

1.1 moves to amend H.F. No. 2754, the first engrossment, as follows:

1.2 Pages 1 to 13, delete articles 1 and 2 and insert:

1.3 "ARTICLE 1

1.4 CLIMATE AND ENERGY FINANCE

1.5 Section 1. APPROPRIATIONS.

1.6 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
 1.7 and for the purposes specified in this article. The appropriations are from the general fund,
 1.8 or another named fund, and are available for the fiscal years indicated for each purpose.
 1.9 The figures "2024" and "2025" used in this article mean that the appropriations listed under
 1.10 them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.
 1.11 "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium"
 1.12 is fiscal years 2024 and 2025. If an appropriation in this act is enacted more than once in
 1.13 the 2023 legislative session, the appropriation must be given effect only once.

1.14 APPROPRIATIONS
 1.15 Available for the Year
 1.16 Ending June 30
 1.17 2024 2025

1.18 Sec. 2. DEPARTMENT OF COMMERCE

1.19	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>117,565,000</u>	<u>\$</u>	<u>32,790,000</u>
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1.20 Appropriations by Fund

1.21		<u>2024</u>	<u>2025</u>
1.22	<u>General</u>	<u>116,489,000</u>	<u>31,963,000</u>
1.23	<u>Petroleum Tank</u>	<u>1,076,000</u>	<u>1,097,000</u>

2.1 The amounts that may be spent for each
 2.2 purpose are specified in the following
 2.3 subdivisions.

2.4 Subd. 2. Energy Resources 116,279,000 31,693,000

2.5 (a) \$4,417,000 each year is to the division of
 2.6 energy resources for operating expenses.

2.7 (b) \$150,000 the first year and \$150,000 the
 2.8 second year are to remediate vermiculite
 2.9 insulation from households that are eligible
 2.10 for weatherization assistance under
 2.11 Minnesota's weatherization assistance program
 2.12 state plan under Minnesota Statutes, section
 2.13 216C.264. Remediation must be done in
 2.14 conjunction with federal weatherization
 2.15 assistance program services.

2.16 (c) \$1,138,000 the first year is to provide
 2.17 financial assistance to state colleges and
 2.18 universities to purchase and install solar
 2.19 energy generating systems under Minnesota
 2.20 Statutes, section 216C.375. This appropriation
 2.21 must be expended on schools located outside
 2.22 the electric service territory of the public
 2.23 utility that is subject to Minnesota Statutes,
 2.24 section 116C.779. This is a onetime
 2.25 appropriation and is available until June 30,
 2.26 2031.

2.27 (d) \$189,000 the first year and \$189,000 the
 2.28 second year are for activities associated with
 2.29 a utility's implementation of a natural gas
 2.30 innovation plan under Minnesota Statutes,
 2.31 section 216B.2427.

2.32 (e) \$1,444,000 the first year and \$1,621,000
 2.33 the second year are to maintain the current
 2.34 level of service delivery in the division of

3.1 energy resources. The base in fiscal year 2026
3.2 and beyond is \$1,621,000.

3.3 (f) \$20,000,000 in the first year is transferred
3.4 to the solar for schools program account
3.5 established under Minnesota Statutes, section
3.6 216C.375, to provide financial assistance to
3.7 schools to purchase and install solar energy
3.8 generating systems under Minnesota Statutes,
3.9 section 216C.375. The appropriations under
3.10 this section must be expended on schools
3.11 located outside the electric service territory of
3.12 the public utility that is subject to Minnesota
3.13 Statutes, section 116C.779. This is a onetime
3.14 appropriation.

3.15 (g) \$6,239,000 the first year and \$1,239,000
3.16 the second year are for transfer to the
3.17 strengthen Minnesota homes program account
3.18 established under Minnesota Statutes, section
3.19 65A.63, subdivision 4. The base in fiscal year
3.20 2026 and beyond is \$1,239,000.

3.21 (h) \$22,461,000 the first year and \$22,672,000
3.22 the second year are for transfer to the state
3.23 supplementary weatherization grants account
3.24 established under Minnesota Statutes, section
3.25 216C.264, to provide grants to community
3.26 action agencies and other agencies that
3.27 weatherize residences to install
3.28 preweatherization measures in residential
3.29 buildings occupied by eligible low-income
3.30 households, as provided under Minnesota
3.31 Statutes, sections 216B.2403, subdivision 5;
3.32 216B.241, subdivision 7; and 216C.264.

