

HF3912 - 0 - Allowed Utility Fees Modified

Chief Author: **Athena Hollins**
 Committee: **Energy Finance And Policy**
 Date Completed: **3/8/2026 4:54:14 PM**
 Agency: **Public Utilities Commission**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-
Biennial Total				-		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2025	FY2026	FY2027	FY2028	FY2029
Total		-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Karl Palm **Date:** 3/8/2026 4:54:14 PM
Phone: 651-296-6055 **Email:** karl.palm@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This legislation would prohibit a utility (1) from charging a fee to a residential customer to reconnect service that has been disconnected due to the customer's failure to pay a utility bill, and (2) from imposing a late payment charge on a low-income household or a household that has entered into and is reasonably up to date on a payment agreement under certain sections of chapter 216B.

However, a public utility or a cooperative electric association subject to rate regulation under section 216B.026 may impose a late payment charge if the commission finds the public utility or electric cooperative association has demonstrated by clear and convincing evidence that a late payment charge is just, reasonable, and in the public interest.

Assumptions

As a general rule, whether a utility can impose a late fee or reconnection fee, and the amount of those fees, are issues that are taken up by the Commission either in a rate case or in a utility's annual service quality review. In either case, this legislation would not require additional review or process by the Commission and would not result in a fiscal impact to the agency.

Expenditure and/or Revenue Formula

n/a

Long-Term Fiscal Considerations

n/a

Local Fiscal Impact

n/a

References/Sources

n/a

Agency Contact:

Agency Fiscal Note Coordinator Signature: Michael Bull

Date: 3/6/2026 1:21:48 PM

Phone: 651-201-2196

Email: mike.bull@state.mn.us