. **Rules for use of projects.** The authority is authorized and empowered to
 33.32 establish rules for the use of a project or any portion thereof and to designate a participating
 33.33 institution ~~of higher education~~ as its agent to establish rules for the use of a project undertaken
 33.34 for such participating institution ~~of higher education~~.

34.1 Sec. 11. Minnesota Statutes 2020, section 136A.29, subdivision 19, is amended to read:

34.2 Subd. 19. **Surety.** Before the issuance of any revenue bonds under the provisions of
34.3 sections 136A.25 to 136A.42, any member or officer of the authority authorized by resolution
34.4 of the authority to handle funds or sign checks of the authority shall be covered under a
34.5 surety or fidelity bond in an amount to be determined by the authority. Each such bond shall
34.6 be conditioned upon the faithful performance of the duties of the office of the member or
34.7 officer, and shall be executed by a surety company authorized to transact business in the
34.8 state of Minnesota as surety. The cost of each such bond shall be paid by the authority.

34.9 Sec. 12. Minnesota Statutes 2020, section 136A.29, subdivision 20, is amended to read:

34.10 Subd. 20. **Sale, lease, and disposal of property.** The authority is authorized and
34.11 empowered to sell, lease, release, or otherwise dispose of real and personal property or
34.12 interests therein, or a combination thereof, acquired by the authority under authority of
34.13 sections 136A.25 to 136A.42 and no longer needed for the purposes of ~~such~~ this chapter or
34.14 of the authority, and grant such easements and other rights in, over, under, or across a project
34.15 as will not interfere with its use of ~~such~~ the property. ~~Such~~ The sale, lease, release,
34.16 disposition, or grant may be made without competitive bidding and in ~~such~~ the manner and
34.17 for such consideration as the authority in its judgment deems appropriate.

34.18 Sec. 13. Minnesota Statutes 2020, section 136A.29, subdivision 21, is amended to read:

34.19 Subd. 21. **Loans.** The authority is authorized and empowered to make loans to any
34.20 participating institution of ~~higher education~~ for the cost of a project in accordance with an
34.21 agreement between the authority and the participating institution of ~~higher education~~;
34.22 provided that no ~~such~~ loan shall exceed the total cost of the project as determined by the
34.23 participating institution of ~~higher education~~ and approved by the authority.

34.24 Sec. 14. Minnesota Statutes 2020, section 136A.29, subdivision 22, is amended to read:

34.25 Subd. 22. **Costs, expenses, and other charges.** The authority is authorized and
34.26 empowered to charge to and apportion among participating institutions of ~~higher education~~
34.27 its administrative costs and expenses incurred in the exercise of the powers and duties
34.28 conferred by sections 136A.25 to 136A.42 in the manner as the authority in its judgment
34.29 deems appropriate.

35.1 Sec. 15. Minnesota Statutes 2020, section 136A.29, is amended by adding a subdivision
35.2 to read:

35.3 Subd. 24. **Determination of affiliate status.** The authority is authorized and empowered
35.4 to determine whether an entity is an affiliate as defined in section 136A.28, subdivision 1a.
35.5 A determination by the authority of affiliate status shall be deemed conclusive for the
35.6 purposes of sections 136A.25 to 136A.42.

35.7 Sec. 16. Minnesota Statutes 2020, section 136A.32, subdivision 4, is amended to read:

35.8 Subd. 4. **Provisions of resolution authorizing bonds.** Any resolution or resolutions
35.9 authorizing any revenue bonds or any issue of revenue bonds may contain provisions, which
35.10 shall be a part of the contract with the holders of the revenue bonds to be authorized, as to:

35.11 (1) pledging all or any part of the revenues of a project or projects, any revenue producing
35.12 contract or contracts made by the authority with ~~any individual partnership, corporation or~~
35.13 ~~association or other body~~ one or more partnerships, corporations or associations, or other
35.14 bodies, public or private, to secure the payment of the revenue bonds or of any particular
35.15 issue of revenue bonds, subject to such agreements with bondholders as may then exist;

35.16 (2) the rentals, fees and other charges to be charged, and the amounts to be raised in
35.17 each year thereby, and the use and disposition of the revenues;

35.18 (3) the setting aside of reserves or sinking funds, and the regulation and disposition
35.19 thereof;

35.20 (4) limitations on the right of the authority or its agent to restrict and regulate the use of
35.21 the project;

35.22 (5) limitations on the purpose to which the proceeds of sale of any issue of revenue
35.23 bonds then or thereafter to be issued may be applied and pledging such proceeds to secure
35.24 the payment of the revenue bonds or any issue of the revenue bonds;

35.25 (6) limitations on the issuance of additional bonds, the terms upon which additional
35.26 bonds may be issued and secured and the refunding of outstanding bonds;

35.27 (7) the procedure, if any, by which the terms of any contract with bondholders may be
35.28 amended or abrogated, the amount of bonds the holders of which must consent thereto, and
35.29 the manner in which such consent may be given;

35.30 (8) limitations on the amount of moneys derived from the project to be expended for
35.31 operating, administrative or other expenses of the authority;

36.1 (9) defining the acts or omissions to act which shall constitute a default in the duties of
 36.2 the authority to holders of its obligations and providing the rights and remedies of such
 36.3 holders in the event of a default; or

36.4 (10) the mortgaging of a project and the site thereof for the purpose of securing the
 36.5 bondholders.

36.6 Sec. 17. Minnesota Statutes 2020, section 136A.33, is amended to read:

36.7 **136A.33 TRUST AGREEMENT.**

36.8 In the discretion of the authority any revenue bonds issued under the provisions of
 36.9 sections 136A.25 to 136A.42, may be secured by a trust agreement by and between the
 36.10 authority and a corporate trustee or trustees, which may be any trust company or bank having
 36.11 the powers of a trust company within the state. ~~Such~~ The trust agreement or the resolution
 36.12 providing for the issuance of ~~such~~ revenue bonds may pledge or assign the revenues to be
 36.13 received or proceeds of any contract or contracts pledged and may convey or mortgage the
 36.14 project or any portion thereof. ~~Such~~ The trust agreement or resolution providing for the
 36.15 issuance of ~~such~~ revenue bonds may contain such provisions for protecting and enforcing
 36.16 the rights and remedies of the bondholders as may be reasonable and proper and not in
 36.17 violation of laws, including particularly such provisions as have hereinabove been specifically
 36.18 authorized to be included in any resolution or resolutions of the authority authorizing revenue
 36.19 bonds thereof. Any bank or trust company incorporated under the laws of the state ~~which~~
 36.20 that may act as depository of the proceeds of bonds or of revenues or other moneys may
 36.21 furnish ~~such~~ indemnifying bonds or ~~pledges~~ ~~such~~ pledge securities as may be required by
 36.22 the authority. Any ~~such~~ trust agreement may set forth the rights and remedies of the
 36.23 bondholders and of the trustee or trustees and may restrict the individual right of action by
 36.24 bondholders. In addition to the foregoing, any ~~such~~ trust agreement or resolution may contain
 36.25 ~~such~~ other provisions as the authority may deem reasonable and proper for the security of
 36.26 the bondholders. All expenses incurred in carrying out the provisions of ~~such~~ the trust
 36.27 agreement or resolution may be treated as a part of the cost of the operation of a project.

36.28 Sec. 18. Minnesota Statutes 2020, section 136A.34, subdivision 3, is amended to read:

36.29 Subd. 3. **Investment.** Any ~~such~~ escrowed proceeds, pending such use, may be invested
 36.30 and reinvested in direct obligations of the United States of America, or in certificates of
 36.31 deposit or time deposits secured by direct obligations of the United States of America, or
 36.32 in shares or units in any money market mutual fund whose investment portfolio consists
 36.33 solely of direct obligations of the United States of America, maturing at such time or times

37.1 as shall be appropriate to assure the prompt payment, as to principal, interest and redemption
 37.2 premium, if any, of the outstanding revenue bonds to be so refunded. The interest, income
 37.3 and profits, if any, earned or realized on any such investment may also be applied to the
 37.4 payment of the outstanding revenue bonds to be so refunded. After the terms of the escrow
 37.5 have been fully satisfied and carried out, any balance of such proceeds and interest, income
 37.6 and profits, if any, earned or realized on the investments thereof may be returned to the
 37.7 authority for use by it in any lawful manner.

37.8 Sec. 19. Minnesota Statutes 2020, section 136A.34, subdivision 4, is amended to read:

37.9 Subd. 4. **Additional purpose; improvements.** The portion of the proceeds of any ~~such~~
 37.10 revenue bonds issued for the additional purpose of paying all or any part of the cost of
 37.11 constructing and acquiring additions, improvements, extensions or enlargements of a project
 37.12 may be invested or deposited ~~in time deposits~~ as provided in section 136A.32, subdivision
 37.13 7.

37.14 Sec. 20. Minnesota Statutes 2020, section 136A.36, is amended to read:

37.15 **136A.36 REVENUES.**

37.16 The authority may fix, revise, charge and collect rates, rents, fees and charges for the
 37.17 use of and for the services furnished or to be furnished by each project and ~~to~~ may contract
 37.18 with any person, partnership, association or corporation, or other body, public or private,
 37.19 in respect thereof. ~~Such~~ The rates, rents, fees, and charges may vary between projects
 37.20 involving an education facility and projects involving a health care facility and shall be
 37.21 fixed and adjusted in respect of the aggregate of rates, rents, fees, and charges from ~~such~~
 37.22 the project so as to provide funds sufficient with other revenues, if any:

37.23 (1) to pay the cost of maintaining, repairing and operating the project and each and every
 37.24 portion thereof, to the extent that the payment of such cost has not otherwise been adequately
 37.25 provided for;

37.26 (2) to pay the principal of and the interest on outstanding revenue bonds of the authority
 37.27 issued in respect of such project as the same shall become due and payable; and

37.28 (3) to create and maintain reserves required or provided for in any resolution authorizing,
 37.29 or trust agreement securing, ~~such~~ revenue bonds of the authority. ~~Such~~ The rates, rents, fees
 37.30 and charges shall not be subject to supervision or regulation by any department, commission,
 37.31 board, body, bureau or agency of this state other than the authority. A sufficient amount of
 37.32 the revenues derived in respect of a project, except ~~such~~ part of ~~such~~ the revenues as may

38.1 be necessary to pay the cost of maintenance, repair and operation and to provide reserves
 38.2 and for renewals, replacements, extensions, enlargements and improvements as may be
 38.3 provided for in the resolution authorizing the issuance of any revenue bonds of the authority
 38.4 or in the trust agreement securing the same, shall be set aside at such regular intervals as
 38.5 may be provided in ~~such~~ the resolution or trust agreement in a sinking or other similar fund
 38.6 ~~which~~ that is hereby pledged to, and charged with, the payment of the principal of and the
 38.7 interest on ~~such~~ revenue bonds as the same shall become due, and the redemption price or
 38.8 the purchase price of bonds retired by call or purchase as therein provided. ~~Such~~ The pledge
 38.9 shall be valid and binding from the time when the pledge is made; the rates, rents, fees and
 38.10 charges and other revenues or other moneys so pledged and thereafter received by the
 38.11 authority shall immediately be subject to the lien of ~~such~~ the pledge without physical delivery
 38.12 thereof or further act, and the lien of any such pledge shall be valid and binding as against
 38.13 all parties having claims of any kind against the authority, irrespective of whether such
 38.14 parties have notice thereof. Neither the resolution nor any trust agreement by which a pledge
 38.15 is created need be filed or recorded except in the records of the authority. The use and
 38.16 disposition of moneys to the credit of such sinking or other similar fund shall be subject to
 38.17 the provisions of the resolution authorizing the issuance of such bonds or of such trust
 38.18 agreement. Except as may otherwise be provided in ~~such~~ the resolution or ~~such~~ trust
 38.19 agreement, ~~such~~ the sinking or other similar fund shall be a fund for all ~~such~~ revenue bonds
 38.20 issued to finance a project or projects at one or more participating institutions ~~of higher~~
 38.21 ~~education~~ without distinction or priority of one over another; provided the authority in any
 38.22 such resolution or trust agreement may provide that such sinking or other similar fund shall
 38.23 be the fund for a particular project at ~~an~~ a participating institution ~~of higher education~~ and
 38.24 for the revenue bonds issued to finance a particular project and may, additionally, permit
 38.25 and provide for the issuance of revenue bonds having a subordinate lien in respect of the
 38.26 security herein authorized to other revenue bonds of the authority and, in such case, the
 38.27 authority may create separate or other similar funds in respect of ~~such~~ the subordinate lien
 38.28 bonds.

38.29 Sec. 21. Minnesota Statutes 2020, section 136A.38, is amended to read:

38.30 **136A.38 BONDS ELIGIBLE FOR INVESTMENT.**

38.31 Bonds issued by the authority under the provisions of sections 136A.25 to 136A.42, are
 38.32 hereby made securities in which all public officers and public bodies of the state and its
 38.33 political subdivisions, all insurance companies, trust companies, banking associations,
 38.34 investment companies, executors, administrators, trustees and other fiduciaries may properly
 38.35 and legally invest funds, including capital in their control or belonging to them; it being the

39.1 purpose of this section to authorize the investment in such bonds of all sinking, insurance,
 39.2 retirement, compensation, pension and trust funds, whether owned or controlled by private
 39.3 or public persons or officers; provided, however, that nothing contained in this section may
 39.4 be construed as relieving any person, firm, or corporation from any duty of exercising due
 39.5 care in selecting securities for purchase or investment; and provide further, that in no event
 39.6 shall assets of pension funds of public employees of the state of Minnesota or any of its
 39.7 agencies, boards or subdivisions, whether publicly or privately administered, be invested
 39.8 in bonds issued under the provisions of sections 136A.25 to 136A.42. Such bonds are hereby
 39.9 constituted "authorized securities" within the meaning and for the purposes of Minnesota
 39.10 Statutes 1969, section 50.14. ~~Such~~ The bonds are hereby made securities ~~which~~ that may
 39.11 properly and legally be deposited with and received by any state or municipal officer or any
 39.12 agency or political subdivision of the state for any purpose for which the deposit of bonds
 39.13 or obligations of the state now or may hereafter be authorized by law.

39.14 Sec. 22. Minnesota Statutes 2020, section 136A.41, is amended to read:

39.15 **136A.41 CONFLICT OF INTEREST.**

39.16 Notwithstanding any other law to the contrary it shall not be or constitute a conflict of
 39.17 interest for a trustee, director, officer or employee of any participating institution ~~of higher~~
 39.18 ~~education~~, financial institution, investment banking firm, brokerage firm, commercial bank
 39.19 or trust company, architecture firm, insurance company, construction company, or any other
 39.20 firm, person or corporation to serve as a member of the authority, provided such trustee,
 39.21 director, officer or employee shall abstain from deliberation, action and vote by the authority
 39.22 in each instance where the business affiliation of any such trustee, director, officer or
 39.23 employee is involved.

39.24 Sec. 23. Minnesota Statutes 2020, section 136A.42, is amended to read:

39.25 **136A.42 ANNUAL REPORT.**

39.26 The authority shall keep an accurate account of all of its activities and all of its receipts
 39.27 and expenditures ~~and shall annually report to the office.~~ Each year, the authority shall submit
 39.28 to the Minnesota Historical Society and the Legislative Reference Library a report of the
 39.29 authority's activities in the previous year, including all financial activities.

39.30 Sec. 24. **REVISOR INSTRUCTION.**

39.31 The revisor of statutes shall renumber the law establishing and governing the Minnesota
 39.32 Higher Education Facilities Authority, renamed the Minnesota Health and Education

40.1 Facilities Authority in this act, as Minnesota Statutes, chapter 16F, coded in Minnesota
 40.2 Statutes 2020, sections 136A.25 to 136A.42, as amended or repealed in this act. The revisor
 40.3 of statutes shall also duplicate any required definitions from Minnesota Statutes, chapter
 40.4 136A, revise any statutory cross-references consistent with the recoding, and report the
 40.5 history in Minnesota Statutes, chapter 16F.

40.6 Sec. 25. **REPEALER.**

40.7 Minnesota Statutes 2020, section 136A.29, subdivision 4, is repealed.

40.8 **ARTICLE 4**
 40.9 **MINNESOTA HEALTH AND EDUCATION FACILITIES AUTHORITY**
 40.10 **CONFORMING AMENDMENTS**

40.11 Section 1. Minnesota Statutes 2020, section 3.732, subdivision 1, is amended to read:

40.12 Subdivision 1. **Definitions.** As used in this section and section 3.736 the terms defined
 40.13 in this section have the meanings given them.

40.14 (1) "State" includes each of the departments, boards, agencies, commissions, courts, and
 40.15 officers in the executive, legislative, and judicial branches of the state of Minnesota and
 40.16 includes but is not limited to the Housing Finance Agency, the Minnesota Office of Higher
 40.17 Education, the ~~Higher~~ Health and Education Facilities Authority, the Health Technology
 40.18 Advisory Committee, the Armory Building Commission, the Zoological Board, the
 40.19 Department of Iron Range Resources and Rehabilitation, the Minnesota Historical Society,
 40.20 the State Agricultural Society, the University of Minnesota, the Minnesota State Colleges
 40.21 and Universities, state hospitals, and state penal institutions. It does not include a city, town,
 40.22 county, school district, or other local governmental body corporate and politic.

40.23 (2) "Employee of the state" means all present or former officers, members, directors, or
 40.24 employees of the state, members of the Minnesota National Guard, members of a bomb
 40.25 disposal unit approved by the commissioner of public safety and employed by a municipality
 40.26 defined in section 466.01 when engaged in the disposal or neutralization of bombs or other
 40.27 similar hazardous explosives, as defined in section 299C.063, outside the jurisdiction of the
 40.28 municipality but within the state, or persons acting on behalf of the state in an official
 40.29 capacity, temporarily or permanently, with or without compensation. It does not include
 40.30 either an independent contractor except, for purposes of this section and section 3.736 only,
 40.31 a guardian ad litem acting under court appointment, or members of the Minnesota National
 40.32 Guard while engaged in training or duty under United States Code, title 10, or title 32,
 40.33 section 316, 502, 503, 504, or 505, as amended through December 31, 1983. Notwithstanding

41.1 sections 43A.02 and 611.263, for purposes of this section and section 3.736 only, "employee
41.2 of the state" includes a district public defender or assistant district public defender in the
41.3 Second or Fourth Judicial District, a member of the Health Technology Advisory Committee,
41.4 and any officer, agent, or employee of the state of Wisconsin performing work for the state
41.5 of Minnesota pursuant to a joint state initiative.

41.6 (3) "Scope of office or employment" means that the employee was acting on behalf of
41.7 the state in the performance of duties or tasks lawfully assigned by competent authority.

41.8 (4) "Judicial branch" has the meaning given in section 43A.02, subdivision 25.