3.33 Of the amount appropriated under this
3.34 paragraph:

4.1 (1) up to ten percent may be used to
4.2 supplement utility spending on
4.3 preweatherization measures as part of a
4.4 low-income conservation program; and
4.5 (2) up to ten percent may be used to:
4.6 (i) recruit and train energy auditors and
4.7 installers of weatherization services; and
4.8 (ii) provide financial incentives to contractors
4.9 and workers to install weatherization services.
4.10 The base in fiscal year 2026 is \$720,000 and
4.11 the base in fiscal year 2027 is \$3,000,000.
4.12 (i) \$5,000,000 the first year is to award rebates
4.13 to purchase or lease eligible electric vehicles
4.14 under Minnesota Statutes, section 216C.401.
4.15 Rebates must be awarded under this paragraph
4.16 only to eligible persons located outside the
4.17 retail electric service area of the public utility
4.18 that is subject to Minnesota Statutes, section
4.19 116C.779. This is a onetime appropriation and
4.20 is available until June 30, 2027.
4.21 (j) \$500,000 the first year is to award grants
4.22 under Minnesota Statutes, section 216C.402,
4.23 to automobile dealers seeking certification to
4.24 sell electric vehicles. Grants must only be
4.25 awarded under this paragraph to eligible
4.26 dealers located outside the retail electric
4.27 service area of the public utility that is subject
4.28 to Minnesota Statutes, section 116C.779. This
4.29 is a onetime appropriation and is available
4.30 until June 30, 2025.
4.31 (k) \$164,000 the second year is for activities
4.32 associated with a public utility's filing a
4.33 transportation electrification plan under
4.34 Minnesota Statutes, section 216B.1615. The

5.1 base in fiscal year 2026 and beyond is
5.2 \$164,000.

5.3 (l) \$5,000,000 the first year is for transfer to
5.4 the solar on public buildings grant program
5.5 account established under Minnesota Statutes,
5.6 section 216C.377. The appropriation in this
5.7 paragraph must be used only to provide grants
5.8 to public buildings located outside the electric
5.9 service area of the electric utility subject to
5.10 Minnesota Statutes, section 116C.779. This is
5.11 a onetime appropriation.

5.12 (m) \$2,500,000 the first year is for transfer to
5.13 the residential electric panel upgrade grant
5.14 program account established under Minnesota
5.15 Statutes, section 216C.45, to award electric
5.16 panel upgrade grants and to reimburse the
5.17 reasonable costs incurred by the department
5.18 to administer the program. Grants must be
5.19 awarded under this paragraph only to owners
5.20 of single-family homes or multifamily
5.21 buildings located outside the electric service
5.22 area of the public utility subject to Minnesota
5.23 Statutes, section 116C.779. This is a onetime
5.24 appropriation and is available until June 30,
5.25 2027.

5.26 (n) \$3,000,000 the first year is for grants to
5.27 install on-site energy storage systems, as
5.28 defined in Minnesota Statutes, section
5.29 216B.2422, subdivision 1, paragraph (f), with
5.30 a capacity of 50 kilowatt hours or less and that
5.31 are located outside the electric service area of
5.32 the electric utility subject to Minnesota
5.33 Statutes, section 116C.779. To receive a grant
5.34 under this subdivision, an owner of the energy
5.35 storage system must be operating or have filed

6.1 an application with a utility to interconnect a
6.2 solar energy generating system at the same
6.3 site as the energy storage system. The grant
6.4 amount must be based on the number of
6.5 watt-hours that reflects the duration of the
6.6 energy storage system at its rated capacity, up
6.7 to a maximum of \$5,000. This is a onetime
6.8 appropriation and is available until June 30,
6.9 2027.

6.10 (o) \$164,000 each year is for activities
6.11 required under Minnesota Statutes, sections
6.12 216B.1616 and 216B.1697, to review energy
6.13 storage proposals made by utilities and to
6.14 establish a docket to develop an energy storage
6.15 peak shaving tariff.