41.9 Sec. 2. Minnesota Statutes 2021 Supplement, section 10A.01, subdivision 35, is amended
41.10 to read:

41.11 Subd. 35. **Public official.** "Public official" means any:

41.12 (1) member of the legislature;

41.13 (2) individual employed by the legislature as secretary of the senate, legislative auditor,
41.14 director of the Legislative Budget Office, chief clerk of the house of representatives, revisor
41.15 of statutes, or researcher, legislative analyst, fiscal analyst, or attorney in the Office of
41.16 Senate Counsel, Research and Fiscal Analysis, House Research, or the House Fiscal Analysis
41.17 Department;

41.18 (3) constitutional officer in the executive branch and the officer's chief administrative
41.19 deputy;

41.20 (4) solicitor general or deputy, assistant, or special assistant attorney general;

41.21 (5) commissioner, deputy commissioner, or assistant commissioner of any state
41.22 department or agency as listed in section 15.01 or 15.06, or the state chief information
41.23 officer;

41.24 (6) member, chief administrative officer, or deputy chief administrative officer of a state
41.25 board or commission that has either the power to adopt, amend, or repeal rules under chapter
41.26 14, or the power to adjudicate contested cases or appeals under chapter 14;

41.27 (7) individual employed in the executive branch who is authorized to adopt, amend, or
41.28 repeal rules under chapter 14 or adjudicate contested cases under chapter 14;

41.29 (8) executive director of the State Board of Investment;

41.30 (9) deputy of any official listed in clauses (7) and (8);

41.31 (10) judge of the Workers' Compensation Court of Appeals;

- 42.1 (11) administrative law judge or compensation judge in the State Office of Administrative
42.2 Hearings or unemployment law judge in the Department of Employment and Economic
42.3 Development;
- 42.4 (12) member, regional administrator, division director, general counsel, or operations
42.5 manager of the Metropolitan Council;
- 42.6 (13) member or chief administrator of a metropolitan agency;
- 42.7 (14) director of the Division of Alcohol and Gambling Enforcement in the Department
42.8 of Public Safety;
- 42.9 (15) member or executive director of the ~~Higher~~ Health and Education Facilities
42.10 Authority;
- 42.11 (16) member of the board of directors or president of Enterprise Minnesota, Inc.;
- 42.12 (17) member of the board of directors or executive director of the Minnesota State High
42.13 School League;
- 42.14 (18) member of the Minnesota Ballpark Authority established in section 473.755;
- 42.15 (19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;
- 42.16 (20) manager of a watershed district, or member of a watershed management organization
42.17 as defined under section 103B.205, subdivision 13;
- 42.18 (21) supervisor of a soil and water conservation district;
- 42.19 (22) director of Explore Minnesota Tourism;
- 42.20 (23) citizen member of the Lessard-Sams Outdoor Heritage Council established in section
42.21 97A.056;
- 42.22 (24) citizen member of the Clean Water Council established in section 114D.30;
- 42.23 (25) member or chief executive of the Minnesota Sports Facilities Authority established
42.24 in section 473J.07;
- 42.25 (26) district court judge, appeals court judge, or supreme court justice;
- 42.26 (27) county commissioner;
- 42.27 (28) member of the Greater Minnesota Regional Parks and Trails Commission;
- 42.28 (29) member of the Destination Medical Center Corporation established in section
42.29 469.41; or

43.1 (30) chancellor or member of the Board of Trustees of the Minnesota State Colleges
43.2 and Universities.

43.3 Sec. 3. Minnesota Statutes 2020, section 136F.67, subdivision 1, is amended to read:

43.4 Subdivision 1. **Authorization.** A technical college or a community college must not
43.5 seek financing for child care facilities or parking facilities through the ~~Higher~~ Health and
43.6 Education Facilities Authority, as provided in section 136A.28, subdivision 7, without the
43.7 explicit authorization of the board.

43.8 Sec. 4. Minnesota Statutes 2020, section 354B.20, subdivision 7, is amended to read:

43.9 Subd. 7. **Employing unit.** "Employing unit," if the agency employs any persons covered
43.10 by the individual retirement account plan under section 354B.211, means:

43.11 (1) the board;

43.12 (2) the Minnesota Office of Higher Education; and

43.13 (3) the ~~Higher~~ Health and Education Facilities Authority.

43.14

ARTICLE 5

43.15

ENERGY AND UTILITIES

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

43.17 Subdivision 1. **Renewable development account.** (a) The renewable development
43.18 account is established as a separate account in the special revenue fund in the state treasury.
43.19 Appropriations and transfers to the account shall be credited to the account. Earnings, such
43.20 as interest, dividends, and any other earnings arising from assets of the account, shall be
43.21 credited to the account. Funds remaining in the account at the end of a fiscal year are not
43.22 canceled to the general fund but remain in the account until expended. The account shall
43.23 be administered by the commissioner of management and budget as provided under this
43.24 section.

43.25 (b) On July 1, 2017, the public utility that owns the Prairie Island nuclear generating
43.26 plant must transfer all funds in the renewable development account previously established
43.27 under this subdivision and managed by the public utility to the renewable development
43.28 account established in paragraph (a). Funds awarded to grantees in previous grant cycles
43.29 that have not yet been expended and unencumbered funds required to be paid in calendar
43.30 year 2017 under paragraphs (f) and (g), and sections 116C.7792 and 216C.41, are not subject
43.31 to transfer under this paragraph.

44.1 (c) Except as provided in subdivision 1a, beginning January 15, 2018, and continuing
44.2 each January 15 thereafter, the public utility that owns the Prairie Island nuclear generating
44.3 plant must transfer to the renewable development account \$500,000 each year for each dry
44.4 cask containing spent fuel that is located at the Prairie Island power plant for each year the
44.5 plant is in operation, and \$7,500,000 each year the plant is not in operation if ordered by
44.6 the commission pursuant to paragraph (i). The fund transfer must be made if nuclear waste
44.7 is stored in a dry cask at the independent spent-fuel storage facility at Prairie Island for any
44.8 part of a year.

44.9 (d) Except as provided in subdivision 1a, beginning January 15, 2018, and continuing
44.10 each January 15 thereafter, the public utility that owns the Monticello nuclear generating
44.11 plant must transfer to the renewable development account \$350,000 each year for each dry
44.12 cask containing spent fuel that is located at the Monticello nuclear power plant for each
44.13 year the plant is in operation, and \$5,250,000 each year the plant is not in operation if ordered
44.14 by the commission pursuant to paragraph (i). The fund transfer must be made if nuclear
44.15 waste is stored in a dry cask at the independent spent-fuel storage facility at Monticello for
44.16 any part of a year.

44.17 (e) Each year, the public utility shall withhold from the funds transferred to the renewable
44.18 development account under paragraphs (c) and (d) the amount necessary to pay its obligations
44.19 under paragraphs (f) ~~and~~, (g), and (m), and sections 116C.7792 and 216C.41, for that calendar
44.20 year.

44.21 (f) If the commission approves a new or amended power purchase agreement, the
44.22 termination of a power purchase agreement, or the purchase and closure of a facility under
44.23 section 216B.2424, subdivision 9, with an entity that uses poultry litter to generate electricity,
44.24 the public utility subject to this section shall enter into a contract with the city in which the
44.25 poultry litter plant is located to provide grants to the city for the purposes of economic
44.26 development on the following schedule: \$4,000,000 in fiscal year 2018; \$6,500,000 each
44.27 fiscal year in 2019 and 2020; and \$3,000,000 in fiscal year 2021. The grants shall be paid
44.28 by the public utility from funds withheld from the transfer to the renewable development
44.29 account, as provided in paragraphs (b) and (e).

44.30 (g) If the commission approves a new or amended power purchase agreement, or the
44.31 termination of a power purchase agreement under section 216B.2424, subdivision 9, with
44.32 an entity owned or controlled, directly or indirectly, by two municipal utilities located north
44.33 of Constitutional Route No. 8, that was previously used to meet the biomass mandate in
44.34 section 216B.2424, the public utility that owns a nuclear generating plant shall enter into a
44.35 grant contract with such entity to provide \$6,800,000 per year for five years, commencing

45.1 30 days after the commission approves the new or amended power purchase agreement, or
45.2 the termination of the power purchase agreement, and on each June 1 thereafter through
45.3 2021, to assist the transition required by the new, amended, or terminated power purchase
45.4 agreement. The grant shall be paid by the public utility from funds withheld from the transfer
45.5 to the renewable development account as provided in paragraphs (b) and (e).

45.6 (h) The collective amount paid under the grant contracts awarded under paragraphs (f)
45.7 and (g) is limited to the amount deposited into the renewable development account, and its
45.8 predecessor, the renewable development account, established under this section, that was
45.9 not required to be deposited into the account under Laws 1994, chapter 641, article 1, section
45.10 10.

45.11 (i) After discontinuation of operation of the Prairie Island nuclear plant or the Monticello
45.12 nuclear plant and each year spent nuclear fuel is stored in dry cask at the discontinued
45.13 facility, the commission shall require the public utility to pay \$7,500,000 for the discontinued
45.14 Prairie Island facility and \$5,250,000 for the discontinued Monticello facility for any year
45.15 in which the commission finds, by the preponderance of the evidence, that the public utility
45.16 did not make a good faith effort to remove the spent nuclear fuel stored at the facility to a
45.17 permanent or interim storage site out of the state. This determination shall be made at least
45.18 every two years.

45.19 (j) Funds in the account may be expended only for any of the following purposes:

45.20 (1) to stimulate research and development of renewable electric energy technologies;

45.21 (2) to encourage grid modernization, including, but not limited to, projects that implement
45.22 electricity storage, load control, and smart meter technology; and

45.23 (3) to stimulate other innovative energy projects that reduce demand and increase system
45.24 efficiency and flexibility.

45.25 Expenditures from the fund must benefit Minnesota ratepayers receiving electric service
45.26 from the utility that owns a nuclear-powered electric generating plant in this state or the
45.27 Prairie Island Indian community or its members.

45.28 The utility that owns a nuclear generating plant is eligible to apply for grants under this
45.29 subdivision.

45.30 (k) For the purposes of paragraph (j), the following terms have the meanings given:

45.31 (1) "renewable" has the meaning given in section 216B.2422, subdivision 1, paragraph
45.32 (c), clauses (1), (2), (4), and (5); and

46.1 (2) "grid modernization" means:

46.2 (i) enhancing the reliability of the electrical grid;

46.3 (ii) improving the security of the electrical grid against cyberthreats and physical threats;

46.4 and

46.5 (iii) increasing energy conservation opportunities by facilitating communication between
46.6 the utility and its customers through the use of two-way meters, control technologies, energy
46.7 storage and microgrids, technologies to enable demand response, and other innovative
46.8 technologies.

46.9 (l) A renewable development account advisory group that includes, among others,
46.10 representatives of the public utility and its ratepayers, and includes at least one representative
46.11 of the Prairie Island Indian community appointed by that community's tribal council, shall
46.12 develop recommendations on account expenditures. Except as otherwise provided herein,
46.13 members of the advisory group shall be chosen by the public utility. The public utility may
46.14 design a request for proposal in conjunction with the advisory group. The advisory group
46.15 must design a request for proposal and evaluate projects submitted in response to a request
46.16 for proposals. The advisory group must utilize an independent third-party expert to evaluate
46.17 proposals submitted in response to a request for proposal, including all proposals made by
46.18 the public utility. A request for proposal for research and development under paragraph (j),
46.19 clause (1), may be limited to or include a request to higher education institutions located in
46.20 Minnesota for multiple projects authorized under paragraph (j), clause (1). The request for
46.21 multiple projects may include a provision that exempts the projects from the third-party
46.22 expert review and instead provides for project evaluation and selection by a merit peer
46.23 review grant system. In the process of determining request for proposal scope and subject
46.24 and in evaluating responses to request for proposals, the advisory group must strongly
46.25 consider, where reasonable, potential benefit to Minnesota citizens and businesses and the
46.26 utility's ratepayers.

46.27 (m) The cost of acquiring the services of the independent third-party expert described
46.28 in paragraph (l) and any other costs incurred in administering the advisory group and its
46.29 actions as required by this section, not to exceed \$150,000, shall be paid from funds withheld
46.30 by the public utility under paragraph (e).

46.31 ~~(m)~~ (n) The advisory group shall submit funding recommendations to the public utility,
46.32 which has full and sole authority to determine which expenditures shall be submitted ~~by~~
46.33 ~~the advisory group~~ to the legislature commission. The commission may approve proposed
46.34 expenditures, may disapprove proposed expenditures that it finds not to be in compliance

47.1 with this subdivision or otherwise not in the public interest, and may, if agreed to by the
47.2 public utility, modify proposed expenditures. The commission shall, by order, submit its
47.3 funding recommendations to the legislature as provided under paragraph ~~(n)~~ (o).

47.4 ~~(n)~~ (o) The commission shall present its recommended appropriations from the account
47.5 to the senate and house of representatives committees with jurisdiction over energy policy
47.6 and finance annually by February 15. Expenditures from the account must be appropriated
47.7 by law. In enacting appropriations from the account, the legislature:

47.8 (1) may approve or disapprove, but may not modify, the amount of an appropriation for
47.9 a project recommended by the commission; and

47.10 (2) may not appropriate money for a project the commission has not recommended
47.11 funding.

47.12 ~~(o)~~ (p) A request for proposal for renewable energy generation projects must, when
47.13 feasible and reasonable, give preference to projects that are most cost-effective for a particular
47.14 energy source.

47.15 ~~(p)~~ (q) The ~~advisory group~~ public utility must annually, by February 15, report to the
47.16 chairs and ranking minority members of the legislative committees with jurisdiction over
47.17 energy policy on projects funded by the account for the prior year and all previous years.
47.18 The report must, to the extent possible and reasonable, itemize the actual and projected
47.19 financial benefit to the public utility's ratepayers of each project.

47.20 ~~(q)~~ (r) By February 1, 2018, and each February 1 thereafter, the commissioner of
47.21 management and budget shall submit a written report regarding the availability of funds in
47.22 and obligations of the account to the chairs and ranking minority members of the senate
47.23 and house committees with jurisdiction over energy policy and finance, the public utility,
47.24 and the advisory group.

47.25 ~~(r)~~ (s) A project receiving funds from the account must produce a written final report
47.26 that includes sufficient detail for technical readers and a clearly written summary for
47.27 nontechnical readers. The report must include an evaluation of the project's financial,
47.28 environmental, and other benefits to the state and the public utility's ratepayers.

47.29 ~~(s)~~ (t) Final reports, any mid-project status reports, and renewable development account
47.30 financial reports must be posted online on a public website designated by the commissioner
47.31 of commerce.

48.1 ~~(u)~~ (u) All final reports must acknowledge that the project was made possible in whole
48.2 or part by the Minnesota renewable development account, noting that the account is financed
48.3 by the public utility's ratepayers.

48.4 ~~(v)~~ (v) Of the amount in the renewable development account, priority must be given to
48.5 making the payments required under section 216C.417.

48.6 Sec. 2. Minnesota Statutes 2021 Supplement, section 116C.7792, is amended to read:

48.7 **116C.7792 SOLAR ENERGY PRODUCTION INCENTIVE PROGRAM.**

48.8 (a) The utility subject to section 116C.779 shall operate a program to provide solar
48.9 energy production incentives for solar energy systems of no more than a total aggregate
48.10 nameplate capacity of 40 kilowatts alternating current per premise. The owner of a solar
48.11 energy system installed before June 1, 2018, is eligible to receive a production incentive
48.12 under this section for any additional solar energy systems constructed at the same customer
48.13 location, provided that the aggregate capacity of all systems at the customer location does
48.14 not exceed 40 kilowatts.

48.15 (b) The program is funded by money withheld from transfer to the renewable development
48.16 account under section 116C.779, subdivision 1, paragraphs (b) and (e). Program funds must
48.17 be placed in a separate account for the purpose of the solar energy production incentive
48.18 program operated by the utility and not for any other program or purpose.

48.19 (c) Funds allocated to the solar energy production incentive program in 2019 and 2020
48.20 remain available to the solar energy production incentive program.

48.21 (d) The following amounts are allocated to the solar energy production incentive program:

48.22 (1) \$10,000,000 in 2021;

48.23 (2) \$10,000,000 in 2022;

48.24 (3) ~~\$5,000,000~~ \$10,000,000 in 2023; ~~and~~

48.25 (4) ~~\$5,000,000~~ \$10,000,000 in 2024; ~~and~~

48.26 (5) \$10,000,000 in 2025.

48.27 (e) Funds allocated to the solar energy production incentive program that have not been
48.28 committed to a specific project at the end of a program year remain available to the solar
48.29 energy production incentive program.

48.30 (f) Any unspent amount remaining on January 1, ~~2025~~ 2026, must be transferred to the
48.31 renewable development account.

49.1 (g) A solar energy system receiving a production incentive under this section must be
 49.2 sized to less than 120 percent of the customer's on-site annual energy consumption when
 49.3 combined with other distributed generation resources and subscriptions provided under
 49.4 section 216B.1641 associated with the premise. The production incentive must be paid for
 49.5 ten years commencing with the commissioning of the system.

49.6 (h) The utility must file a plan to operate the program with the commissioner of
 49.7 commerce. The utility may not operate the program until it is approved by the commissioner.
 49.8 A change to the program to include projects up to a nameplate capacity of 40 kilowatts or
 49.9 less does not require the utility to file a plan with the commissioner. Any plan approved by
 49.10 the commissioner of commerce must not provide an increased incentive scale over prior
 49.11 years unless the commissioner demonstrates that changes in the market for solar energy
 49.12 facilities require an increase.

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

49.14 Sec. 3. Minnesota Statutes 2020, section 116J.55, subdivision 1, is amended to read:

49.15 Subdivision 1. **Definitions.** For the purposes of this section, "eligible community" means
 49.16 a county, municipality, or tribal government located in Minnesota in which an electric
 49.17 generating plant owned by a public utility, as defined in section 216B.02, that is powered
 49.18 by coal, nuclear energy, or natural gas:

49.19 (1) is currently operating and (i) is scheduled to cease operations or, (ii) whose cessation
 49.20 of operations has been proposed in an integrated resource plan filed with the commission
 49.21 under section 216B.2422; or (iii) whose current operating license expires within 15 years
 49.22 of the effective date of this section; or

49.23 (2) ceased operations or was removed from the local property tax base no earlier than
 49.24 five years before the date an application is made for a grant under this section.

49.25 Sec. 4. Minnesota Statutes 2020, section 116J.55, subdivision 5, is amended to read:

49.26 Subd. 5. **Grant awards; limitations.** ~~(a) The commissioner must award grants under~~
 49.27 ~~this section to eligible communities through a competitive grant process.~~

49.28 ~~(b)~~ (a) A grant awarded to an eligible community under this section must not exceed
 49.29 \$500,000 in any calendar year. The commissioner may accept grant applications on an
 49.30 ongoing or rolling basis.

49.31 ~~(c)~~ (b) Grants funded with revenues from the renewable development account established
 49.32 in section 116C.779 must be awarded to an eligible community located within the retail

50.1 electric service territory of the public utility that is subject to section 116C.779 or to an
 50.2 eligible community in which an electric generating plant owned by that public utility is
 50.3 located.

50.4 Sec. 5. Minnesota Statutes 2020, section 216B.096, subdivision 11, is amended to read:

50.5 Subd. 11. **Reporting.** Annually on ~~November 1~~ October 15, a utility must electronically
 50.6 file with the commission a report, in a format specified by the commission, specifying the
 50.7 number of utility heating service customers whose service is disconnected or remains
 50.8 disconnected for nonpayment as of September 15 and October 1 ~~and October 15~~. If customers
 50.9 remain disconnected on October ~~15~~ 1, a utility must file a report each week between
 50.10 ~~November 1~~ October 15 and the end of the cold weather period specifying:

50.11 (1) the number of utility heating service customers that are or remain disconnected from
 50.12 service for nonpayment; and

50.13 (2) the number of utility heating service customers that are reconnected to service each
 50.14 week. The utility may discontinue weekly reporting if the number of utility heating service
 50.15 customers that are or remain disconnected reaches zero before the end of the cold weather
 50.16 period.

50.17 The data reported under this subdivision are presumed to be accurate upon submission
 50.18 and must be made available through the commission's electronic filing system.

50.19 Sec. 6. Minnesota Statutes 2020, section 216B.24, is amended by adding a subdivision to
 50.20 read:

50.21 Subd. 1a. **Wind or solar electric generating facilities.** Any person proposing
 50.22 construction of a major utility facility that is a wind or solar electric generating facility
 50.23 designed for or capable of operation at a capacity of 50 megawatts or more must, in addition
 50.24 to any approvals required under this chapter, obtain approval from the governing board of
 50.25 and pursuant to the land use ordinance of the county in which the proposed wind or solar
 50.26 electric generating facility will be located.

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

50.28 Sec. 7. Minnesota Statutes 2020, section 216B.243, subdivision 3b, is amended to read:

50.29 Subd. 3b. **Nuclear power plant; new construction prohibited; relicensing Additional**
 50.30 **storage of spent nuclear fuel.** (a) ~~The commission may not issue a certificate of need for~~
 50.31 ~~the construction of a new nuclear-powered electric generating plant.~~

51.1 ~~(b)~~ Any certificate of need for additional storage of spent nuclear fuel for a facility
 51.2 seeking a license extension shall address the impacts of continued operations over the period
 51.3 for which approval is sought.

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

51.5 Sec. 8. **[216B.491] DEFINITIONS.**

51.6 Subdivision 1. **Scope.** For the purposes of sections 216B.491 to 216B.499, the terms
 51.7 defined in this subdivision have the meanings given.

51.8 Subd. 2. **Ancillary agreement.** "Ancillary agreement" means any bond, insurance policy,
 51.9 letter of credit, reserve account, surety bond, interest rate lock or swap arrangement, liquidity
 51.10 or credit support arrangement, or other financial arrangement entered into in connection
 51.11 with extraordinary event bonds that is designed to promote the credit quality and
 51.12 marketability of extraordinary event bonds or to mitigate the risk of an increase in interest
 51.13 rates.

51.14 Subd. 3. **Assignee.** "Assignee" means any person to which an interest in extraordinary
 51.15 event property is sold, assigned, transferred, or conveyed, other than as security, and any
 51.16 successor to or subsequent assignee of the person.

51.17 Subd. 4. **Bondholder.** "Bondholder" means any holder or owner of extraordinary event
 51.18 bonds.

51.19 Subd. 5. **Customer.** "Customer" means a person who takes natural gas service from a
 51.20 natural gas utility for consumption of natural gas in Minnesota.

51.21 Subd. 6. **Extraordinary event.** (a) "Extraordinary event" means an event arising from
 51.22 unforeseen circumstances and of sufficient magnitude, as determined by the commission:

51.23 (1) to impose significant costs on customers; and

51.24 (2) for which the issuance of extraordinary event bonds in response to the event meets
 51.25 the conditions of section 216B.492, subdivision 2, as determined by the commission.

51.26 (b) Extraordinary event includes but is not limited to a storm event or other natural
 51.27 disaster, an act of God, war, terrorism, sabotage or vandalism, a cybersecurity attack, or a
 51.28 temporary significant increase in the wholesale price of natural gas.

51.29 Subd. 7. **Extraordinary event activity.** "Extraordinary event activity" means an activity
 51.30 undertaken by or on behalf of a utility to restore or maintain the utility's ability to provide
 51.31 natural gas service following one or more extraordinary events, including but not limited

52.1 to activities related to mobilization, staging, construction, reconstruction, replacement, or
 52.2 repair of natural gas transmission, distribution, storage, or general facilities.

52.3 Subd. 8. **Extraordinary event bonds.** "Extraordinary event bonds" means low-cost
 52.4 corporate securities, including but not limited to senior secured bonds, debentures, notes,
 52.5 certificates of participation, certificates of beneficial interest, certificates of ownership, or
 52.6 other evidences of indebtedness or ownership that have a scheduled maturity of no longer
 52.7 than 30 years and a final legal maturity date that is not later than 32 years from the issue
 52.8 date, that are rated AA or Aa2 or better by a major independent credit rating agency at the
 52.9 time of issuance, and that are issued by a utility or an assignee under a financing order.

52.10 Subd. 9. **Extraordinary event charge.** "Extraordinary event charge" means a
 52.11 nonbypassable charge that:

52.12 (1) is imposed on all customer bills by a utility that is the subject of a financing order
 52.13 or the utility's successors or assignees;

52.14 (2) is separate from the utility's base rates; and

52.15 (3) provides a source of revenue solely to repay, finance, or refinance extraordinary
 52.16 event costs.

52.17 Subd. 10. **Extraordinary event costs.** "Extraordinary event costs":

52.18 (1) means all incremental costs of extraordinary event activities that are approved by
 52.19 the commission in a financing order issued under section 216B.492 as being:

52.20 (i) necessary to enable the utility to restore or maintain natural gas service to customers
 52.21 after the utility experiences an extraordinary event; and

52.22 (ii) prudent and reasonable;

52.23 (2) includes costs to repurchase equity or retire any indebtedness relating to extraordinary
 52.24 event activities;

52.25 (3) shall be net of applicable insurance proceeds, tax benefits, and any other amounts
 52.26 intended to reimburse the utility for extraordinary event activities, including government
 52.27 grants or aid of any kind;

52.28 (4) do not include any monetary penalty, fine, or forfeiture assessed against a utility by
 52.29 a government agency or court under a federal or state environmental statute, rule, or
 52.30 regulation; and

52.31 (5) must be adjusted to reflect:

53.1 (i) the difference, as determined by the commission, between extraordinary event costs
 53.2 that the utility expects to incur and actual, reasonable, and prudent costs incurred; or

53.3 (ii) a more fair or reasonable allocation of extraordinary event costs to customers over
 53.4 time, as expressed in a commission order.

53.5 **Subd. 11. Extraordinary event property.** "Extraordinary event property" means:

53.6 (1) all rights and interests of a utility or the utility's successor or assignee under a
 53.7 financing order for the right to impose, bill, collect, receive, and obtain periodic adjustments
 53.8 to extraordinary event charges authorized under a financing order issued by the commission;
 53.9 and

53.10 (2) all revenue, collections, claims, rights to payments, payments, money, or proceeds
 53.11 arising from the rights and interests specified in clause (1), regardless of whether any are
 53.12 commingled with other revenue, collections, rights to payment, payments, money, or
 53.13 proceeds.

53.14 **Subd. 12. Extraordinary event revenue.** "Extraordinary event revenue" means revenue,
 53.15 receipts, collections, payments, money, claims, or other proceeds arising from extraordinary
 53.16 event property.

53.17 **Subd. 13. Financing costs.** "Financing costs" means:

53.18 (1) principal, interest, and redemption premiums that are payable on extraordinary event
 53.19 bonds;

53.20 (2) payments required under an ancillary agreement and amounts required to fund or
 53.21 replenish a reserve account or other accounts established under the terms of any indenture,
 53.22 ancillary agreement, or other financing document pertaining to the bonds;

53.23 (3) other demonstrable costs related to issuing, supporting, repaying, refunding, and
 53.24 servicing the bonds, including but not limited to servicing fees, accounting and auditing
 53.25 fees, trustee fees, legal fees, consulting fees, financial adviser fees, administrative fees,
 53.26 placement and underwriting fees, capitalized interest, rating agency fees, stock exchange
 53.27 listing and compliance fees, security registration fees, filing fees, information technology
 53.28 programming costs, and any other demonstrable costs necessary to otherwise ensure and
 53.29 guarantee the timely payment of the bonds or other amounts or charges payable in connection
 53.30 with the bonds;

53.31 (4) taxes and license fees imposed on the revenue generated from collecting an
 53.32 extraordinary event charge;

54.1 (5) state and local taxes, including franchise, sales and use, and other taxes or similar
 54.2 charges, including but not limited to regulatory assessment fees, whether paid, payable, or
 54.3 accrued; and

54.4 (6) costs incurred by the commission to hire and compensate additional temporary staff
 54.5 needed to perform the commission's responsibilities under this section and, in accordance
 54.6 with section 216B.494, to engage specialized counsel and expert consultants experienced
 54.7 in securitized utility ratepayer-backed bond financing similar to extraordinary event bonds.

54.8 Subd. 14. **Financing order.** "Financing order" means an order issued by the commission
 54.9 under section 216B.492 that authorizes an applicant to:

54.10 (1) issue extraordinary event bonds in one or more series;

54.11 (2) impose, charge, and collect extraordinary event charges; and

54.12 (3) create extraordinary event property.

54.13 Subd. 15. **Financing party.** "Financing party" means a holder of extraordinary event
 54.14 bonds and a trustee, a collateral agent, a party under an ancillary agreement, or any other
 54.15 person acting for the benefit of extraordinary event bondholders.

54.16 Subd. 16. **Natural gas facility.** "Natural gas facility" means natural gas pipelines,
 54.17 including distribution lines, underground storage areas, liquefied natural gas facilities,
 54.18 propane storage tanks, and other facilities the commission determines are used and useful
 54.19 to provide natural gas service to retail and transportation customers in Minnesota.

54.20 Subd. 17. **Nonbypassable.** "Nonbypassable" means that the payment of an extraordinary
 54.21 event charge required to repay bonds and related costs may not be avoided by any retail
 54.22 customer located within a utility service area.

54.23 Subd. 18. **Pretax costs.** "Pretax costs" means costs incurred by a utility and approved
 54.24 by the commission, including but not limited to:

54.25 (1) unrecovered capitalized costs of replaced natural gas facilities damaged or destroyed
 54.26 by a storm event;

54.27 (2) costs to decommission and restore the site of a natural gas facility damaged or
 54.28 destroyed by an extraordinary event;

54.29 (3) other applicable capital and operating costs, accrued carrying charges, deferred
 54.30 expenses, reductions for applicable insurance, and salvage proceeds; and

54.31 (4) costs to retire any existing indebtedness, fees, costs, and expenses to modify existing
 54.32 debt agreements, or for waivers or consents related to existing debt agreements.

55.1 Subd. 19. **Storm event.** "Storm event" means a tornado, derecho, ice or snow storm,
 55.2 flood, earthquake, or other significant weather or natural disaster that causes substantial
 55.3 damage to a utility's infrastructure.

55.4 Subd. 20. **Successor.** "Successor" means a legal entity that succeeds by operation of law
 55.5 to the rights and obligations of another legal entity as a result of bankruptcy, reorganization,
 55.6 restructuring, other insolvency proceeding, merger, acquisition, consolidation, or sale or
 55.7 transfer of assets.

55.8 Subd. 21. **Utility.** "Utility" means a public utility, as defined in section 216B.02,
 55.9 subdivision 4, that provides natural gas service to Minnesota customers. Utility includes
 55.10 the utility's successors or assignees.

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

55.12 Sec. 9. [216B.492] **FINANCING ORDER.**

55.13 Subdivision 1. **Application.** (a) A utility may file an application with the commission
 55.14 for the issuance of a financing order to enable the utility to recover extraordinary event costs
 55.15 through the issuance of extraordinary event bonds under this section.

55.16 (b) The application must include the following information, as applicable:

55.17 (1) a description of each natural gas facility to be repaired or replaced;

55.18 (2) the undepreciated value remaining in the natural gas facility whose repair or
 55.19 replacement is proposed to be financed through the issuance of bonds under sections
 55.20 216B.491 to 216B.499, and the method used to calculate the amount;

55.21 (3) the estimated amount of costs imposed on customers resulting from an extraordinary
 55.22 event that involves no physical damage to natural gas facilities;

55.23 (4) the estimated savings or estimated mitigation of rate impacts to utility customers if
 55.24 the financing order is issued as requested in the application, calculated by comparing the
 55.25 costs to customers that are expected to result from implementing the financing order and
 55.26 the estimated costs associated with implementing traditional utility financing mechanisms
 55.27 with respect to the same undepreciated balance, expressed in net present value terms;

55.28 (5) a description of (i) the nonbypassable extraordinary event charge utility customers
 55.29 would be required to pay in order to fully recover financing costs, and (ii) the method and
 55.30 assumptions used to calculate the amount;

55.31 (6) a proposed methodology to allocate the revenue requirement for the extraordinary
 55.32 event charge among the utility's customer classes;

56.1 (7) a description of a proposed adjustment mechanism to be implemented when necessary
56.2 to correct any overcollection or undercollection of extraordinary event charges, in order to
56.3 complete payment of scheduled principal and interest on extraordinary event bonds and
56.4 other financing costs in a timely fashion;

56.5 (8) a memorandum with supporting exhibits, from a securities firm that is experienced
56.6 in the marketing of bonds and that is approved by the commissioner of management and
56.7 budget, indicating the proposed issuance satisfies the current published AA or Aa2 or higher
56.8 rating or equivalent rating criteria of at least one nationally recognized securities rating
56.9 organization for issuances similar to the proposed extraordinary event bonds;

56.10 (9) an estimate of the timing of the issuance and the term of the extraordinary event
56.11 bonds, or series of bonds, provided that the scheduled final maturity for each bond issuance
56.12 does not exceed 30 years;

56.13 (10) identification of plans to sell, assign, transfer, or convey, other than as a security,
56.14 interest in extraordinary event property, including identification of an assignee, and
56.15 demonstration that the assignee is a financing entity wholly owned, directly or indirectly,
56.16 by the utility;

56.17 (11) identification of ancillary agreements that may be necessary or appropriate;

56.18 (12) one or more alternative financing scenarios in addition to the preferred scenario
56.19 contained in the application;

56.20 (13) the extent of damage to the utility's infrastructure caused by an extraordinary event
56.21 and the estimated costs to repair or replace the damaged infrastructure;

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

56.23 (15) a description of the steps taken to provide customers interim natural gas service
56.24 while the damaged infrastructure is being repaired or replaced; and

56.25 (16) a description of the impacts on the utility's current workforce resulting from
56.26 implementing an infrastructure repair or replacement plan following an extraordinary event.

56.27 Subd. 2. Findings. After providing notice and holding a public hearing on an application
56.28 filed under subdivision 1, the commission may issue a financing order if the commission
56.29 finds that:

56.30 (1) the extraordinary event costs described in the application are reasonable;

56.31 (2) the proposed issuance of extraordinary event bonds and the imposition and collection
56.32 of extraordinary event charges:

- 57.1 (i) are just and reasonable;
- 57.2 (ii) are consistent with the public interest;
- 57.3 (iii) constitute a prudent and reasonable mechanism to finance the extraordinary event
- 57.4 costs; and
- 57.5 (iv) provide tangible and quantifiable benefits to customers that exceed the benefits that
- 57.6 would have been achieved absent the issuance of extraordinary event bonds; and
- 57.7 (3) the proposed structuring, marketing, and pricing of the extraordinary event bonds:
- 57.8 (i) significantly lower overall costs to customers or significantly mitigate rate impacts
- 57.9 to customers relative to traditional methods of financing; and
- 57.10 (ii) achieve significant customer savings or significant mitigation of rate impacts to
- 57.11 customers, as determined by the commission in a financing order, consistent with market
- 57.12 conditions at the time of sale and the terms of the financing order.
- 57.13 Subd. 3. **Contents.** (a) A financing order issued under this section must:
- 57.14 (1) determine the maximum amount of extraordinary event costs that may be financed
- 57.15 from proceeds of extraordinary event bonds issued pursuant to the financing order;
- 57.16 (2) describe the proposed customer billing mechanism for extraordinary event charges
- 57.17 and include a finding that the mechanism is just and reasonable;
- 57.18 (3) describe the financing costs that may be recovered through extraordinary event
- 57.19 charges and the period over which the costs may be recovered, which must end no earlier
- 57.20 than the date of final legal maturity of the extraordinary event bonds;
- 57.21 (4) describe the extraordinary event property that is created and that may be used to pay,
- 57.22 and secure the payment of, the extraordinary event bonds and financing costs authorized in
- 57.23 the financing order;
- 57.24 (5) authorize the utility to finance extraordinary event costs through the issuance of one
- 57.25 or more series of extraordinary event bonds. A utility is not required to secure a separate
- 57.26 financing order for each issuance of extraordinary event bonds or for each scheduled phase
- 57.27 of the replacement of natural gas facilities approved in the financing order;
- 57.28 (6) include a formula-based mechanism that must be used to make expeditious periodic
- 57.29 adjustments to the extraordinary event charge authorized by the financing order that are
- 57.30 necessary to correct for any overcollection or undercollection, or to otherwise guarantee
- 57.31 the timely payment of extraordinary event bonds, financing costs, and other required amounts
- 57.32 and charges payable in connection with extraordinary event bonds;

58.1 (7) specify the degree of flexibility afforded to the utility in establishing the terms and
58.2 conditions of the extraordinary event bonds, including but not limited to repayment schedules,
58.3 expected interest rates, and other financing costs;

58.4 (8) specify that the extraordinary event bonds must be issued as soon as feasible following
58.5 issuance of the financing order;

58.6 (9) require the utility, at the same time as extraordinary event charges are initially
58.7 collected and independent of the schedule to close and decommission any natural gas facility
58.8 replaced as the result of an extraordinary event, to remove the natural gas facility from the
58.9 utility's rate base and commensurately reduce the utility's base rates;

58.10 (10) specify a future ratemaking process to reconcile any difference between the projected
58.11 pretax costs included in the amount financed by extraordinary event bonds and the final
58.12 actual pretax costs incurred by the utility to retire or replace the natural gas facility;

58.13 (11) specify information regarding bond issuance and repayments, financing costs,
58.14 energy transaction charges, extraordinary event property, and related matters that the natural
58.15 gas utility is required to provide to the commission on a schedule determined by the
58.16 commission;

58.17 (12) allow and may require the creation of a utility's extraordinary event property to be
58.18 conditioned on, and occur simultaneously with, the sale or other transfer of the extraordinary
58.19 event property to an assignee and the pledge of the extraordinary event property to secure
58.20 the extraordinary event bonds;

58.21 (13) ensure that the structuring, marketing, and pricing of extraordinary event bonds
58.22 result in reasonable securitization bond charges and significant customer savings or rate
58.23 impact mitigation, consistent with market conditions and the terms of the financing order;
58.24 and

58.25 (14) specify that a utility financing the replacement of one or more natural gas facilities
58.26 after the natural gas facilities subject to the finance order are removed from the utility's rate
58.27 base is prohibited from:

58.28 (i) operating the natural gas facilities; or

58.29 (ii) selling the natural gas facilities to another entity to be operated as natural gas facilities.

58.30 (b) A financing order issued under this section may:

58.31 (1) include conditions different from those requested in the application that the
58.32 commission determines are necessary to:

59.1 (i) promote the public interest; and

59.2 (ii) maximize the financial benefits or minimize the financial risks of the transaction to
 59.3 customers and to directly impacted Minnesota workers and communities; and

59.4 (2) specify the selection of one or more underwriters of the extraordinary event bonds.

59.5 Subd. 4. **Duration; irrevocability; subsequent order.** (a) A financing order remains
 59.6 in effect until the extraordinary event bonds issued under the financing order and all financing
 59.7 costs related to the bonds have been paid in full.

59.8 (b) A financing order remains in effect and unabated notwithstanding the bankruptcy,
 59.9 reorganization, or insolvency of the utility to which the financing order applies or any
 59.10 affiliate, successor, or assignee of the utility to which the financing order applies.

59.11 (c) Subject to judicial review under section 216B.52, a financing order is irrevocable
 59.12 and is not reviewable by a future commission. The commission may not reduce, impair,
 59.13 postpone, or terminate extraordinary event charges approved in a financing order, or impair
 59.14 extraordinary event property or the collection or recovery of extraordinary event revenue.

59.15 (d) Notwithstanding paragraph (c), the commission may, on the commission's own
 59.16 motion or at the request of a utility or any other person, commence a proceeding and issue
 59.17 a subsequent financing order that provides for refinancing, retiring, or refunding extraordinary
 59.18 event bonds issued under the original financing order if:

59.19 (1) the commission makes all of the findings specified in subdivision 2 with respect to
 59.20 the subsequent financing order; and

59.21 (2) the modification contained in the subsequent financing order does not in any way
 59.22 impair the covenants and terms of the extraordinary event bonds being refinanced, retired,
 59.23 or refunded.

59.24 Subd. 5. **Effect on commission jurisdiction.** (a) Except as provided in paragraph (b),
 59.25 the commission, in exercising the powers and carrying out the duties under this section, is
 59.26 prohibited from:

59.27 (1) considering extraordinary event bonds issued under this section to be debt of the
 59.28 utility other than for income tax purposes, unless it is necessary to consider the extraordinary
 59.29 event bonds to be debt in order to achieve consistency with prevailing utility debt rating
 59.30 methodologies;

59.31 (2) considering the extraordinary event charges paid under the financing order to be
 59.32 revenue of the utility;

60.1 (3) considering the extraordinary event or financing costs specified in the financing
 60.2 order to be the regulated costs or assets of the utility; or

60.3 (4) determining that any prudent action taken by a utility that is consistent with the
 60.4 financing order is unjust or unreasonable.