6.16 (p) \$3,000,000 the first year is for grants to
6.17 the clean energy resource teams partnerships
6.18 under Minnesota Statutes, section 216C.385,
6.19 subdivision 2, to provide additional capacity
6.20 to perform the duties specified under
6.21 Minnesota Statutes, section 216C.385,
6.22 subdivision 3. This appropriation is onetime
6.23 and is available until June 30, 2029.

6.24 (q) \$2,500,000 the first year and \$1,000,000
6.25 the second year are to implement energy
6.26 benchmarking under Minnesota Statutes,
6.27 section 216C.331. The base in fiscal year 2026
6.28 is \$226,000 and the base in fiscal year 2027
6.29 is \$742,000.

6.30 Of the amount appropriated under this
6.31 paragraph, \$750,000 the first year is to award
6.32 grants to qualifying utilities that are not
6.33 investor-owned utilities to support the
6.34 development of technology for implementing
6.35 energy benchmarking under Minnesota

7.1 Statutes, section 216C.331. This is a onetime
7.2 appropriation.

7.3 (r) \$7,000,000 the first year is for transfer to
7.4 the electric school bus program account
7.5 established under Minnesota Statutes, section
7.6 216C.374, to award grants to school districts,
7.7 and to transportation service providers and
7.8 electric utilities on behalf of school districts,
7.9 to purchase electric school buses and related
7.10 infrastructure. This is a onetime appropriation
7.11 and is available until June 30, 2027. Any
7.12 unencumbered money remaining after that
7.13 date cancels to the general fund.

7.14 (s) \$10,000,000 the first year is for transfer to
7.15 the heat pump rebate program account
7.16 established under Minnesota Statutes, section
7.17 216C.46, to implement the heat pump rebate
7.18 program and to reimburse the reasonable costs
7.19 incurred by the department to administer the
7.20 program. Of this amount:

7.21 (1) up to \$1,400,000 the first year is to
7.22 contract with an energy coordinator under
7.23 Minnesota Statutes, section 216C.46,
7.24 subdivision 5; and

7.25 (2) up to \$1,400,000 the first year is to conduct
7.26 contractor training and support under
7.27 Minnesota Statutes, section 216C.46,
7.28 subdivision 6.

7.29 (t) \$1,000,000 the first year is to award air
7.30 ventilation pilot program grants under
7.31 Minnesota Statutes, section 123B.663, for
7.32 assessments, testing, and equipment upgrades
7.33 in schools, and for the department's costs to

8.1 administer the program. This is a onetime
 8.2 appropriation.

8.3 (u) \$77,000 each year is for activities
 8.4 associated with appeals of consumer
 8.5 complaints to the commission under
 8.6 Minnesota Statutes, section 216B.172.

8.7 (v) \$500,000 the first year is for a grant to the
 8.8 city of Anoka for feasibility studies and
 8.9 design, engineering, and environmental
 8.10 analysis related to the repair and
 8.11 reconstruction of the Rum River Dam.

8.12 Findings from the feasibility studies must be
 8.13 incorporated into the design and engineering
 8.14 funded by the appropriation under this
 8.15 paragraph. This appropriation is onetime and
 8.16 is available until June 30, 2027.

8.17 The appropriation under this paragraph
 8.18 includes money for the following feasibility
 8.19 studies:

8.20 (1) to assess the feasibility of adding a lock or
 8.21 other means for boats to traverse the dam to
 8.22 navigate between the lower Rum River and
 8.23 upper Rum River;

8.24 (2) to assess the feasibility of constructing the
 8.25 dam in a manner that would facilitate
 8.26 recreational river surfing at the dam site; and

8.27 (3) to assess the feasibility of constructing the
 8.28 dam in a manner to generate hydroelectric
 8.29 power.

8.30 **Subd. 3. Petroleum Tank Release Compensation**
 8.31 **Board** 1,076,000 1,097,000

8.32 This appropriation is from the petroleum tank
 8.33 fund.

8.34 **Sec. 3. PUBLIC UTILITIES COMMISSION** **\$** **10,331,000** **\$** **10,689,000**

9.1 (a) \$8,202,000 each year is to the Public
9.2 Utilities Commission for operating expenses.

9.3 (b) \$112,000 each year is for activities
9.4 associated with a utility's implementation of
9.5 a natural gas innovation plan under Minnesota
9.6 Statutes, section 216B.2427.