60.5 (b) Nothing in this subdivision:

60.6 (1) affects the authority of the commission to apply or modify any billing mechanism
 60.7 designed to recover extraordinary event charges;

60.8 (2) prevents or precludes the commission from (i) investigating a utility's compliance
 60.9 with the terms and conditions of a financing order, and (ii) requiring compliance with the
 60.10 financing order; or

60.11 (3) prevents or precludes the commission from imposing regulatory sanctions against a
 60.12 utility for failure to comply with the terms and conditions of a financing order or the
 60.13 requirements of this section.

60.14 (c) The commission is prohibited from refusing to allow a utility to recover any costs
 60.15 associated with the replacement of natural gas facilities solely because the utility has elected
 60.16 to finance the natural gas facility replacement through a financing mechanism other than
 60.17 extraordinary event bonds.

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

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

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

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

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

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

61.2 (a) In carrying out the duties under this section, the commission may:

61.3 (1) contract with outside consultants and counsel experienced in securitized utility
61.4 customer-backed bond financing similar to extraordinary event bonds; and

61.5 (2) hire and compensate additional temporary staff as needed.

61.6 Expenses incurred by the commission under this paragraph must be treated as financing
61.7 costs and included in the extraordinary event charge. The costs incurred under clause (1)
61.8 are not an obligation of the state and are assigned solely to the transaction.

61.9 (b) A utility presented with a written request from the commission for reimbursement
61.10 of the commission's expenses incurred under paragraph (a), accompanied by a detailed
61.11 account of those expenses, must remit full payment of the expenses to the commission
61.12 within 30 days of receiving the request.

61.13 (c) If a utility's application for a financing order is denied or withdrawn for any reason
61.14 and extraordinary event bonds are not issued, the commission's costs to retain expert
61.15 consultants under this section must be paid by the applicant utility and are deemed to be
61.16 prudent deferred expenses eligible for recovery in the utility's future rates.

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

61.18 **Sec. 12. [216B.495] EXTRAORDINARY EVENT CHARGE; BILLING**

61.19 **TREATMENT.**

61.20 (a) A utility that obtains a financing order and causes extraordinary event bonds to be
61.21 issued must:

61.22 (1) include on each customer's monthly natural gas bill:

61.23 (i) a statement that a portion of the charges represents extraordinary event charges
61.24 approved in a financing order;

61.25 (ii) the amount and rate of the extraordinary event charge as a separate line item titled
61.26 "extraordinary event charge"; and

61.27 (iii) if extraordinary event property has been transferred to an assignee, a statement that
61.28 the assignee is the owner of the rights to extraordinary event charges and that the utility or
61.29 other entity, if applicable, is acting as a collection agent or servicer for the assignee; and

61.30 (2) file annually with the commission:

62.1 (i) a calculation of the impact of financing the retirement or replacement of natural gas
 62.2 facilities on customer rates, itemized by customer class; and

62.3 (ii) evidence demonstrating that extraordinary event revenues are applied solely to the
 62.4 repayment of extraordinary event bonds and other financing costs.

62.5 (b) Extraordinary event charges are nonbypassable and must be paid by all existing and
 62.6 future customers receiving service from the utility or the utility's successors or assignees
 62.7 under commission-approved rate schedules or special contracts.

62.8 (c) A utility's failure to comply with this section does not invalidate, impair, or affect
 62.9 any financing order, extraordinary event property, extraordinary event charge, or
 62.10 extraordinary event bonds, but does subject the utility to penalties under applicable
 62.11 commission rules.

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

62.13 Sec. 13. **[216B.496] EXTRAORDINARY EVENT PROPERTY.**

62.14 Subdivision 1. **General.** (a) Extraordinary event property is an existing present property
 62.15 right or interest in a property right, even though the imposition and collection of extraordinary
 62.16 event charges depend on the utility collecting extraordinary event charges and on future
 62.17 natural gas consumption. The property right or interest exists regardless of whether the
 62.18 revenues or proceeds arising from the extraordinary event property have been billed, have
 62.19 accrued, or have been collected.

62.20 (b) Extraordinary event property exists until all extraordinary event bonds issued under
 62.21 a financing order are paid in full and all financing costs and other costs of the extraordinary
 62.22 event bonds have been recovered in full.

62.23 (c) All or any portion of extraordinary event property described in a financing order
 62.24 issued to a utility may be transferred, sold, conveyed, or assigned to a successor or assignee
 62.25 that is wholly owned, directly or indirectly, by the utility and is created for the limited
 62.26 purpose of acquiring, owning, or administering extraordinary event property or issuing
 62.27 extraordinary event bonds authorized by the financing order. All or any portion of
 62.28 extraordinary event property may be pledged to secure extraordinary event bonds issued
 62.29 under a financing order, amounts payable to financing parties and to counterparties under
 62.30 any ancillary agreements, and other financing costs. Each transfer, sale, conveyance,
 62.31 assignment, or pledge by a utility or an affiliate of extraordinary event property is a
 62.32 transaction in the ordinary course of business.

63.1 (d) If a utility defaults on any required payment of charges arising from extraordinary
63.2 event property described in a financing order, a court, upon petition by an interested party
63.3 and without limiting any other remedies available to the petitioner, must order the
63.4 sequestration and payment of the revenues arising from the extraordinary event property to
63.5 the financing parties.

63.6 (e) The interest of a transferee, purchaser, acquirer, assignee, or pledgee in extraordinary
63.7 event property specified in a financing order issued to a utility, and in the revenue and
63.8 collections arising from the property, is not subject to setoff, counterclaim, surcharge, or
63.9 defense by the utility or any other person, or in connection with the reorganization,
63.10 bankruptcy, or other insolvency of the utility or any other entity.

63.11 (f) A successor to a utility, whether resulting from a reorganization, bankruptcy, or other
63.12 insolvency proceeding; merger or acquisition; sale; other business combination; transfer by
63.13 operation of law; utility restructuring; or otherwise, must perform and satisfy all obligations
63.14 of, and has the same duties and rights under, a financing order as the utility to which the
63.15 financing order applies. A successor to a utility must perform the duties and exercise the
63.16 rights in the same manner and to the same extent as the utility, including collecting and
63.17 paying to any person entitled to receive revenues, collections, payments, or proceeds of
63.18 extraordinary event property.

63.19 **Subd. 2. Security interests in extraordinary event property.** (a) The creation,
63.20 perfection, and enforcement of any security interest in extraordinary event property to secure
63.21 the repayment of the principal and interest on extraordinary event bonds, amounts payable
63.22 under any ancillary agreement, and other financing costs are governed solely by this section.

63.23 (b) A security interest in extraordinary event property is created, valid, and binding
63.24 when:

63.25 (1) the financing order that describes the extraordinary event property is issued;

63.26 (2) a security agreement is executed and delivered; and

63.27 (3) value is received for the extraordinary event bonds.

63.28 (c) Once a security interest in extraordinary event property is created, the security interest
63.29 attaches without any physical delivery of collateral or any other act. The lien of the security
63.30 interest is valid, binding, and perfected against all parties having claims of any kind in tort,
63.31 contract, or otherwise against the person granting the security interest, regardless of whether
63.32 the parties have notice of the lien, upon the filing of a financing statement with the secretary
63.33 of state.

64.1 (d) The description or indication of extraordinary event property in a transfer or security
64.2 agreement and a financing statement is sufficient only if the description or indication refers
64.3 to this section and the financing order creating the extraordinary event property.

64.4 (e) A security interest in extraordinary event property is a continuously perfected security
64.5 interest and has priority over any other lien, created by operation of law or otherwise, which
64.6 may subsequently attach to the extraordinary event property unless the holder of the security
64.7 interest has agreed otherwise in writing.

64.8 (f) The priority of a security interest in extraordinary event property is not affected by
64.9 the commingling of extraordinary event property or extraordinary event revenue with other
64.10 money. An assignee, bondholder, or financing party has a perfected security interest in the
64.11 amount of all extraordinary event property or extraordinary event revenue that is pledged
64.12 to pay extraordinary event bonds, even if the extraordinary event property or extraordinary
64.13 event revenue is deposited in a cash or deposit account of the utility in which the
64.14 extraordinary event revenue is commingled with other money. Any other security interest
64.15 that applies to the other money does not apply to the extraordinary event revenue.

64.16 (g) Neither a subsequent commission order amending a financing order under section
64.17 216B.492, subdivision 4, nor application of an adjustment mechanism authorized by a
64.18 financing order under section 216B.492, subdivision 3, affects the validity, perfection, or
64.19 priority of a security interest in or transfer of extraordinary event property.

64.20 (h) A valid and enforceable security interest in extraordinary event property is perfected
64.21 only when the security interest has attached and when a financing order has been filed with
64.22 the secretary of state in accordance with procedures established by the secretary of state.
64.23 The financing order must name the pledgor of the extraordinary event property as debtor
64.24 and identify the property.

64.25 **Subd. 3. Sales of extraordinary event property.** (a) A sale, assignment, or transfer of
64.26 extraordinary event property is an absolute transfer and true sale of, and not a pledge of or
64.27 secured transaction relating to, the seller's right, title, and interest in, to, and under the
64.28 extraordinary event property if the documents governing the transaction expressly state that
64.29 the transaction is a sale or other absolute transfer. A transfer of an interest in extraordinary
64.30 event property may be created when:

64.31 (1) the financing order creating and describing the extraordinary event property is
64.32 effective;

64.33 (2) the documents evidencing the transfer of the extraordinary event property are executed
64.34 and delivered to the assignee; and

65.1 (3) value is received.

65.2 (b) A transfer of an interest in extraordinary event property must be filed with the
65.3 secretary of state against all third persons and perfected under sections 336.3-301 to
65.4 336.3-312, including any judicial lien or other lien creditors or any claims of the seller or
65.5 creditors of the seller, other than creditors holding a prior security interest, ownership
65.6 interest, or assignment in the extraordinary event property previously perfected under this
65.7 subdivision or subdivision 2.

65.8 (c) The characterization of a sale, assignment, or transfer as an absolute transfer and
65.9 true sale, and the corresponding characterization of the property interest of the assignee, is
65.10 not affected or impaired by:

65.11 (1) commingling of extraordinary event revenue with other money;

65.12 (2) the retention by the seller of:

65.13 (i) a partial or residual interest, including an equity interest, in the extraordinary event
65.14 property, whether direct or indirect, or whether subordinate or otherwise; or

65.15 (ii) the right to recover costs associated with taxes, franchise fees, or license fees imposed
65.16 on the collection of extraordinary event revenue;

65.17 (3) any recourse that the purchaser may have against the seller;

65.18 (4) any indemnification rights, obligations, or repurchase rights made or provided by
65.19 the seller;

65.20 (5) an obligation of the seller to collect extraordinary event revenues on behalf of an
65.21 assignee;

65.22 (6) the treatment of the sale, assignment, or transfer for tax, financial reporting, or other
65.23 purposes;

65.24 (7) any subsequent financing order amending a financing order under section 216B.492,
65.25 subdivision 4, paragraph (d); or

65.26 (8) any application of an adjustment mechanism under section 216B.492, subdivision
65.27 3, paragraph (a), clause (6).

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

66.1 Sec. 14. [216B.497] EXTRAORDINARY EVENT BONDS.

66.2 (a) Banks, trust companies, savings and loan associations, insurance companies, executors,
66.3 administrators, guardians, trustees, and other fiduciaries may legally invest any money
66.4 within the individual's or entity's control in extraordinary event bonds.

66.5 (b) Extraordinary event bonds issued under a financing order are not debt of or a pledge
66.6 of the faith and credit or taxing power of the state, any agency of the state, or any political
66.7 subdivision. Holders of extraordinary event bonds may not have taxes levied by the state
66.8 or a political subdivision in order to pay the principal or interest on extraordinary event
66.9 bonds. The issuance of extraordinary event bonds does not directly, indirectly, or contingently
66.10 obligate the state or a political subdivision to levy any tax or make any appropriation to pay
66.11 principal or interest on the extraordinary event bonds.

66.12 (c) The state pledges to and agrees with holders of extraordinary event bonds, any
66.13 assignee, and any financing parties that the state will not:

66.14 (1) take or permit any action that impairs the value of extraordinary event property; or

66.15 (2) reduce, alter, or impair extraordinary event charges that are imposed, collected, and
66.16 remitted for the benefit of holders of extraordinary event bonds, any assignee, and any
66.17 financing parties until any principal, interest, and redemption premium payable on
66.18 extraordinary event bonds, all financing costs, and all amounts to be paid to an assignee or
66.19 financing party under an ancillary agreement are paid in full.

66.20 (d) A person who issues extraordinary event bonds may include the pledge specified in
66.21 paragraph (c) in the extraordinary event bonds, ancillary agreements, and documentation
66.22 related to the issuance and marketing of the extraordinary event bonds.

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

66.24 Sec. 15. [216B.498] ASSIGNEE OF FINANCING PARTY NOT SUBJECT TO
66.25 COMMISSION REGULATION.

66.26 An assignee or financing party that is not already regulated by the commission does not
66.27 become subject to commission regulation solely as a result of engaging in any transaction
66.28 authorized by or described in sections 216B.491 to 216B.499.

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

67.1 Sec. 16. [216B.499] EFFECT ON OTHER LAWS.

67.2 (a) If any provision of sections 216B.491 to 216B.499 conflicts with any other law
 67.3 regarding the attachment, assignment, perfection, effect of perfection, or priority of any
 67.4 security interest in or transfer of extraordinary event property, sections 216B.491 to 216B.499
 67.5 govern.

67.6 (b) Nothing in this section precludes a utility for which the commission has initially
 67.7 issued a financing order from applying to the commission for:

67.8 (1) a subsequent financing order amending the financing order under section 216B.492,
 67.9 subdivision 4, paragraph (d); or

67.10 (2) approval to issue extraordinary event bonds to refund all or a portion of an outstanding
 67.11 series of extraordinary event bonds.

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

67.13 Sec. 17. Minnesota Statutes 2020, section 216B.50, subdivision 1, is amended to read:

67.14 Subdivision 1. **Commission approval required.** No public utility shall sell, acquire,
 67.15 lease, or rent any plant as an operating unit or system in this state for a total consideration
 67.16 in excess of ~~\$100,000~~ \$1,000,000, or merge or consolidate with another public utility or
 67.17 transmission company operating in this state, without first being authorized so to do by the
 67.18 commission. Upon the filing of an application for the approval and consent of the
 67.19 commission, the commission shall investigate, with or without public hearing. The
 67.20 commission shall hold a public hearing, upon such notice as the commission may require.
 67.21 If the commission finds that the proposed action is consistent with the public interest, it
 67.22 shall give its consent and approval by order in writing. In reaching its determination, the
 67.23 commission shall take into consideration the reasonable value of the property, plant, or
 67.24 securities to be acquired or disposed of, or merged and consolidated.

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

67.27 Sec. 18. Minnesota Statutes 2021 Supplement, section 216C.376, subdivision 5, is amended
 67.28 to read:

67.29 Subd. 5. **Program funding.** (a) In 2022, the public utility subject to section 116C.779
 67.30 must withhold \$8,000,000 from the transfer made under section 116C.779, subdivision 1,
 67.31 paragraph (e), to pay for assistance provided by the program under this section. In 2024,
 67.32 the amount that must be withheld is \$8,000,000. The money withheld under this paragraph

68.1 must be used to pay for financial assistance awarded under this section and the costs to
 68.2 administer this section. Any money that remains unexpended ~~on June 30, 2027,~~ five years
 68.3 after the money is withheld cancels to the renewable development account.

68.4 (b) The renewable energy credits associated with the electricity generated by a solar
 68.5 energy system installed under this section are the property of the public utility that is subject
 68.6 to this section for the life of the system, regardless of the duration of the financial assistance
 68.7 provided by the public utility under this section.

68.8 Sec. 19. Minnesota Statutes 2020, section 216C.435, subdivision 8, is amended to read:

68.9 Subd. 8. **Qualifying commercial real property.** "Qualifying commercial real property"
 68.10 means a multifamily residential dwelling, ~~or~~ a commercial or industrial building, or farmland
 68.11 that the implementing entity has determined, after review of an energy audit ~~or~~ renewable
 68.12 energy system feasibility study, or agronomic assessment, can ~~be benefited by~~ benefit from
 68.13 the installation of cost-effective energy improvements or land and water improvements, as
 68.14 defined in section 216C.436, subdivision 1b. Qualifying commercial real property includes
 68.15 new construction.

68.16 Sec. 20. Minnesota Statutes 2020, section 216C.436, is amended by adding a subdivision
 68.17 to read:

68.18 Subd. 1b. **Definition.** For the purposes of this section, "land and water improvements"
 68.19 means:

68.20 (1) any improvement to qualifying farmland, as defined in section 273.13, subdivision
 68.21 23, that is permanent in nature, results in improved agricultural productivity or resiliency,
 68.22 and reduces environmental impact; or

68.23 (2) water conservation measures, which includes permanently affixed equipment,
 68.24 appliances, or improvements that reduce a property's water consumption or that enable the
 68.25 property to manage water more efficiently.

68.26 Sec. 21. Minnesota Statutes 2020, section 216C.436, subdivision 2, is amended to read:

68.27 Subd. 2. **Program requirements.** A commercial PACE loan program must:

68.28 (1) impose requirements and conditions on financing arrangements to ensure timely
 68.29 repayment;

69.1 (2) require an energy audit or renewable energy system feasibility study to be conducted
69.2 on the qualifying commercial real property and reviewed by the implementing entity prior
69.3 to approval of the financing;

69.4 (3) require the inspection of all installations and a performance verification of at least
69.5 ten percent of the cost-effective energy improvements or land and water improvements
69.6 financed by the program;

69.7 (4) not prohibit the financing of all cost-effective energy improvements or land and
69.8 water improvements not otherwise prohibited by this section;

69.9 (5) require that all cost-effective energy improvements or land and water improvements
69.10 be made to a qualifying commercial real property prior to, or in conjunction with, an
69.11 applicant's repayment of financing for cost-effective energy improvements for that property;

69.12 (6) have cost-effective energy improvements or land and water improvements financed
69.13 by the program performed by a licensed contractor as required by chapter 326B or other
69.14 law or ordinance;

69.15 (7) require disclosures to borrowers by the implementing entity of the risks involved in
69.16 borrowing, including the risk of foreclosure if a tax delinquency results from a default;

69.17 (8) provide financing only to those who demonstrate an ability to repay;

69.18 (9) not provide financing for a qualifying commercial real property in which the owner
69.19 is not current on mortgage or real property tax payments;

69.20 (10) require a petition to the implementing entity by all owners of the qualifying
69.21 commercial real property requesting collections of repayments as a special assessment under
69.22 section 429.101;

69.23 (11) provide that payments and assessments are not accelerated due to a default and that
69.24 a tax delinquency exists only for assessments not paid when due; ~~and~~

69.25 (12) require that liability for special assessments related to the financing runs with the
69.26 qualifying commercial real property; and

69.27 (13) prior to financing any improvements to or imposing any assessment upon qualifying
69.28 commercial real property, require notice to and written consent from the mortgage lender
69.29 of any mortgage encumbering or otherwise secured by the qualifying commercial real
69.30 property.

70.1 Sec. 22. **[216H.022] CARBON CAPTURE AND SEQUESTRATION; STATE**
 70.2 **POLICY.**

70.3 It is the policy of the state to support the development and deployment of carbon capture
 70.4 and sequestration technologies in Minnesota as a method of reducing greenhouse gas
 70.5 emissions in order to achieve the state greenhouse gas emission-reduction goals established
 70.6 under section 216H.02, subdivision 1.

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

70.8 Sec. 23. Minnesota Statutes 2020, section 237.55, is amended to read:

70.9 **237.55 ANNUAL REPORT ON TELECOMMUNICATIONS ACCESS.**

70.10 The commissioner of commerce must prepare a report for presentation to the Public
 70.11 Utilities Commission by ~~January~~ March 31 of each year. Each report must review the
 70.12 accessibility of telecommunications services to persons who have communication disabilities,
 70.13 describe services provided, account for annual revenues and expenditures for each aspect
 70.14 of the fund to date, and include predicted program future operation.

70.15 Sec. 24. **[465.485] BAN ON NATURAL GAS AND PROPANE HOOKUPS;**
 70.16 **PROHIBITION.**

70.17 A political subdivision is prohibited from adopting an ordinance, resolution, code, policy,
 70.18 or permit requirement that prohibits or has the effect of preventing a utility from (1)
 70.19 connecting or reconnecting natural gas or propane to any building, or (2) supplying natural
 70.20 gas or propane to any building or utility customer.

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

70.22 Sec. 25. Laws 2020, chapter 118, section 5, subdivision 1, is amended to read:

70.23 Subdivision 1. **Community energy transition grants.** (a) Notwithstanding Minnesota
 70.24 Statutes, section 116C.779, subdivision 1, paragraph (j), \$2,000,000 in fiscal year 2021 is
 70.25 appropriated from the renewable development account established in Minnesota Statutes,
 70.26 section 116C.779, subdivision 1, to the commissioner of employment and economic
 70.27 development for deposit in the community energy transition account established in Minnesota
 70.28 Statutes, section 116J.55, subdivision 3. This is a onetime appropriation and is available
 70.29 until June 30, ~~2022~~ 2025.

70.30 (b) If another bill is enacted during the 2020 regular legislative session that appropriates
 70.31 money from the renewable development account established in Minnesota Statutes, section

71.1 116C.779, subdivision 1, for the same general purpose as provided under Minnesota Statutes,
 71.2 section 116J.55, the appropriation under this subdivision cancels to the renewable
 71.3 development account under Minnesota Statutes, section 116C.779, subdivision 1.

71.4 Sec. 26. Laws 2021, First Special Session chapter 4, article 2, section 3, subdivision 1, is
 71.5 amended to read:

71.6			4,825,000		1,800,000
71.7	Subdivision 1. Total Appropriation	\$	<u>4,325,000</u>	\$	<u>1,300,000</u>

71.8 The amounts that may be spent for each
 71.9 purpose are specified in the following
 71.10 subdivisions.

71.11 Sec. 27. **ADVANCED NUCLEAR STUDY.**

71.12 Subdivision 1. Study required. (a) The commissioner of commerce must conduct a
 71.13 study evaluating the potential costs, benefits, and impacts of advanced nuclear technology
 71.14 reactor power generation in Minnesota.

71.15 (b) At a minimum, the study must address the potential costs, benefits, and impacts of
 71.16 advanced nuclear technology reactor power generation on:

71.17 (1) Minnesota's greenhouse gas emissions reduction goals under the Next Generation
 71.18 Energy Act, Laws 2007, chapter 136;

71.19 (2) system costs for ratepayers;

71.20 (3) system reliability;

71.21 (4) the environment;

71.22 (5) local jobs; and

71.23 (6) local economic development.

71.24 (c) The study must also evaluate:

71.25 (1) current Minnesota statutes and administrative rules that would require modifications
 71.26 in order to enable the construction and operation of advanced nuclear reactors; and

71.27 (2) the economic feasibility of replacing coal-fired boilers with advanced nuclear reactors,
 71.28 while accounting for the avoided costs that result from the closure of coal-fired plants.

72.1 Subd. 2. **Report.** The commissioner of commerce must submit the results of the study
 72.2 under subdivision 1 to the chairs and ranking minority members of the legislative committees
 72.3 having jurisdiction over energy finance and policy no later than January 31, 2023.

72.4 Sec. 28. **DECOMMISSIONING AND DEMOLITION PLAN FOR COAL-FIRED**
 72.5 **PLANT.**

72.6 As a part of the next resource plan filing under Minnesota Statutes, section 216B.2422,
 72.7 subdivision 2, but no later than December 31, 2025, the public utility that owns an electric
 72.8 generation facility that is powered by coal, scheduled for retirement in 2028, and located
 72.9 within the St. Croix National Scenic Riverway must provide, to the extent known, the public
 72.10 utility's plan and a detailed timeline to decommission and demolish the electric generation
 72.11 facility and remediate pollution at the electric generation facility site. The public utility
 72.12 must also provide a copy of the plan and timeline to the governing body of the municipality
 72.13 where the electric generation facility is located on the same date the plan and timeline are
 72.14 submitted to the Public Utilities Commission. If a resource plan is not filed or required
 72.15 before December 31, 2025, the plan and timeline must be submitted to the Public Utilities
 72.16 Commission and the municipality as a separate filing by December 31, 2025.

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

72.18 Sec. 29. **APPROPRIATIONS.**

72.19 Subdivision 1. **Advanced nuclear study.** \$150,000 in fiscal year 2023 is appropriated
 72.20 from the general fund to the commissioner of commerce to conduct an advanced nuclear
 72.21 study and develop a report. This is a onetime appropriation.

72.22 Subd. 2. **Solar for schools.** \$4,150,000 in fiscal year 2023 is appropriated from the
 72.23 general fund to the commissioner of commerce to provide financial assistance to schools
 72.24 to purchase and install solar energy generating systems under Minnesota Statutes, section
 72.25 216C.375. This appropriation must be expended on schools located outside the electric
 72.26 service territory of the public utility that is subject to Minnesota Statutes, section 116C.779.
 72.27 This appropriation is available until June 30, 2028. The base amount for fiscal year 2024
 72.28 is \$5,700,000. The base amount for fiscal year 2025 is \$0.

72.29 Subd. 3. **Granite Falls hydroelectric generating facility.** Notwithstanding Minnesota
 72.30 Statutes, section 116C.779, subdivision 1, paragraph (j), \$2,290,000 is appropriated in fiscal
 72.31 year 2023 from the renewable development account established under Minnesota Statutes,
 72.32 section 116C.779, subdivision 1, to the commissioner of commerce for a grant to the city
 72.33 of Granite Falls for repair and overage costs related to the city's existing hydroelectric

73.1 generating facility. This is a onetime appropriation. Any amount of the appropriation under
 73.2 this paragraph that remains unexpended on June 30, 2024, must be returned to the renewable
 73.3 development account.

73.4 Subd. 4. **Community energy transition grants.** \$3,500,000 in fiscal year 2023 is
 73.5 appropriated from the renewable development account to the commissioner of employment
 73.6 and economic development. This appropriation is available only for grants to eligible
 73.7 communities located within the service territory of the public utility subject to Minnesota
 73.8 Statutes, section 116C.779. This is a onetime appropriation and is available until June 30,
 73.9 2029.

73.10 Subd. 5. **National Sports Center solar array.** Notwithstanding Minnesota Statutes,
 73.11 section 116C.779, subdivision 1, paragraph (j), \$3,500,000 in fiscal year 2023 is appropriated
 73.12 from the renewable development account to the Minnesota Amateur Sports Commission to
 73.13 install solar arrays. This appropriation may be used to install solar arrays on an ice rink and
 73.14 a maintenance facility at the National Sports Center in Blaine. This is a onetime appropriation.

73.15 **Sec. 30. REPEALER.**

73.16 Laws 2005, chapter 97, article 10, section 3, as amended by Laws 2013, chapter 85,
 73.17 article 7, section 9; and Laws 2021, First Special Session chapter 4, article 2, section 3,
 73.18 subdivision 3, are repealed.

73.19 **ARTICLE 6**

73.20 **JOBS AND ECONOMIC GROWTH APPROPRIATIONS**

73.21 **Section 1. APPROPRIATIONS.**

73.22 The sums shown in the columns under "Appropriations" are added to the appropriations
 73.23 in Laws 2021, First Special Session chapter 10, or other law to the specified agencies. The
 73.24 appropriations are from the general fund, or another named fund, and are available for the
 73.25 fiscal years indicated for each purpose. The figures "2022" and "2023" used in this article
 73.26 mean that the appropriations listed under them are available for the fiscal year ending June
 73.27 30, 2022, or June 30, 2023, respectively. Appropriations for the fiscal year ending June 30,
 73.28 2022, are effective the day following final enactment.

73.29 **APPROPRIATIONS**

73.30 **Available for the Year**

73.31 **Ending June 30**

73.32 **2022**

2023

75.1 firefighter as defined in Minnesota Statutes,
 75.2 section 299N.03, subdivision 7.

75.3 (3) Abijah's on the Backside must report to
 75.4 the commissioner of labor and industry and
 75.5 the chairs and ranking minority members of
 75.6 the house of representatives and senate
 75.7 committees overseeing labor and industry
 75.8 policy and finance on the equine experiential
 75.9 mental health therapy provided to first
 75.10 responders under this section. The report must
 75.11 include an overview of the program's budget,
 75.12 a detailed explanation of program
 75.13 expenditures, the number of first responders
 75.14 served by the program, and a list and
 75.15 explanation of the services provided to and
 75.16 benefits received by program participants. An
 75.17 initial report is due by January 15, 2023, and
 75.18 a final report is due by January 15, 2024.

75.19 Sec. 3. Laws 2021, First Special Session chapter 10, article 1, section 2, subdivision 2, is
 75.20 amended to read:

75.21	Subd. 2. Business and Community Development	208,015,000	44,741,000
75.22	Appropriations by Fund		
75.23	General	205,215,000	41,941,000
75.24	Remediation	700,000	700,000
75.25	Workforce		
75.26	Development	2,100,000	2,100,000

75.27 (a) \$1,787,000 each year is for the greater
 75.28 Minnesota business development public
 75.29 infrastructure grant program under Minnesota
 75.30 Statutes, section 116J.431. This appropriation
 75.31 is available until June 30, 2025.

75.32 (b) \$8,425,000 in the first year and \$1,425,000
 75.33 in the second year are for the business
 75.34 development competitive grant program. Of

76.1 this amount, up to five percent is for
76.2 administration and monitoring of the business
76.3 development competitive grant program and
76.4 \$7,000,000 in the first year is for technical
76.5 assistance to small businesses. Except for
76.6 awards for technical assistance for small
76.7 businesses, all grant awards shall be for two
76.8 consecutive years. Grants shall be awarded in
76.9 the first year.

76.10 (c) \$1,772,000 each year is for contaminated
76.11 site cleanup and development grants under
76.12 Minnesota Statutes, sections 116J.551 to
76.13 116J.558. This appropriation is available until
76.14 expended.

76.15 (d) \$700,000 each year is from the remediation
76.16 fund for contaminated site cleanup and
76.17 development grants under Minnesota Statutes,
76.18 sections 116J.551 to 116J.558. This
76.19 appropriation is available until expended.

76.20 (e) \$139,000 each year is for the Center for
76.21 Rural Policy and Development.

76.22 (f) \$25,000 each year is for the administration
76.23 of state aid for the Destination Medical Center
76.24 under Minnesota Statutes, sections 469.40 to
76.25 469.47.

76.26 (g) \$875,000 each year is for the host
76.27 community economic development program
76.28 established in Minnesota Statutes, section
76.29 116J.548.

76.30 (h)(1) \$2,500,000 each year is for grants to
76.31 local communities to increase the number of
76.32 quality child care providers to support
76.33 economic development. This appropriation is
76.34 available through June 30, 2023. Fifty percent

77.1 of grant funds must go to communities located
77.2 outside the seven-county metropolitan area as
77.3 defined in Minnesota Statutes, section
77.4 473.121, subdivision 2. In fiscal year 2024
77.5 and beyond, the base amount is \$1,500,000.

77.6 (2) Grant recipients must obtain a 50 percent
77.7 nonstate match to grant funds in either cash
77.8 or in-kind contribution, unless the
77.9 commissioner waives the requirement. Grant
77.10 funds available under this subdivision must
77.11 be used to implement projects to reduce the
77.12 child care shortage in the state, including but
77.13 not limited to funding for child care business
77.14 start-ups or expansion, training, facility
77.15 modifications, direct subsidies or incentives
77.16 to retain employees, or improvements required
77.17 for licensing, and assistance with licensing
77.18 and other regulatory requirements. In awarding
77.19 grants, the commissioner must give priority
77.20 to communities that have demonstrated a
77.21 shortage of child care providers.

77.22 (3) Within one year of receiving grant funds,
77.23 grant recipients must report to the
77.24 commissioner on the outcomes of the grant
77.25 program, including but not limited to the
77.26 number of new providers, the number of
77.27 additional child care provider jobs created, the
77.28 number of additional child care slots, and the
77.29 amount of cash and in-kind local funds
77.30 invested. Within one month of all grant
77.31 recipients reporting on program outcomes, the
77.32 commissioner must report the grant recipients'
77.33 outcomes to the chairs and ranking members
77.34 of the legislative committees with jurisdiction

78.1 over early learning and child care and
78.2 economic development.

78.3 (i) \$1,500,000 each year is for a grant to the
78.4 Minnesota Initiative Foundations. This
78.5 appropriation is available until June 30, 2025.
78.6 In fiscal year 2024 and beyond, the base
78.7 amount is \$1,000,000. The Minnesota
78.8 Initiative Foundations must use grant funds
78.9 under this section to:

78.10 (1) facilitate planning processes for rural
78.11 communities resulting in a community solution
78.12 action plan that guides decision making to
78.13 sustain and increase the supply of quality child
78.14 care in the region to support economic
78.15 development;

78.16 (2) engage the private sector to invest local
78.17 resources to support the community solution
78.18 action plan and ensure quality child care is a
78.19 vital component of additional regional
78.20 economic development planning processes;

78.21 (3) provide locally based training and technical
78.22 assistance to rural child care business owners
78.23 individually or through a learning cohort.
78.24 Access to financial and business development
78.25 assistance must prepare child care businesses
78.26 for quality engagement and improvement by
78.27 stabilizing operations, leveraging funding from
78.28 other sources, and fostering business acumen
78.29 that allows child care businesses to plan for
78.30 and afford the cost of providing quality child
78.31 care; and

78.32 (4) recruit child care programs to participate
78.33 in quality rating and improvement
78.34 measurement programs. The Minnesota

79.1 Initiative Foundations must work with local
79.2 partners to provide low-cost training,
79.3 professional development opportunities, and
79.4 continuing education curricula. The Minnesota
79.5 Initiative Foundations must fund, through local
79.6 partners, an enhanced level of coaching to
79.7 rural child care providers to obtain a quality
79.8 rating through measurement programs.

79.9 (j) \$8,000,000 each year is for the Minnesota
79.10 job creation fund under Minnesota Statutes,
79.11 section 116J.8748. Of this amount, the
79.12 commissioner of employment and economic
79.13 development may use up to three percent for
79.14 administrative expenses. This appropriation
79.15 is available until expended.

79.16 (k) \$10,029,000 the first year and \$10,028,000
79.17 the second year are for the Minnesota
79.18 investment fund under Minnesota Statutes,
79.19 section 116J.8731. Of this amount, the
79.20 commissioner of employment and economic
79.21 development may use up to three percent for
79.22 administration and monitoring of the program.
79.23 In fiscal year 2024 and beyond, the base
79.24 amount is \$12,370,000. This appropriation is
79.25 available until expended. Notwithstanding
79.26 Minnesota Statutes, section 116J.8731, money
79.27 appropriated to the commissioner for the
79.28 Minnesota investment fund may be used for
79.29 the redevelopment program under Minnesota
79.30 Statutes, sections 116J.575 and 116J.5761, at
79.31 the discretion of the commissioner. Grants
79.32 under this paragraph are not subject to the
79.33 grant amount limitation under Minnesota
79.34 Statutes, section 116J.8731.

80.1 (l) \$0 each year is for the redevelopment
80.2 program under Minnesota Statutes, sections
80.3 116J.575 and 116J.5761. In fiscal year 2024
80.4 and beyond, the base amount is \$2,246,000.

80.5 (m) \$1,000,000 each year is for the Minnesota
80.6 emerging entrepreneur loan program under
80.7 Minnesota Statutes, section 116M.18. Funds
80.8 available under this paragraph are for transfer
80.9 into the emerging entrepreneur program
80.10 special revenue fund account created under
80.11 Minnesota Statutes, chapter 116M, and are
80.12 available until expended. Of this amount, up
80.13 to four percent is for administration and
80.14 monitoring of the program.

80.15 (n) \$325,000 each year is for the Minnesota
80.16 Film and TV Board. The appropriation in each
80.17 year is available only upon receipt by the
80.18 board of \$1 in matching contributions of
80.19 money or in-kind contributions from nonstate
80.20 sources for every \$3 provided by this
80.21 appropriation, except that each year up to
80.22 \$50,000 is available on July 1 even if the
80.23 required matching contribution has not been
80.24 received by that date.

80.25 (o) \$12,000 each year is for a grant to the
80.26 Upper Minnesota Film Office.

80.27 (p) \$500,000 each year is for a grant to the
80.28 Minnesota Film and TV Board for the film
80.29 production jobs program under Minnesota
80.30 Statutes, section 116U.26. This appropriation
80.31 is available until June 30, 2025.

80.32 (q) \$4,195,000 each year is for the Minnesota
80.33 job skills partnership program under
80.34 Minnesota Statutes, sections 116L.01 to

81.1 116L.17. If the appropriation for either year
81.2 is insufficient, the appropriation for the other
81.3 year is available. This appropriation is
81.4 available until expended.

81.5 (r) \$1,350,000 each year from the workforce
81.6 development fund is for jobs training grants
81.7 under Minnesota Statutes, section 116L.41.

81.8 (s) \$2,500,000 each year is for Launch
81.9 Minnesota. This appropriation is available
81.10 until June 30, 2025. The base in fiscal year
81.11 2026 is \$0. Of this amount:

81.12 (1) \$1,500,000 each year is for innovation
81.13 grants to eligible Minnesota entrepreneurs or
81.14 start-up businesses to assist with their
81.15 operating needs;

81.16 (2) \$500,000 each year is for administration
81.17 of Launch Minnesota; and

81.18 (3) \$500,000 each year is for grantee activities
81.19 at Launch Minnesota.

81.20 (t) \$1,148,000 the first year is for a grant to
81.21 the Northeast Entrepreneur Fund, a small
81.22 business administration microlender and
81.23 community development financial institution
81.24 operating in northern Minnesota. Grant funds
81.25 must be used as capital for accessing
81.26 additional federal lending for small businesses
81.27 impacted by COVID-19 and must be returned
81.28 to the commissioner for deposit in the general
81.29 fund if the Northeast Entrepreneur Fund fails
81.30 to secure such federal funds before January 1,
81.31 2022.

81.32 (u) \$80,000,000 the first year is for the Main
81.33 Street Economic Revitalization Loan Program.
81.34 Of this amount, up to \$300,000 is for the

82.1 commissioner's administration and monitoring
82.2 of the program. This appropriation is available
82.3 until June 30, 2025.

82.4 (v) \$70,000,000 the first year is for the Main
82.5 Street COVID-19 Relief Grant Program. Of
82.6 this amount, up to:

82.7 (1) \$34,950,000 is for grants to the Minnesota
82.8 Initiative Foundations to serve businesses
82.9 outside of the metropolitan area as defined in
82.10 Minnesota Statutes, section 473.121,
82.11 subdivision 2;

82.12 (2) \$34,950,000 is for grants to partner
82.13 organizations to serve businesses inside the
82.14 metropolitan area as defined in Minnesota
82.15 Statutes, section 473.121, subdivision 2; and

82.16 (3) \$100,000 is for the commissioner's
82.17 administration and monitoring of the program.

82.18 (w) \$250,000 each year is for the publication,
82.19 dissemination, and use of labor market
82.20 information under Minnesota Statutes, section
82.21 116J.401.

82.22 (x) \$500,000 each year is for the airport
82.23 infrastructure renewal (AIR) grant program
82.24 under Minnesota Statutes, section 116J.439.
82.25 In awarding grants with this appropriation, the
82.26 commissioner must prioritize eligible
82.27 applicants that did not receive a grant pursuant
82.28 to the appropriation in Laws 2019, First
82.29 Special Session chapter 7, article 1, section 2,
82.30 subdivision 2, paragraph (q).