9.7 (c) \$96,000 the second year is for activities
9.8 associated with a public utility's filing a
9.9 transportation electrification plan under
9.10 Minnesota Statutes, section 216B.1615. The
9.11 base in fiscal year 2026 and beyond is
9.12 \$96,000.

9.13 (d) \$32,000 each year is for activities
9.14 associated with determining compensation for
9.15 participants in commission proceedings under
9.16 Minnesota Statutes, section 216B.631.

9.17 (e) \$236,000 the first year and \$229,000 the
9.18 second year are for activities associated with
9.19 appeals of consumer complaints to the
9.20 commission under Minnesota Statutes, section
9.21 216B.172.

9.22 (f) \$1,522,000 the first year and \$1,791,000
9.23 the second year are to maintain the current
9.24 level of service delivery in the Public Utilities
9.25 Commission. The base in fiscal year 2026 and
9.26 beyond is \$1,791,000.

9.27 (g) \$227,000 each year is for activities
9.28 required under Minnesota Statutes, sections
9.29 216B.1616 and 216B.1697, to review energy
9.30 storage proposals made by utilities and to
9.31 establish a docket to develop an energy storage
9.32 peak shaving tariff.

9.33 **Sec. 4. POLLUTION CONTROL AGENCY \$ 2,000,000 \$ -0-**

11.1 over higher education by January 15 of each
 11.2 year until 2028. The report must describe the
 11.3 progress made toward the goal of increasing
 11.4 the number of building engineers and
 11.5 strategies used.

11.6 **Sec. 6. CLIMATE INNOVATION FINANCE**
 11.7 **AUTHORITY**

\$ **20,000,000 **\$** **-0-****

11.8 \$20,000,000 the first year is for transfer to the
 11.9 climate innovation finance authority account
 11.10 for purposes of Minnesota Statutes, section
 11.11 216C.441. This is a onetime appropriation.

11.12 Of this amount, the commissioner of
 11.13 management and budget may make up to
 11.14 \$500,000 available to the commissioner of
 11.15 commerce, at the request of the commissioner
 11.16 of commerce, to conduct necessary start-up
 11.17 activities before the authority has sufficient
 11.18 staff resources to do so.

11.19 **Sec. 7. UNIVERSITY OF MINNESOTA** **\$** **1,000,000** **\$** **1,000,000**

11.20 \$1,000,000 the first year and \$1,000,000 the
 11.21 second year are for a program in the
 11.22 University of Minnesota Extension Service
 11.23 that enhances the capacity of the state's
 11.24 agricultural sector, land and resource
 11.25 managers, and communities to plan for and
 11.26 adapt to weather extremes, including but not
 11.27 limited to droughts and floods. This is a
 11.28 onetime appropriation and is available until
 11.29 June 30, 2030. The base in fiscal year 2026
 11.30 and beyond is \$1,000,000.

11.31 The appropriation under this section must be
 11.32 used to support existing extension service staff
 11.33 members and to hire additional staff members
 11.34 for a program with broad geographic reach
 11.35 throughout the state. The program must:

12.1 (1) identify, develop, implement, and evaluate
 12.2 educational programs that increase the
 12.3 capacity of Minnesota's agricultural sector,
 12.4 land and resource managers, and communities
 12.5 to be prepared for and adapt to projected
 12.6 physical changes in temperature, precipitation,
 12.7 and other weather parameters that affect crops,
 12.8 lands, horticulture, pests, and wildlife in ways
 12.9 that present challenges to the state's
 12.10 agricultural sector and the communities that
 12.11 depend on the agricultural sector; and
 12.12 (2) communicate and interpret the latest
 12.13 research on critical weather trends and the
 12.14 scientific basis for critical weather trends to
 12.15 further prepare extension service staff
 12.16 throughout the state to educate and provide
 12.17 technical assistance to the agricultural sector,
 12.18 land and resource managers, and community
 12.19 members at the local level regarding technical
 12.20 information on water resource management,
 12.21 agriculture and forestry, engineering and
 12.22 infrastructure design, and emergency
 12.23 management that is necessary to develop
 12.24 strategies to mitigate the effects of extreme
 12.25 weather change.