82.31 (y) \$750,000 each year is from the workforce
82.32 development fund for grants to the
82.33 Neighborhood Development Center for small
82.34 business programs, including:

- 83.1 (1) training, lending, and business services;
- 83.2 (2) model outreach and training in greater
- 83.3 Minnesota; and
- 83.4 (3) development of new business incubators.

83.5 This is a onetime appropriation.

- 83.6 (z) \$5,000,000 in the first year is for a grant
- 83.7 to Lake of the Woods County for the
- 83.8 forgivable loan program for remote
- 83.9 recreational businesses. This appropriation is
- 83.10 available until April 1, ~~2022~~ 2023.

83.11 **EFFECTIVE DATE.** This section is effective retroactively from March 31, 2022.

83.12 Sec. 4. Laws 2021, First Special Session chapter 10, article 1, section 5, is amended to

83.13 read:

83.14 Sec. 5. **BUREAU OF MEDIATION SERVICES \$ 2,370,000 \$ 2,415,000**

83.15 (a) \$125,000 each year is for purposes of the

83.16 Public Employment Relations Board under

83.17 Minnesota Statutes, section 179A.041. This

83.18 is a onetime appropriation.

83.19 ~~(b) \$68,000 each year is for grants to area~~

83.20 ~~labor management committees. Grants may~~

83.21 ~~be awarded for a 12-month period beginning~~

83.22 ~~July 1 each year. Any unencumbered balance~~

83.23 ~~remaining at the end of the first year does not~~

83.24 ~~cancel but is available for the second year.~~

83.25 ~~(c)~~ \$47,000 each year is for rulemaking,

83.26 staffing, and other costs associated with peace

83.27 officer grievance procedures.

83.28 Sec. 5. **MINNESOTA INVESTMENT FUND AND MINNESOTA JOB CREATION**

83.29 **FUND REQUIREMENTS EXTENSIONS.**

83.30 Notwithstanding any other law to the contrary, a recipient of a Minnesota Investment

83.31 Fund grant under Minnesota Statutes, section 116J.8731, or a recipient of a Minnesota Job

84.1 Creation Fund grant under Minnesota Statutes, section 116J.8748, who is unable to meet
 84.2 the minimum capital investment requirements, wage, or minimum job creation goals or
 84.3 requirements provided in a business subsidy agreement, as applicable, during or within the
 84.4 12-month period following a peacetime emergency related to the COVID-19 pandemic shall
 84.5 be granted an extension until December 31, 2023, to meet those capital investment, wage,
 84.6 or job creation goals or requirements before the grant must be repaid.

84.7 **EFFECTIVE DATE.** This section is effective retroactively from March 15, 2020.

84.8 **ARTICLE 7**
 84.9 **DEED POLICY**

84.10 Section 1. Minnesota Statutes 2020, section 116J.035, is amended by adding a subdivision
 84.11 to read:

84.12 Subd. 7a. **Competitive grants.** The commissioner shall, when awarding competitive
 84.13 grants to organizations for the purpose of providing job training, give priority to programs
 84.14 or organizations that focus job training in high-wage, high-demand careers. For purposes
 84.15 of this subdivision, "high-wage, high-demand" has the meaning given in section 116L.99.

84.16 Sec. 2. Minnesota Statutes 2020, section 116J.55, subdivision 6, is amended to read:

84.17 Subd. 6. **Eligible expenditures.** (a) Money in the account established in subdivision 3
 84.18 must be used only to:

84.19 (1) award grants to eligible communities under this section; and

84.20 (2) reimburse the department's reasonable costs to administer this section, up to a
 84.21 maximum of five percent of the appropriation made to the commissioner under this section.
 84.22 The commissioner may transfer part of the allowable administrative portion of this
 84.23 appropriation to the Environmental Quality Board to assist communities with regulatory
 84.24 coordination, and dedicated technical assistance on conversion for these communities.

84.25 (b) An eligible community awarded a grant under this section may use the grant to plan
 84.26 for or address the economic and social impacts on the eligible community of the electric
 84.27 generating plant's cessation of operations, including but not limited to land use studies,
 84.28 economic planning, researching, planning, and implementing activities and impact studies
 84.29 and other planning activities enabling communities to become shovel-ready and support
 84.30 the transition from power plants to other economic activities to minimize the negative
 84.31 impacts of power plant closures on tax revenues and jobs designed to:

85.1 (1) assist workers at the plant find new employment, including worker retraining and
85.2 developing small business start-up skills;

85.3 (2) increase the eligible community's property tax base; and

85.4 (3) develop alternative economic development strategies to attract new employers to the
85.5 eligible community.

85.6 Sec. 3. Minnesota Statutes 2020, section 116J.552, subdivision 6, is amended to read:

85.7 Subd. 6. **Municipality.** "Municipality" means the statutory or home rule charter city,
85.8 town, federally recognized Tribe, or, in the case of unorganized territory, the county in
85.9 which the site is located.

85.10 Sec. 4. Minnesota Statutes 2020, section 116J.8747, subdivision 2, is amended to read:

85.11 Subd. 2. **Qualified job training program.** To qualify for grants under this section, a
85.12 job training program must satisfy the following requirements:

85.13 (1) the program must be operated by a nonprofit corporation that qualifies under section
85.14 501(c)(3) of the Internal Revenue Code;

85.15 (2) the program may spend up to \$5,500 in total training per participant;

85.16 (3) the program must provide education and training in:

85.17 (i) basic skills, such as reading, writing, financial literacy, digital literacy, mathematics,
85.18 and communications;

85.19 (ii) long-term plans for success including participant coaching for two years after
85.20 placement;

85.21 (iii) soft skills, including skills critical to success on the job; and

85.22 (iv) access to internships, technology training, personal and emotional intelligence skill
85.23 development, and other support services;

85.24 (4) the program may provide ~~income supplements not to exceed \$2,000 per participant~~
85.25 support services, when needed, to participants for housing, counseling, tuition, and other
85.26 basic needs;

85.27 (5) individuals served by the program must be 18 years of age or older as of the date of
85.28 enrollment, and have household income in the six months immediately before entering the
85.29 program that is 200 percent or less of the federal poverty guideline for Minnesota, based
85.30 on family size; and

86.1 (6) the program must be certified by the commissioner of employment and economic
86.2 development as meeting the requirements of this subdivision.

86.3 Sec. 5. Minnesota Statutes 2020, section 116J.8747, subdivision 3, is amended to read:

86.4 Subd. 3. **Graduation and retention grant requirements.** (a) For purposes of a placement
86.5 grant under this section, a qualified graduate is a graduate of a job training program qualifying
86.6 under subdivision 2 who is placed in a job in Minnesota that pays at least the current state
86.7 minimum wage. To qualify for a retention grant under this section for a retention fee, a job
86.8 in which the graduate is retained must pay at least the current state minimum wage.

86.9 (b) Programs are limited to one placement and one retention payment for a qualified
86.10 graduate in a performance program.

86.11 Sec. 6. Minnesota Statutes 2020, section 116J.8747, subdivision 4, is amended to read:

86.12 Subd. 4. **Duties of program.** (a) A program certified by the commissioner under
86.13 subdivision 2 must comply with the requirements of this subdivision.

86.14 (b) A program must maintain and provide upon request records for each qualified
86.15 graduate. The records must include information sufficient to verify the graduate's eligibility
86.16 under this section, identify the employer, and describe the job including its compensation
86.17 rate ~~and~~, benefits, and average hours per week.

86.18 (c) A program is subject to the reporting requirements under section 116L.98.

86.19 Sec. 7. Minnesota Statutes 2020, section 116J.993, subdivision 3, is amended to read:

86.20 Subd. 3. **Business subsidy.** "Business subsidy" or "subsidy" means a state or local
86.21 government agency grant, contribution of personal property, real property, infrastructure,
86.22 the principal amount of a loan at rates below those commercially available to the recipient,
86.23 any reduction or deferral of any tax or any fee, any guarantee of any payment under any
86.24 loan, lease, or other obligation, or any preferential use of government facilities given to a
86.25 business.

86.26 The following forms of financial assistance are not a business subsidy:

86.27 (1) a business subsidy of less than \$150,000;

86.28 (2) assistance that is generally available to all businesses or to a general class of similar
86.29 businesses, such as a line of business, size, location, or similar general criteria;

- 87.1 (3) public improvements to buildings or lands owned by the state or local government
87.2 that serve a public purpose and do not principally benefit a single business or defined group
87.3 of businesses at the time the improvements are made;
- 87.4 (4) redevelopment property polluted by contaminants as defined in section 116J.552,
87.5 subdivision 3;
- 87.6 (5) assistance provided for the sole purpose of renovating old or decaying building stock
87.7 or bringing it up to code and assistance provided for designated historic preservation districts,
87.8 provided that the assistance is equal to or less than 50 percent of the total cost;
- 87.9 (6) assistance to provide job readiness and training services if the sole purpose of the
87.10 assistance is to provide those services;
- 87.11 (7) assistance for housing;
- 87.12 (8) assistance for pollution control or abatement, including assistance for a tax increment
87.13 financing hazardous substance subdistrict as defined under section 469.174, subdivision
87.14 23;
- 87.15 (9) assistance for energy conservation;
- 87.16 (10) tax reductions resulting from conformity with federal tax law;
- 87.17 (11) workers' compensation and unemployment insurance;
- 87.18 (12) benefits derived from regulation;
- 87.19 (13) indirect benefits derived from assistance to educational institutions;
- 87.20 (14) funds from bonds allocated under chapter 474A, bonds issued to refund outstanding
87.21 bonds, and bonds issued for the benefit of an organization described in section 501(c)(3)
87.22 of the Internal Revenue Code of 1986, as amended through December 31, 1999;
- 87.23 (15) assistance for a collaboration between a Minnesota higher education institution and
87.24 a business;
- 87.25 (16) assistance for a tax increment financing soils condition district as defined under
87.26 section 469.174, subdivision 19;
- 87.27 (17) redevelopment when the recipient's investment in the purchase of the site and in
87.28 site preparation is 70 percent or more of the assessor's current year's estimated market value;
- 87.29 (18) general changes in tax increment financing law and other general tax law changes
87.30 of a principally technical nature;

88.1 (19) federal assistance until the assistance has been repaid to, and reinvested by, the
88.2 state or local government agency;

88.3 (20) funds from dock and wharf bonds issued by a seaway port authority;

88.4 (21) business loans and loan guarantees of \$150,000 or less;

88.5 (22) federal loan funds provided through the United States Department of Commerce,
88.6 Economic Development Administration, Department of the Treasury; and

88.7 (23) property tax abatements granted under section 469.1813 to property that is subject
88.8 to valuation under Minnesota Rules, chapter 8100.

88.9 Sec. 8. Minnesota Statutes 2020, section 116L.04, subdivision 1a, is amended to read:

88.10 Subd. 1a. **Pathways program.** The pathways program may provide grants-in-aid for
88.11 developing programs which assist in the transition of persons from welfare to work and
88.12 assist individuals at or below 200 percent of the federal poverty guidelines. The program
88.13 is to be operated by the board. The board shall consult and coordinate with program
88.14 administrators at the Department of Employment and Economic Development to design
88.15 and provide services for temporary assistance for needy families recipients.

88.16 Pathways grants-in-aid may be awarded to educational or other nonprofit training
88.17 institutions or to workforce development intermediaries for education and training programs
88.18 and services supporting education and training programs that serve eligible recipients.

88.19 Preference shall be given to projects that:

88.20 (1) provide employment with benefits paid to employees;

88.21 (2) provide employment where there are defined career paths for trainees;

88.22 (3) pilot the development of an educational pathway that can be used on a continuing
88.23 basis for transitioning persons from welfare to work; and

88.24 (4) demonstrate the active participation of Department of Employment and Economic
88.25 Development workforce centers, Minnesota State College and University institutions and
88.26 other educational institutions, and local welfare agencies.

88.27 Pathways projects must demonstrate the active involvement and financial commitment
88.28 of participating private business businesses, Tribal-owned businesses, and municipal and
88.29 county hospitals. Pathways projects must be matched with cash or in-kind contributions on
88.30 at least a one-half-to-one ratio by participating private business businesses, Tribal-owned
88.31 businesses, and municipal or county hospitals.

89.1 A single grant to any one institution shall not exceed \$400,000. A portion of a grant may
89.2 be used for preemployment training.

89.3 Sec. 9. Minnesota Statutes 2020, section 116L.17, subdivision 1, is amended to read:

89.4 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
89.5 the meanings given them in this subdivision.

89.6 (b) "Commissioner" means the commissioner of employment and economic development.

89.7 (c) "Dislocated worker" means an individual who is a resident of Minnesota at the time
89.8 employment ceased or was working in the state at the time employment ceased and:

89.9 (1) has been permanently separated or has received a notice of permanent separation
89.10 from public or private sector employment and is eligible for or has exhausted entitlement
89.11 to unemployment benefits, and is unlikely to return to the previous industry or occupation;

89.12 (2) has been long-term unemployed and has limited opportunities for employment or
89.13 reemployment in the same or a similar occupation in the area in which the individual resides,
89.14 including older individuals who may have substantial barriers to employment by reason of
89.15 age;

89.16 (3) has been terminated or has received a notice of termination of employment as a result
89.17 of a plant closing or a substantial layoff at a plant, facility, or enterprise;

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

89.21 (5) is a veteran as defined by section 197.447, has been discharged or released from
89.22 active duty under honorable conditions within the last 36 months, and (i) is unemployed or
89.23 (ii) is employed in a job verified to be below the skill level and earning capacity of the
89.24 veteran;

89.25 (6) is an individual determined by the United States Department of Labor to be covered
89.26 by trade adjustment assistance under United States Code, title 19, sections 2271 to 2331,
89.27 as amended; or

89.28 (7) is a displaced homemaker. A "displaced homemaker" is an individual who has spent
89.29 a substantial number of years in the home providing homemaking service and (i) has been
89.30 dependent upon the financial support of another; and ~~now~~ due to divorce, separation, death,
89.31 or disability of that person, must now find employment to self support; or (ii) derived the
89.32 substantial share of support from public assistance on account of dependents in the home

90.1 and no longer receives such support. To be eligible under this clause, the support must have
 90.2 ceased while the worker resided in Minnesota.

90.3 For the purposes of this section, "dislocated worker" does not include an individual who
 90.4 was an employee, at the time employment ceased, of a political committee, political fund,
 90.5 principal campaign committee, or party unit, as those terms are used in chapter 10A, or an
 90.6 organization required to file with the federal elections commission.

90.7 (d) "Eligible organization" means a state or local government unit, nonprofit organization,
 90.8 community action agency, business organization or association, or labor organization.

90.9 (e) "Plant closing" means the announced or actual permanent shutdown of a single site
 90.10 of employment, or one or more facilities or operating units within a single site of
 90.11 employment.

90.12 (f) "Substantial layoff" means a permanent reduction in the workforce, which is not a
 90.13 result of a plant closing, and which results in an employment loss at a single site of
 90.14 employment during any 30-day period for at least 50 employees excluding those employees
 90.15 that work less than 20 hours per week.

90.16 Sec. 10. **[116L.36] REQUIREMENTS FOR GRANTS TO NONPROFIT**
 90.17 **ORGANIZATIONS.**

90.18 Subdivision 1. Purpose. In order to ensure that grants are awarded to mission-centered
 90.19 and fiscally responsible grantees, a nonprofit organization that is a recipient of a future or
 90.20 past grant or direct appropriation made by or through the department must provide
 90.21 information to the commissioner as specified in this section.

90.22 Subd. 2. Definitions. (a) For the purposes of this section, the terms defined in this
 90.23 subdivision have the meanings given them.

90.24 (b) "Compensation" means salary, bonuses, the present value of stock options, the value
 90.25 of employee benefits, employer contributions to retirement or deferred compensation plans
 90.26 on behalf of the officer or employee, and any other compensation or benefit of value.

90.27 (c) "Highly compensated employee" means an employee of a nonprofit organization
 90.28 with estimated annual wages that:

90.29 (1) are greater than 80 percent of the governor's annual salary; and

90.30 (2) are equal to, or greater than, 80 percent of the estimated annual wages of the second
 90.31 highest paid employee of the nonprofit organization.

91.1 (d) "Nonprofit organization" means an organization described in United States Code,
 91.2 title 26, section 501(c)(3), and is exempt from income tax under United States Code, title
 91.3 26, section 501(a).

91.4 Subd. 3. **Requirements.** (a) By September 1 of each year, a nonprofit organization that
 91.5 is recipient of a future or past grant or direct appropriation made by or through the department
 91.6 must provide the following to the commissioner:

91.7 (1) number of and compensation for any highly compensated employees of the nonprofit
 91.8 organization;

91.9 (2) administrative expenses of the nonprofit organization for the previous three years as
 91.10 evidenced by the nonprofit's Internal Revenue Service Form 990;

91.11 (3) total functional expenses, including the nonprofit's program expenses, administrative
 91.12 expenses, and fundraising expenses, for the previous three years; and

91.13 (4) revenue for the previous three years.

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

91.17 Subd. 4. **Reporting to legislature.** Beginning February 15, 2023, and each year thereafter,
 91.18 the commissioner must submit a combined report containing the information provided by
 91.19 the grant recipients to the chairs and ranking minority members of the legislative committees
 91.20 and budget divisions with jurisdiction over economic development. The commissioner shall
 91.21 also include in the report a calculation of each nonprofit's percentage of expenses and a
 91.22 revenue and expenses trend comparison over the previous three years.

91.23 Sec. 11. Minnesota Statutes 2020, section 116L.98, subdivision 2, is amended to read:

91.24 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this
 91.25 subdivision have the meanings given.

91.26 (b) "Credential" means postsecondary degrees, diplomas, licenses, and certificates
 91.27 awarded in recognition of an individual's attainment of measurable technical or occupational
 91.28 skills necessary to obtain employment or advance with an occupation. This definition does
 91.29 not include ~~certificates awarded by workforce investment boards or work-readiness~~
 91.30 ~~certificates.~~

91.31 (c) "Exit" means to have not received service under a workforce program for 90
 91.32 consecutive calendar days. The exit date is the last date of service.

92.1 (d) "Net impact" means the use of matched control groups and regression analysis to
92.2 estimate the impacts attributable to program participation net of other factors, including
92.3 observable personal characteristics and economic conditions.

92.4 (e) "Pre-enrollment" means the period of time before an individual was enrolled in a
92.5 workforce program.

92.6 Sec. 12. Minnesota Statutes 2020, section 116L.98, subdivision 3, is amended to read:

92.7 Subd. 3. **Uniform outcome report card; reporting by commissioner.** (a) By December
92.8 31 of each even-numbered year, the commissioner must report to the chairs and ranking
92.9 minority members of the committees of the house of representatives and the senate having
92.10 jurisdiction over economic development and workforce policy and finance the following
92.11 information separately for each of the previous two fiscal or calendar years, for each program
92.12 subject to the requirements of subdivision 1:

92.13 (1) the total number of participants enrolled;

92.14 (2) the median pre-enrollment wages based on participant wages for the second through
92.15 the fifth calendar quarters immediately preceding the quarter of enrollment excluding those
92.16 with zero income;

92.17 (3) the total number of participants with zero income in the second through fifth calendar
92.18 quarters immediately preceding the quarter of enrollment;

92.19 (4) the total number of participants enrolled in training;

92.20 (5) the total number of participants enrolled in training by occupational group;

92.21 (6) the total number of participants that exited the program and the average enrollment
92.22 duration of participants that have exited the program during the year;

92.23 (7) the total number of exited participants who completed training;

92.24 (8) the total number of exited participants who attained a credential;

92.25 (9) the total number of participants employed during three consecutive quarters
92.26 immediately following the quarter of exit, by industry;

92.27 (10) the median wages of participants employed during three consecutive quarters
92.28 immediately following the quarter of exit;

92.29 (11) the total number of participants employed during eight consecutive quarters
92.30 immediately following the quarter of exit, by industry;

93.1 (12) the median wages of participants employed during eight consecutive quarters
 93.2 immediately following the quarter of exit;

93.3 (13) the total cost of the program;

93.4 (14) the total cost of the program per participant;

93.5 (15) the cost per credential received by a participant; and

93.6 (16) the administrative cost of the program.

93.7 (b) The report to the legislature must contain:

93.8 (1) participant information by education level, race and ethnicity, gender, and geography,
 93.9 and a comparison of exited participants who completed training and those who did not; and

93.10 (2) a list of any grant recipients that did not satisfy all of the reporting requirements of
 93.11 this section for the applicable reporting period.

93.12 (c) The requirements of this section apply to programs administered directly by the
 93.13 commissioner or administered by other organizations under a grant made by the department.

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

93.15 **181.032 REQUIRED STATEMENT OF EARNINGS BY EMPLOYER; NOTICE**
 93.16 **TO EMPLOYEE.**

93.17 (a) At the end of each pay period, the employer shall provide each employee an earnings
 93.18 statement, either in writing or by electronic means, covering that pay period. An employer
 93.19 who chooses to provide an earnings statement by electronic means must provide employee
 93.20 access to an employer-owned computer during an employee's regular working hours to
 93.21 review and print earnings statements.

93.22 (b) The earnings statement may be in any form determined by the employer but must
 93.23 include:

93.24 (1) the name of the employee;

93.25 (2) the rate or rates of pay and basis thereof, including whether the employee is paid by
 93.26 hour, shift, day, week, salary, piece, commission, or other method;

93.27 (3) allowances, if any, claimed pursuant to permitted meals and lodging;

93.28 (4) the total number of hours worked by the employee unless exempt from chapter 177;

93.29 (5) the total amount of gross pay earned by the employee during that period;

93.30 (6) a list of deductions made from the employee's pay;

- 94.1 (7) the net amount of pay after all deductions are made;
- 94.2 (8) the date on which the pay period ends;
- 94.3 (9) the legal name of the employer and the operating name of the employer if different
94.4 from the legal name;
- 94.5 (10) the physical address of the employer's main office or principal place of business,
94.6 and a mailing address if different; and
- 94.7 (11) the telephone number of the employer.
- 94.8 (c) An employer must provide earnings statements to an employee in writing, rather
94.9 than by electronic means, if the employer has received at least 24 hours notice from an
94.10 employee that the employee would like to receive earnings statements in written form. Once
94.11 an employer has received notice from an employee that the employee would like to receive
94.12 earnings statements in written form, the employer must comply with that request on an
94.13 ongoing basis.
- 94.14 (d) ~~At~~ Within seven days of the start of employment, an employer shall provide each
94.15 employee a ~~written~~ notice, either in writing or by electronic means, containing the following
94.16 information:
- 94.17 (1) the rate or rates of pay and basis thereof, including whether the employee is paid by
94.18 the hour, shift, day, week, salary, piece, commission, or other method, and the specific
94.19 application of any additional rates, as well as any pay schedule or range of pay for an
94.20 employee who is reasonably expected to move between job duties, classifications, and pay
94.21 or benefit structures in their day-to-day duties;
- 94.22 (2) allowances, if any, claimed pursuant to permitted meals and lodging;
- 94.23 (3) paid vacation, sick time, or other paid time-off accruals and terms of use;
- 94.24 (4) the employee's employment status and whether the employee is exempt from minimum
94.25 wage, overtime, and other provisions of chapter 177, and on what basis;
- 94.26 (5) a list of deductions that may be made from the employee's pay;
- 94.27 (6) the number of days in the pay period, the regularly scheduled pay day, and the pay
94.28 day on which the employee will receive the first payment of wages earned;
- 94.29 (7) the legal name of the employer and the operating name of the employer if different
94.30 from the legal name;

95.1 (8) the physical address of the employer's main office or principal place of business, and
95.2 a mailing address if different; ~~and~~

95.3 (9) the telephone number of the employer; and

95.4 (10) a checkbox to indicate whether a hiring employer is a staffing agency and space
95.5 for a staffing agency to indicate the initial entity for which the employee will perform work.

95.6 (e) The employer must keep a copy of the notice under paragraph (d) signed by each
95.7 employee acknowledging receipt of the notice. An employee's signature on the notice
95.8 constitutes acknowledgment of receipt of the notice and does not create a contract. For the
95.9 purposes of this paragraph, "signed" means a written signature or an electronic signature
95.10 as defined in section 325L.02. The notice must be provided to each employee in English.
95.11 The English version of the notice must include text provided by the commissioner that
95.12 informs employees that they may request, by indicating on the form, the notice be provided
95.13 in a particular language. If requested, the employer shall provide the notice in the language
95.14 requested by the employee. The commissioner shall make available to employers the text
95.15 to be included in the English version of the notice required by this section and assist
95.16 employers with translation of the notice in the languages requested by their employees.

95.17 (f) The notice requirement under paragraph (d) is satisfied for an employee if the
95.18 employee has received all of the information required in paragraph (d) specific to the
95.19 employee through a collective bargaining agreement, employee handbook, offer letter, or
95.20 a combination of those documents. In such an instance, the employer must retain a record
95.21 or listing of the referenced documents that satisfied the notice requirement in paragraph (d).

95.22 (g) An employer must provide the employee any ~~written~~ changes to the information
95.23 contained in the notice under paragraph (d) ~~prior to the,~~ either in writing or by electronic
95.24 means, by the date of the employee's next earnings statement following the date the changes
95.25 take effect. The notice of changes to information under this paragraph does not require a
95.26 signature by the employee acknowledging receipt. The requirements of this paragraph are
95.27 satisfied if the changes to information are contained on the employee's next earnings
95.28 statement.

95.29 (h) Notice is not required under paragraph (g) to an employee for discretionary pay. For
95.30 the purposes of this section, "discretionary pay" means compensation paid by the employer
95.31 for which the amount and timing are not disclosed in advance by the employer and are at
95.32 the employer's sole discretion.

96.1 (i) Notice is not required under paragraph (g) to an employee employed by a staffing
96.2 agency upon subsequent job placements following the initial placement by the staffing
96.3 agency.

96.4 (j) The commissioner shall issue a written warning to an employer upon the first finding
96.5 of a violation or violations of the notice requirements found in paragraphs (d) to (g). For
96.6 purposes of this paragraph, discovery by the commissioner of more than one violation of
96.7 the notice requirements under paragraphs (d) to (g) at the same employer during the same
96.8 investigation shall be considered a single violation.

96.9 Sec. 14. Minnesota Statutes 2020, section 181.101, is amended to read:

96.10 **181.101 WAGES; HOW OFTEN PAID.**

96.11 (a) Except as provided in paragraph (b), every employer must pay all wages, including
96.12 salary, earnings, and gratuities earned by an employee at least once every 31 days and all
96.13 commissions earned by an employee at least once every three months, on a regular payday
96.14 designated in advance by the employer regardless of whether the employee requests payment
96.15 at longer intervals. Unless paid earlier, the wages earned during the first half of the first
96.16 31-day pay period become due on the first regular payday following the first day of work.
96.17 If wages or commissions earned are not paid, the commissioner of labor and industry or the
96.18 commissioner's representative may serve a demand for payment on behalf of an employee.
96.19 In addition to other remedies under section 177.27, if payment of wages is not made within
96.20 ten days of service of the demand, the commissioner may charge and collect the wages
96.21 earned at the employee's rate or rates of pay or at the rate or rates required by law, including
96.22 any applicable statute, regulation, rule, ordinance, government resolution or policy, contract,
96.23 or other legal authority, whichever rate of pay is greater, and a penalty in the amount of the
96.24 employee's average daily earnings at the same rate or rates, not exceeding 20 days total,
96.25 for each day beyond the ten-day limit following the demand. If payment of commissions is
96.26 not made within ten days of service of the demand, the commissioner may charge and collect
96.27 the commissions earned and a penalty equal to 1/15 of the commissions earned but unpaid,
96.28 not exceeding 20 days total, for each day beyond the ten-day limit. Money collected by the
96.29 commissioner must be paid to the employee concerned. This section does not prevent an
96.30 employee from prosecuting a claim for wages. This section does not prevent a school district,
96.31 other public school entity, or other school, as defined under section 120A.22, from paying
96.32 any wages earned by its employees during a school year on regular paydays in the manner
96.33 provided by an applicable contract or collective bargaining agreement, or a personnel policy
96.34 adopted by the governing board. For purposes of this section, "employee" includes a person

97.1 who performs agricultural labor as defined in section 181.85, subdivision 2. For purposes
 97.2 of this section, wages are earned on the day an employee works. This section provides a
 97.3 substantive right for employees to the payment of wages, including salary, earnings, and
 97.4 gratuities, as well as commissions, in addition to the right to be paid at certain times.

97.5 (b) An employer of a volunteer firefighter, as defined in section 424A.001, subdivision
 97.6 10, a member of an organized first responder squad that is formally recognized by a political
 97.7 subdivision in the state, or a volunteer ambulance driver or attendant must pay all wages
 97.8 earned by the volunteer firefighter, first responder, or volunteer ambulance driver or attendant
 97.9 at least once every 31 days, unless the employer and the employee mutually agree upon
 97.10 payment at longer intervals.

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

97.13 Subd. 7. Overpayments; report to legislature. Beginning January 15, 2023, and each
 97.14 January 15 thereafter, the commissioner must report to the chairs and ranking minority
 97.15 members of the committees of the house of representatives and the senate having jurisdiction
 97.16 over unemployment insurance for the previous calendar year, to the extent that the following
 97.17 information is not classified as not public under chapter 13 or 268:

97.18 (1) the number and total dollar amount of overpayments made by the department,
 97.19 regardless of whether the improper recipient of the overpayment was identified by the
 97.20 department;

97.21 (2) the number and total dollar amount of overpayments as a percentage of total claims
 97.22 paid over the same period;

97.23 (3) for each overpayment, the dollar amount of the overpayment and information as to
 97.24 whether the overpayment was made due to:

97.25 (i) misrepresentation by a legitimate applicant;

97.26 (ii) fraud attempt through identity theft; or

97.27 (iii) other fraud attempt by an unidentified imposter or hijacker;

97.28 (4) information regarding the number of suspected fraud attempts by imposters or
 97.29 hijackers that the department identified and stopped prior to issuing an overpayment; and

97.30 (5) the number of times the department referred fraud cases to law enforcement.

98.1 Sec. 16. Laws 2021, First Special Session chapter 10, article 2, section 24, subdivision 1,
98.2 is amended to read:

98.3 Subdivision 1. **Establishment.** Lake of the Woods County shall establish a loan program
98.4 to make forgivable loans to eligible remote recreational businesses that experienced a loss
98.5 in revenue that is greater than 30 percent during the period between March 15, ~~2020~~ 2021,
98.6 and March 15, ~~2021~~ 2022, as compared with ~~the previous year~~ March 15, 2019, and March
98.7 15, 2020.

98.8 **EFFECTIVE DATE.** This section is effective retroactively from March 31, 2022.

98.9 Sec. 17. Laws 2021, First Special Session chapter 10, article 2, section 24, subdivision 3,
98.10 is amended to read:

98.11 Subd. 3. **Eligibility.** To be eligible for a forgivable loan, a remote recreational business
98.12 must:

98.13 (1) have been in operation on March 15, ~~2020~~ 2021;

98.14 (2) show that the closure and ongoing COVID-19-related requirements of the United
98.15 States and Canadian border restricted the ability of American customers to access the location
98.16 of the remote recreational business; and

98.17 (3) not have received a grant under the Main Street COVID-19 relief grant program.

98.18 **EFFECTIVE DATE.** This section is effective retroactively from March 31, 2022.

98.19 Sec. 18. Laws 2021, First Special Session chapter 10, article 2, section 24, subdivision 4,
98.20 is amended to read:

98.21 Subd. 4. **Application.** (a) Lake of the Woods County shall develop forms and procedures
98.22 for soliciting and reviewing applications for loans under this section.

98.23 (b) Loans shall be made before ~~April 1, 2022~~ December 30, 2022. Any funds not spent
98.24 by April 1, ~~2022~~ 2023, must be returned to the state general fund.

98.25 (c) If there are insufficient funds to fund all claims in full, the county shall distribute
98.26 funds on a prorated basis.

98.27 **EFFECTIVE DATE.** This section is effective retroactively from March 31, 2022.

99.1 Sec. 19. Laws 2021, First Special Session chapter 10, article 2, section 24, subdivision 5,
99.2 is amended to read:

99.3 Subd. 5. **Maximum loan amount.** The maximum loan amount shall be equal to 75
99.4 percent of the remote recreational business's gross annual receipts for fiscal ~~year~~ years 2020
99.5 and 2021, not to exceed \$500,000 per eligible remote recreational business.

99.6 **EFFECTIVE DATE.** This section is effective retroactively from March 31, 2022.

99.7 Sec. 20. Laws 2021, First Special Session chapter 10, article 2, section 24, subdivision 7,
99.8 is amended to read:

99.9 Subd. 7. **Report to legislature.** By ~~January 15~~ April 30, 2023, Lake of the Woods County
99.10 shall report to the legislative committees with jurisdiction over economic development
99.11 policy and finance on the loans provided to remote recreational businesses under this section.

99.12 **EFFECTIVE DATE.** This section is effective retroactively from March 31, 2022.

99.13 Sec. 21. **PAY FOR PERFORMANCE.**

99.14 Of the amounts appropriated in law from the workforce development fund for grants to
99.15 pass-through entities, 25 percent in fiscal year 2024 and 50 percent in fiscal year 2025 are
99.16 for performance grants under Minnesota Statutes, section 116J.8747.

99.17 ARTICLE 8

99.18 LABOR APPROPRIATIONS

99.19 Section 1. **APPROPRIATIONS.**

99.20 The sums shown in the columns under "Appropriations" are added to the appropriations
99.21 in Laws 2021, First Special Session chapter 10, or other law to the specified agencies. The
99.22 appropriations are from the general fund, or another named fund, and are available for the
99.23 fiscal years indicated for each purpose. The figures "2022" and "2023" used in this article
99.24 mean that the appropriations listed under them are available for the fiscal year ending June
99.25 30, 2022, or June 30, 2023, respectively. Appropriations for the fiscal year ending June 30,
99.26 2022, are effective the day following final enactment.

99.27 **APPROPRIATIONS**

99.28 **Available for the Year**

99.29 **Ending June 30**

99.30 **2022**

2023

99.31 Sec. 2. **DEPARTMENT OF LABOR AND**
99.32 **INDUSTRY**

100.1	<u>Subdivision 1. Total Appropriation</u>		<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>25,000</u>
100.2	<u>Appropriations by Fund</u>					
100.3		<u>2022</u>	<u>2023</u>			
100.4	<u>General</u>	<u>-0-</u>	<u>25,000</u>			
100.5	<u>Subd. 2. Workforce Development Initiatives</u>			<u>-0-</u>		<u>25,000</u>
100.6	<u>\$25,000 in fiscal year 2023 is for youth skills</u>					
100.7	<u>training grants under Minnesota Statutes,</u>					
100.8	<u>section 175.46. This is a onetime</u>					
100.9	<u>appropriation.</u>					

100.10 **ARTICLE 9**

100.11 **LABOR AND INDUSTRY POLICY AND TECHNICAL**

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

100.13 Subd. 4. **Special requirements.** (a) **Space for commuter vans.** The code must require
 100.14 that any parking ramp or other parking facility constructed in accordance with the code
 100.15 include an appropriate number of spaces suitable for the parking of motor vehicles having
 100.16 a capacity of seven to 16 persons and which are principally used to provide prearranged
 100.17 commuter transportation of employees to or from their place of employment or to or from
 100.18 a transit stop authorized by a local transit authority.

100.19 (b) **Smoke detection devices.** The code must require that all dwellings, lodging houses,
 100.20 apartment houses, and hotels as defined in section 299F.362 comply with the provisions of
 100.21 section 299F.362.

100.22 (c) **Doors in nursing homes and hospitals.** The State Building Code may not require
 100.23 that each door entering a sleeping or patient's room from a corridor in a nursing home or
 100.24 hospital with an approved complete standard automatic fire extinguishing system be
 100.25 constructed or maintained as self-closing or automatically closing.

100.26 (d) **Child care facilities in churches; ground level exit.** A licensed day care center
 100.27 serving fewer than 30 preschool age persons and which is located in a belowground space
 100.28 in a church building is exempt from the State Building Code requirement for a ground level
 100.29 exit when the center has more than two stairways to the ground level and its exit.

100.30 (e) **Family and group family day care.** Until the legislature enacts legislation specifying
 100.31 appropriate standards, the definition of dwellings constructed in accordance with the
 100.32 International Residential Code as adopted as part of the State Building Code applies to

101.1 family and group family day care homes licensed by the Department of Human Services
101.2 under Minnesota Rules, chapter 9502.

101.3 (f) **Enclosed stairways.** No provision of the code or any appendix chapter of the code
101.4 may require stairways of existing multiple dwelling buildings of two stories or less to be
101.5 enclosed.

101.6 (g) **Double cylinder dead bolt locks.** No provision of the code or appendix chapter of
101.7 the code may prohibit double cylinder dead bolt locks in existing single-family homes,
101.8 townhouses, and first floor duplexes used exclusively as a residential dwelling. Any
101.9 recommendation or promotion of double cylinder dead bolt locks must include a warning
101.10 about their potential fire danger and procedures to minimize the danger.

101.11 (h) **Relocated residential buildings.** A residential building relocated within or into a
101.12 political subdivision of the state need not comply with the State Energy Code or section
101.13 326B.439 provided that, where available, an energy audit is conducted on the relocated
101.14 building.

101.15 (i) **Automatic garage door opening systems.** The code must require all residential
101.16 buildings as defined in section 325F.82 to comply with the provisions of sections 325F.82
101.17 and 325F.83.

101.18 (j) **Exterior wood decks, patios, and balconies.** The code must permit the decking
101.19 surface and upper portions of exterior wood decks, patios, and balconies to be constructed
101.20 of (1) heartwood from species of wood having natural resistance to decay or termites,
101.21 including redwood and cedars, (2) grades of lumber which contain sapwood from species
101.22 of wood having natural resistance to decay or termites, including redwood and cedars, or
101.23 (3) treated wood. The species and grades of wood products used to construct the decking
101.24 surface and upper portions of exterior decks, patios, and balconies must be made available
101.25 to the building official on request before final construction approval.

101.26 (k) **Bioprocess piping and equipment.** No permit fee for bioprocess piping may be
101.27 imposed by municipalities under the State Building Code, except as required under section
101.28 326B.92 subdivision 1. Permits for bioprocess piping shall be according to section 326B.92
101.29 administered by the Department of Labor and Industry. All data regarding the material
101.30 production processes, including the bioprocess system's structural design and layout, are
101.31 nonpublic data as provided by section 13.7911.

101.32 (l) **Use of ungraded lumber.** The code must allow the use of ungraded lumber in
101.33 geographic areas of the state where the code did not generally apply as of April 1, 2008, to
101.34 the same extent that ungraded lumber could be used in that area before April 1, 2008.

102.1 (m) **Window cleaning safety.** ~~The code must require the installation of dedicated~~
 102.2 ~~anchorages for the purpose of suspended window cleaning on (1) new buildings four stories~~
 102.3 ~~or greater; and (2) buildings four stories or greater, only on those areas undergoing~~
 102.4 ~~reconstruction, alteration, or repair that includes the exposure of primary structural~~
 102.5 ~~components of the roof~~ The code shall incorporate by reference nationally recognized safety
 102.6 standards for window cleaning developed by the International Window Cleaning Association
 102.7 (IWCA) and approved by the American National Standards Institute (ANSI). Such standards
 102.8 shall require that window cleaning safety features be provided for all windows on:

102.9 (1) new buildings where determined by the standard; and

102.10 (2) existing buildings undergoing alterations where both of the following conditions are
 102.11 met:

102.12 (i) the windows do not currently have safe window cleaning features; and

102.13 (ii) the proposed work area being altered can include provisions for safe window cleaning.