12.26 **Sec. 8. DEPARTMENT OF**
 12.27 **ADMINISTRATION**

\$ 1,712,000 \$ 367,000

12.28 (a) \$1,022,000 the first year and \$367,000 the
 12.29 second year are for activities regarding
 12.30 environmental analysis of construction
 12.31 materials under Minnesota Statutes, section
 12.32 16B.312. Of the first year amount, \$200,000
 12.33 is to provide grants to assist manufacturers to
 12.34 obtain environmental product declarations for
 12.35 certain materials used in public buildings. Of

13.1 this amount, up to ten percent may be used by
 13.2 the commissioner of administration to
 13.3 administer this section. This appropriation is
 13.4 available until June 30, 2027.

13.5 (b) \$690,000 the first year is to develop,
 13.6 oversee, and administer the sustainable
 13.7 building guidelines under Minnesota Statutes,
 13.8 section 16B.325, in consultation with the
 13.9 commissioner of commerce and the Center
 13.10 for Sustainable Building Research at the
 13.11 University of Minnesota. The appropriation
 13.12 under this paragraph includes money for the
 13.13 commissioner of administration to contract
 13.14 with the Center for Sustainable Building
 13.15 Research at the University of Minnesota to
 13.16 administer the guidelines. This is a onetime
 13.17 appropriation.

13.18	Sec. 9. DEPARTMENT OF			
13.19	<u>TRANSPORTATION</u>	\$	<u>310,000</u>	\$
				<u>-0-</u>

13.20 \$310,000 the first year is for awarding grants
 13.21 to assist manufacturers to obtain
 13.22 environmental product declarations for certain
 13.23 construction materials used to build roads and
 13.24 other transportation infrastructure under
 13.25 Minnesota Statutes, section 16B.312. Of this
 13.26 amount, up to \$10,000 is for the reasonable
 13.27 costs of the department to administer that
 13.28 section. This appropriation is available until
 13.29 June 30, 2027.

13.30 **ARTICLE 2**
 13.31 **RENEWABLE DEVELOPMENT ACCOUNT APPROPRIATIONS**
 13.32 **Section 1. RENEWABLE DEVELOPMENT FINANCE.**

13.33 (a) The sums shown in the columns marked "Appropriations" are appropriated to the
 13.34 agencies and for the purposes specified in this article. Notwithstanding Minnesota Statutes,

14.1 section 116C.779, subdivision 1, paragraph (j), the appropriations are from the renewable
 14.2 development account in the special revenue fund established in Minnesota Statutes, section
 14.3 116C.779, subdivision 1, and are available for the fiscal years indicated for each purpose.
 14.4 The figures "2024" and "2025" used in this article mean that the appropriations listed under
 14.5 them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.
 14.6 "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium"
 14.7 is fiscal years 2024 and 2025.

14.8 (b) If an appropriation in this article is enacted more than once in the 2023 regular or
 14.9 special legislative session, the appropriation must be given effect only once.

		<u>APPROPRIATIONS</u>	
		<u>Available for the Year</u>	
		<u>Ending June 30</u>	
		<u>2024</u>	<u>2025</u>
14.10			
14.11			
14.12			
14.13			
14.14	Sec. 2. <u>DEPARTMENT OF COMMERCE</u>	<u>\$ 67,614,000</u>	<u>\$ 18,829,000</u>

14.15 (a) The amounts that may be spent for each
 14.16 purpose are specified in the following
 14.17 subdivisions.

14.18 (b) \$100,000 the first year and \$100,000 the
 14.19 second year are to administer the "Made in
 14.20 Minnesota" solar energy production incentive
 14.21 program under Minnesota Statutes, section
 14.22 216C.417. Any unspent amount remaining on
 14.23 June 30, 2025, cancels to the renewable
 14.24 development account.

14.25 (c) \$1,000,000 the first year and \$400,000 the
 14.26 second year are for grants to the University of
 14.27 St. Thomas Center for Microgrid Research.
 14.28 The base in fiscal year 2026 is \$400,000 and
 14.29 the base in fiscal year 2027 is \$0. These
 14.30 appropriations are available until June 30,
 14.31 2027.

14.32 The appropriations in this paragraph must be
 14.33 used by the University of St. Thomas Center
 14.34 for Microgrid Research to:

15.1 (1) increase the center's capacity to provide
15.2 industry partners opportunities to test
15.3 near-commercial microgrid products on a real
15.4 world scale and to multiply opportunities for
15.5 innovative research;

15.6 (2) procure advanced equipment and controls
15.7 to enable the extension of the university's
15.8 microgrid to additional buildings; and

15.9 (3) expand (i) hands-on educational
15.10 opportunities for undergraduate and graduate
15.11 electrical engineering students to increase
15.12 understanding of microgrid operations, and
15.13 (ii) partnerships with community colleges.

15.14 (d) \$9,126,000 the first year and \$3,329,000
15.15 the second year are for transfer to the electric
15.16 vehicle rebate program account established
15.17 under Minnesota Statutes, section 216C.401,
15.18 to award rebates to purchase or lease eligible
15.19 electric vehicles. Rebates must be awarded
15.20 under this paragraph only to eligible persons
15.21 located within the retail electric service area
15.22 of the public utility that is subject to
15.23 Minnesota Statutes, section 116C.779. The
15.24 base in fiscal year 2026 is \$0. These
15.25 appropriations are available until June 30,
15.26 2027.

15.27 (e) \$500,000 the first year is to award grants
15.28 under Minnesota Statutes, section 216C.402,
15.29 to automobile dealers seeking certification
15.30 from an electric vehicle manufacturer to sell
15.31 electric vehicles. Grants must only be awarded
15.32 under this paragraph to eligible dealers located
15.33 within the retail electric service area of the
15.34 public utility that is subject to Minnesota
15.35 Statutes, section 116C.779. This is a onetime

16.1 appropriation and is available until June 30,
16.2 2025.

16.3 (f) \$7,000,000 the first year is for transfer to
16.4 the electric school bus program account
16.5 established under Minnesota Statutes, section
16.6 216C.374, to provide grants to (1) accelerate
16.7 the deployment of electric school buses and
16.8 related electric vehicle infrastructure, and (2)
16.9 to pay the commissioner's costs to administer
16.10 Minnesota Statutes, section 216C.374. This is
16.11 a onetime appropriation and is available until
16.12 June 30, 2027.

16.13 (g) \$5,000,000 the first year is for transfer to
16.14 the solar on public buildings grant program
16.15 account established under Minnesota Statutes,
16.16 section 216C.377, to award grants for the
16.17 installation of solar energy generating systems
16.18 on public buildings. The appropriation in this
16.19 paragraph must be used only to award grants
16.20 for solar installations on public buildings
16.21 located within the electric service area of the
16.22 electric utility subject to Minnesota Statutes,
16.23 section 116C.779. This is a onetime
16.24 appropriation and is available until June 30,
16.25 2027.

16.26 (h) \$2,500,000 the first year is to award grants
16.27 for upgrades to residential electric panels
16.28 under Minnesota Statutes, section 216C.45,
16.29 and pay the reasonable costs incurred by the
16.30 department to administer that section.

16.31 Appropriations made under this paragraph
16.32 must be used only for grants to owners of
16.33 residences that are located within the electric
16.34 service area of the public utility that is subject
16.35 to Minnesota Statutes, section 116C.779. This

17.1 is a onetime appropriation and is available
17.2 until June 30, 2025.

17.3 (i) \$3,000,000 the first year is to award grants
17.4 to install energy storage systems under
17.5 Minnesota Statutes, section 216C.378, and to
17.6 pay the reasonable costs incurred by the
17.7 department to administer that section. This is
17.8 a onetime appropriation and is available until
17.9 June 30, 2027.

17.10 (j) \$3,000,000 in fiscal year 2024 is for deposit
17.11 in the Area C contingency account established
17.12 under Minnesota Statutes, section 116C.7793,
17.13 for disbursement to the owner of a solar
17.14 energy generating system installed on land on
17.15 the former Ford Motor Company site in St.
17.16 Paul known as Area C. This appropriation is
17.17 available until five years after the Pollution
17.18 Control Agency issues a corrective action
17.19 determination regarding the remediation of
17.20 Area C. Any unexpended money remaining
17.21 in the account as of that date cancels to the
17.22 renewable development account.