102.14 ~~The commissioner may waive all or a portion of the requirements of this paragraph~~
 102.15 ~~related to reconstruction, alteration, or repair, if the installation of dedicated anchorages~~
 102.16 ~~would not result in significant safety improvements due to limits on the size of the project,~~
 102.17 ~~or other factors as determined by the commissioner.~~

102.18 Sec. 2. Minnesota Statutes 2021 Supplement, section 326B.153, subdivision 1, is amended
 102.19 to read:

102.20 Subdivision 1. **Building permits.** (a) Fees for building permits submitted as required
 102.21 in section 326B.107 include:

102.22 (1) the fee as set forth in the fee schedule in paragraph (b) or as adopted by a municipality;
 102.23 and

102.24 (2) the surcharge required by section 326B.148.

102.25 (b) The total valuation and fee schedule is:

102.26 (1) \$1 to \$500, ~~\$29.50~~ \$21;

102.27 (2) \$501 to \$2,000, ~~\$28~~ \$21 for the first \$500 plus ~~\$3.70~~ \$2.75 for each additional \$100
 102.28 or fraction thereof, to and including \$2,000;

102.29 (3) \$2,001 to \$25,000, ~~\$83.50~~ \$62.25 for the first \$2,000 plus ~~\$16.55~~ \$12.50 for each
 102.30 additional \$1,000 or fraction thereof, to and including \$25,000;

103.1 (4) \$25,001 to \$50,000, ~~\$464.15~~ \$349.75 for the first \$25,000 plus ~~\$12~~ \$9 for each
 103.2 additional \$1,000 or fraction thereof, to and including \$50,000;

103.3 (5) \$50,001 to \$100,000, ~~\$764.15~~ \$574.75 for the first \$50,000 plus ~~\$8.45~~ \$6.25 for
 103.4 each additional \$1,000 or fraction thereof, to and including \$100,000;

103.5 (6) \$100,001 to \$500,000, ~~\$1,186.65~~ \$887.25 for the first \$100,000 plus ~~\$6.75~~ \$5 for
 103.6 each additional \$1,000 or fraction thereof, to and including \$500,000;

103.7 (7) \$500,001 to \$1,000,000, ~~\$3,886.65~~ \$2,887.25 for the first \$500,000 plus ~~\$5.50~~ \$4.25
 103.8 for each additional \$1,000 or fraction thereof, to and including \$1,000,000; and

103.9 (8) \$1,000,001 and up, ~~\$6,636.65~~ \$5,012.25 for the first \$1,000,000 plus ~~\$4.50~~ \$2.75
 103.10 for each additional \$1,000 or fraction thereof.

103.11 (c) Other inspections and fees are:

103.12 (1) inspections outside of normal business hours (minimum charge two hours), \$63.25
 103.13 per hour;

103.14 (2) reinspection fees, \$63.25 per hour;

103.15 (3) inspections for which no fee is specifically indicated (minimum charge one-half
 103.16 hour), \$63.25 per hour; and

103.17 (4) additional plan review required by changes, additions, or revisions to approved plans
 103.18 (minimum charge one-half hour), \$63.25 per hour.

103.19 (d) If the actual hourly cost to the jurisdiction under paragraph (c) is greater than \$63.25,
 103.20 then the greater rate shall be paid. Hourly cost includes supervision, overhead, equipment,
 103.21 hourly wages, and fringe benefits of the employees involved.

103.22 **EFFECTIVE DATE.** This section is effective retroactively from October 1, 2021.

103.23 Sec. 3. Minnesota Statutes 2020, section 326B.163, subdivision 5, is amended to read:

103.24 Subd. 5. **Elevator.** As used in this chapter, "elevator" means moving walks and vertical
 103.25 transportation devices such as escalators, passenger elevators, freight elevators, dumbwaiters,
 103.26 hand-powered elevators, endless belt lifts, and ~~wheelchair~~ platform lifts. Elevator does not
 103.27 include external temporary material lifts or temporary construction personnel elevators at
 103.28 sites of construction of new or remodeled buildings.

104.1 Sec. 4. Minnesota Statutes 2020, section 326B.163, is amended by adding a subdivision
104.2 to read:

104.3 Subd. 5a. **Platform lift.** As used in this chapter, "platform lift" means a powered hoisting
104.4 and lowering device designed to transport mobility-impaired persons on a guided platform.

104.5 Sec. 5. Minnesota Statutes 2020, section 326B.164, subdivision 13, is amended to read:

104.6 **Subd. 13. Exemption from licensing.** (a) Employees of a licensed elevator contractor
104.7 or licensed limited elevator contractor are not required to hold or obtain a license under this
104.8 section or be provided with direct supervision by a licensed master elevator constructor,
104.9 licensed limited master elevator constructor, licensed elevator constructor, or licensed limited
104.10 elevator constructor to install, maintain, or repair platform lifts and stairway chairlifts.
104.11 Unlicensed employees performing elevator work under this exemption must comply with
104.12 subdivision 5. This exemption does not include the installation, maintenance, repair, or
104.13 replacement of electrical wiring for elevator equipment.

104.14 (b) Contractors or individuals shall not be required to hold or obtain a license under this
104.15 section when performing work on:

104.16 (1) conveyors, including vertical reciprocating conveyors;

104.17 (2) platform lifts not covered under section 326B.163, subdivision 5a; or

104.18 (3) dock levelers.

104.19 Sec. 6. Minnesota Statutes 2020, section 326B.36, subdivision 7, is amended to read:

104.20 **Subd. 7. Exemptions from inspections.** Installations, materials, or equipment shall not
104.21 be subject to inspection under sections 326B.31 to 326B.399:

104.22 (1) when owned or leased, operated and maintained by any employer whose maintenance
104.23 electricians are exempt from licensing under sections 326B.31 to 326B.399, while performing
104.24 electrical maintenance work only as defined by rule;

104.25 (2) when owned or leased, and operated and maintained by any electrical,
104.26 communications, or railway utility, cable communications company as defined in section
104.27 238.02, or telephone company as defined under section 237.01, in the exercise of its utility,
104.28 antenna, or telephone function; and

104.29 (i) are used exclusively for the generations, transformation, distribution, transmission,
104.30 load control, or metering of electric current, or the operation of railway signals, or the
104.31 transmission of intelligence, and do not have as a principal function the consumption or use

105.1 of electric current by or for the benefit of any person other than such utility, cable
105.2 communications company, or telephone company; and

105.3 (ii) are generally accessible only to employees of such utility, cable communications
105.4 company, or telephone company or persons acting under its control or direction; and

105.5 (iii) are not on the load side of the service point or point of entrance for communication
105.6 systems;

105.7 (3) when used in the street lighting operations of an electrical utility;

105.8 (4) when used as outdoor area lights which are owned and operated by an electrical
105.9 utility and which are connected directly to its distribution system and located upon the
105.10 utility's distribution poles, and which are generally accessible only to employees of such
105.11 utility or persons acting under its control or direction;

105.12 (5) when the installation, material, and equipment are in facilities subject to the
105.13 jurisdiction of the federal Mine Safety and Health Act; or

105.14 (6) when the installation, material, and equipment is part of an elevator installation for
105.15 which the elevator contractor, licensed under section 326B.164, is required to obtain a permit
105.16 from the authority having jurisdiction as provided by section 326B.184, and the inspection
105.17 has been or will be performed by an elevator inspector certified and licensed by the
105.18 department. This exemption shall apply only to installations, material, and equipment
105.19 permitted or required to be connected on the load side of the disconnecting means required
105.20 for elevator equipment under National Electrical Code Article 620, and elevator
105.21 communications and alarm systems within the machine room, car, hoistway, or elevator
105.22 lobby.

105.23 Sec. 7. Minnesota Statutes 2020, section 326B.36, is amended by adding a subdivision to
105.24 read:

105.25 Subd. 8. **Electric utility exemptions; additional requirements.** For exemptions to
105.26 inspections exclusively for load control allowed for electrical utilities under subdivision 7,
105.27 clause (2), item (i), the following requirements apply:

105.28 (1) the exempted work must be conducted by a Class A electrical contractor. If a
105.29 deficiency or code violation is found when conducting such work, the electrical contractor
105.30 or other designee must report the deficiency or code violation to the electric utility; and

105.31 (2) the electric utility must, within ten calendar days of discovering the need for repair,
105.32 inform the owner:

- 106.1 (i) of the location of the materials or equipment that need repair;
 106.2 (ii) that a permit is required for the work; and
 106.3 (iii) of a time frame for the repair to be complete, not to exceed six months, after which
 106.4 time the utility must disconnect the materials or equipment.

106.5 Sec. 8. Minnesota Statutes 2020, section 326B.42, subdivision 1b, is amended to read:

106.6 Subd. 1b. **Backflow prevention rebuilder.** (a) A "backflow prevention rebuilder" is an
 106.7 individual who is qualified by training prescribed by the Plumbing Board and possesses a
 106.8 master or journeyworker plumber's license to engage in the testing, maintenance, and
 106.9 rebuilding of ~~reduced-pressure zone type~~ backflow prevention assemblies as regulated by
 106.10 the Plumbing Code.

106.11 (b) For the purposes of this section and section 326B.437, a backflow prevention rebuilder
 106.12 who is qualified by training prescribed by the Plumbing Board and engages in rebuilding
 106.13 of backflow prevention assemblies limited to systems used to apply water to soil and plant
 106.14 materials or provide water to landscape features is exempt from the licensing requirements
 106.15 of paragraph (a). Nothing in this paragraph allows an employee or delegate of the backflow
 106.16 prevention rebuilder or tester to engage in the testing, maintenance, and rebuilding of
 106.17 backflow prevention assemblies as regulated by the Plumbing Code, unless the employee
 106.18 or delegate has the requisite backflow prevention tester or rebuilder training prescribed by
 106.19 the Plumbing Board.

106.20 Sec. 9. Minnesota Statutes 2020, section 326B.42, subdivision 1c, is amended to read:

106.21 Subd. 1c. **Backflow prevention tester.** A "backflow prevention tester" is an individual
 106.22 who is qualified by training prescribed by the Plumbing Board to engage in the testing of
 106.23 ~~reduced-pressure zone type~~ backflow prevention assemblies as regulated by the Plumbing
 106.24 Code.

106.25 Sec. 10. Minnesota Statutes 2020, section 326B.437, is amended to read:

106.26 **326B.437 REDUCED-PRESSURE BACKFLOW PREVENTION REBUILDERS**
 106.27 **AND TESTERS.**

106.28 (a) No person shall perform or offer to perform the installation, ~~maintenance, repair, or~~
 106.29 ~~replacement, or rebuilding of reduced-pressure zone~~ of backflow prevention assemblies
 106.30 unless the person obtains a plumbing contractor's license. An individual shall not engage
 106.31 in the testing, maintenance, ~~repair,~~ or rebuilding of ~~reduced-pressure zone~~ backflow

107.1 prevention assemblies, as regulated by the Plumbing Code, unless the individual is certified
107.2 by the commissioner as a backflow prevention rebuilder.

107.3 (b) An individual shall not engage in testing of a ~~reduced-pressure-zone~~ backflow
107.4 prevention assembly, as regulated by the Plumbing Code, unless the individual possesses
107.5 a backflow prevention rebuilder certificate or is certified by the commissioner as a backflow
107.6 prevention tester.

107.7 (c) Certificates are issued for an initial period of two years and must be renewed every
107.8 two years thereafter for as long as the certificate holder ~~installs, maintains, repairs,~~ rebuilds,
107.9 or tests ~~reduced-pressure-zone~~ backflow prevention assemblies. For purposes of calculating
107.10 fees under section 326B.092, an initial or renewed backflow prevention rebuilder or tester
107.11 certificate shall be considered an entry level license.

107.12 ~~(d) The Plumbing Board shall adopt expedited rules under section 14.389 that are related~~
107.13 ~~to the certification of backflow prevention rebuilders and backflow prevention testers.~~
107.14 ~~Section 326B.13, subdivision 8, does not apply to these rules. Notwithstanding the 18-month~~
107.15 ~~limitation under section 14.125, this authority expires on December 31, 2014.~~

107.16 ~~(e) The department shall recognize certification programs that are a minimum of 16~~
107.17 ~~contact hours and include the passage of an examination. The examination must consist of~~
107.18 ~~a practical and a written component. This paragraph expires when the Plumbing Board~~
107.19 ~~adopts rules under paragraph (d).~~

107.20 Sec. 11. Minnesota Statutes 2020, section 326B.46, subdivision 2, is amended to read:

107.21 Subd. 2. **Bond; insurance.** (a) The bond and insurance requirements of paragraphs (b)
107.22 and (c) apply to each person who performs or offers to perform plumbing work within the
107.23 state, including any person who offers to perform or performs sewer or water service
107.24 installation or backflow prevention testing or rebuilding as described under subdivision 1b,
107.25 paragraph (b), without a contractor's license. If the person performs or offers to perform
107.26 any plumbing work other than sewer or water service installation or backflow prevention
107.27 testing or rebuilding as described under subdivision 1b, paragraph (b), then the person must
107.28 meet the requirements of paragraphs (b) and (c) as a condition of holding a contractor's
107.29 license.

107.30 (b) Each person who performs or offers to perform plumbing work within the state shall
107.31 give and maintain bond to the state in the penal sum of at least \$25,000 for (1) all plumbing
107.32 work entered into within the state or (2) all plumbing work and subsurface sewage treatment
107.33 work entered into within the state. The bond must comply with section 326B.0921. If the

108.1 bond is for both plumbing work and subsurface sewage treatment work, the bond must
108.2 comply with the requirements of this section and section 115.56, subdivision 2, paragraph
108.3 (e).

108.4 (c) Each person who performs or offers to perform plumbing work within the state shall
108.5 have and maintain in effect public liability insurance, including products liability insurance
108.6 with limits of at least \$50,000 per person and \$100,000 per occurrence and property damage
108.7 insurance with limits of at least \$10,000. The insurance shall be written by an insurer licensed
108.8 to do business in the state of Minnesota. Each person who performs or offers to perform
108.9 plumbing work within the state shall maintain on file with the commissioner a certificate
108.10 evidencing the insurance. In the event of a policy cancellation, the insurer shall send written
108.11 notice to the commissioner at the same time that a cancellation request is received from or
108.12 a notice is sent to the insured.

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

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

108.24 (1) the individual servicing or installing the commercial chemical dispensing system or
108.25 servicing or replacing the commercial dishwashing machine is an employee of the
108.26 manufacturer or distributor of the commercial chemical dispensing system or commercial
108.27 dishwashing machine;

108.28 (2) the individual servicing or installing the commercial chemical dispensing system or
108.29 servicing or replacing the commercial dishwashing machine has a minimum of 25 hours of
108.30 classroom or laboratory training, a minimum of 20 hours of in-field training with a qualified
108.31 technician on the types of systems being installed, followed by a minimum of 100 hours of
108.32 supervised field experience. The training and experience curriculum required under this
108.33 clause must be approved by the commissioner, in consultation with the manufacturer or

109.1 distributor, but the commissioner shall not require training or experience hours in excess
109.2 of the amounts specified in this clause;

109.3 (3) the manufacturer or distributor of the commercial chemical dispensing system or
109.4 commercial dishwashing machine must meet the insurance requirements of section 326B.46,
109.5 subdivision 2, paragraph (c);

109.6 (4) the connection is a push fit fitting, compression fitting, or threaded pipe fitting to an
109.7 existing water line or drain, which has been initially installed by a licensed plumber; and

109.8 (5) the commercial chemical dispensing system complies with ASSE 1055 or contains
109.9 code-approved integral backflow protection.

109.10 A license is not required for individuals performing backflow prevention rebuilding as
109.11 described under subdivision 1b, paragraph (b), provided that the individual: (1) has completed
109.12 backflow prevention rebuilder training as prescribed by the Plumbing Board; and (2) has
109.13 obtained a nationally recognized third-party accredited professional irrigation certification
109.14 and any such professional certifications have been approved by the commissioner.

109.15 A master plumber may also work as a journeyworker plumber, a restricted journeyworker
109.16 plumber, and a restricted master plumber. A journeyworker plumber may also work as a
109.17 restricted journeyworker plumber. Anyone not so licensed may do plumbing work which
109.18 complies with the provisions of the minimum standards prescribed by the Plumbing Board
109.19 on premises or that part of premises owned and actually occupied by the worker as a
109.20 residence, unless otherwise forbidden to do so by a local ordinance.

109.21 (b) No person shall engage in the business of planning, superintending, or installing
109.22 plumbing or shall install plumbing in connection with the dealing in and selling of plumbing
109.23 material and supplies unless at all times a licensed master plumber, or in cities and towns
109.24 with a population of fewer than 5,000 according to the last federal census, a restricted master
109.25 plumber, who shall be responsible for proper installation, is in charge of the plumbing work
109.26 of the person.

109.27 (c) Except as provided in subdivision 1a, no person shall perform or offer to perform
109.28 plumbing work with or without compensation unless the person obtains a contractor's license.
109.29 A contractor's license does not of itself qualify its holder to perform the plumbing work
109.30 authorized by holding a master, journeyworker, restricted master, or restricted journeyworker
109.31 license.

110.1 Sec. 13. LAWS CHAPTER 32 EFFECTIVE DATE.

110.2 Notwithstanding any other law to the contrary, Laws 2022, chapter 32, articles 1 and 2,
110.3 sections 1 to 12, are effective the day following final enactment, and Laws 2022, chapter
110.4 32, article 1, section 1, applies to appointments made on or after that date.

136A.29 POWERS; DUTIES.

Subd. 4. **Mutual agreement; staff, equipment, office space.** By mutual agreement between the authority and the office, authority staff employees may also be members of the office staff. By mutual agreement, authority employees may be provided office space in the office of the Office of Higher Education, and said employees may make use of equipment, supplies, and office space, provided that the authority fully reimburses the office for salaries and for space, equipment, supplies, and materials used. In the absence of such mutual agreement between the authority and the office, the authority may maintain an office at such place or places as it may designate.

136F.03 CANDIDATE ADVISORY COUNCIL.

Subdivision 1. **Purpose.** A Candidate Advisory Council for the board shall assist the governor in determining criteria for, and identifying and recruiting qualified candidates for, nonstudent membership on the board.

Subd. 2. **Membership.** The advisory council consists of 24 members. Twelve members are appointed by the Subcommittee on Committees of the Committee on Rules and Administration of the senate. Twelve members are appointed by the speaker of the house. No more than one-third of the members appointed by each appointing authority may be current or former legislators. No more than two-thirds of the members appointed by each appointing authority may belong to the same political party; however, political activity or affiliation is not required for the appointment of a member. Geographical representation must be taken into consideration when making appointments. Section 15.0575 governs the advisory council, except that the members must be appointed to six-year terms.

Subd. 3. **Duties.** (a) The advisory council shall:

(1) develop a statement of the selection criteria to be applied and a description of the responsibilities and duties of a member of the board and shall distribute this to potential candidates; and

(2) for each position on the board, identify and recruit qualified candidates for the board, based on the background and experience of the candidates, and their potential for discharging the responsibilities of a member of the board.

(b) Selection criteria developed under this section must include the requirement that trustees represent diversity in geography, gender, race, occupation, and experience.

(c) Selection criteria developed under this section must also include the identification of the membership needs of the board for individual skills relevant to the governance of the Minnesota State Colleges and Universities and the needs for certain individual characteristics that include geographic location, gender, race, occupation, and experience.

Subd. 4. **Recommendations.** Except for seats filled under sections 136F.04 and 136F.045, the advisory council shall recommend at least two and not more than four candidates for each seat. By April 15 of each even-numbered year in which the governor makes appointments to the board, the advisory council shall submit its recommendations to the governor and to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education policy and finance. The governor is not bound by these recommendations.

Subd. 5. **Support services.** The Legislative Coordinating Commission shall provide administrative and support services for the advisory council.

APPENDIX
Repealed Minnesota Session Laws: S4091-2

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 (1). 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.