17.23 (k) \$5,000,000 the first year and \$5,000,000
17.24 the second year are for transfer to the
17.25 distributed energy resources system upgrade
17.26 program account established under Minnesota
17.27 Statutes, section 216C.379, to provide grants
17.28 to upgrade the distribution system of the public
17.29 utility that is subject to Minnesota Statutes,
17.30 section 116C.7792, in order to allow for the
17.31 interconnection of distributed energy
17.32 resources. The base in fiscal year 2026 is \$0.

17.33 (l) \$250,000 in fiscal year 2024 is for transfer
17.34 to the distributed energy resources system
17.35 upgrade program account established under

18.1 Minnesota Statutes, section 216C.379, for
18.2 grants to the utility subject to Minnesota
18.3 Statutes, section 116C.779, to implement the
18.4 small interconnection cost-sharing program
18.5 ordered by the Public Utilities Commission
18.6 on December 19, 2022, in docket No.
18.7 E-002/M-18-714, to pay the costs of certain
18.8 distribution upgrades for customers of the
18.9 utility subject to Minnesota Statutes, section
18.10 116C.779, seeking interconnection of
18.11 distributed generation. This is a onetime
18.12 appropriation.

18.13 (m) \$20,000,000 the first year is for transfer
18.14 to the solar for schools program account
18.15 established under Minnesota Statutes, section
18.16 216C.375, to provide financial assistance to
18.17 schools to purchase and install solar energy
18.18 generating systems under Minnesota Statutes,
18.19 section 216C.375. The appropriations under
18.20 this paragraph must be expended on schools
18.21 located within the electric service territory of
18.22 the public utility that is subject to Minnesota
18.23 Statutes, section 116C.779. This is a onetime
18.24 appropriation.

18.25 (n) \$5,000,000 the first year and \$5,000,000
18.26 the second year are for transfer to the state
18.27 supplementary weatherization grants account
18.28 established under Minnesota Statutes, section
18.29 216C.264, to provide grants to community
18.30 action agencies and other agencies that
18.31 weatherize residences to install
18.32 preweatherization measures in residential
18.33 buildings occupied by eligible low-income
18.34 households, as provided under Minnesota
18.35 Statutes, sections 216B.2403, subdivision 5;

19.1 216B.241, subdivision 7; and 216C.264. The
 19.2 base in fiscal year 2026 is \$0.

19.3 **Sec. 3. MINNESOTA AMATEUR SPORTS**
 19.4 **COMMISSION**

\$ **-0-** **\$** **4,200,000**

19.5 \$4,200,000 the second year is to install solar
 19.6 arrays on an ice rink and a maintenance
 19.7 facility at the National Sports Center in Blaine.
 19.8 This is a onetime appropriation.

19.9 **Sec. 4. DEPARTMENT OF**
 19.10 **ADMINISTRATION**

\$ **780,000** **\$** **92,000**

19.11 \$690,000 the first year is to contract with the
 19.12 Board of Regents of the University of
 19.13 Minnesota for a grant to the Institute on the
 19.14 Environment to conduct research examining
 19.15 how projections of future weather trends may
 19.16 exacerbate conditions, including but not
 19.17 limited to drought, elevated temperatures, and
 19.18 flooding, that:

19.19 (1) can be integrated into the design and
 19.20 evaluation of buildings constructed by the state
 19.21 of Minnesota and local units of government,
 19.22 in order to:

19.23 (i) reduce energy costs by deploying
 19.24 cost-effective energy efficiency measures,
 19.25 innovative construction materials and
 19.26 techniques, and renewable energy sources;
 19.27 and

19.28 (ii) prevent and minimize damage to buildings
 19.29 caused by extreme weather conditions,
 19.30 including but not limited to increased
 19.31 frequency of intense precipitation events and
 19.32 tornadoes, flooding, and elevated
 19.33 temperatures; and

20.1 (2) may weaken the ability of natural systems
 20.2 to mitigate the conditions to the point where
 20.3 human intervention in the form of building or
 20.4 redesigning the scale and operation of
 20.5 infrastructure is required to address those
 20.6 conditions in order to:

20.7 (i) maintain and increase the amount and
 20.8 quality of food and wood production;
 20.9 (ii) reduce fire risk on forested land;
 20.10 (iii) maintain and enhance water quality; and
 20.11 (iv) maintain and enhance natural habitats.

20.12 The contract must provide that no later than
 20.13 February 1, 2025, the director of the Institute
 20.14 on the Environment or the director's designee
 20.15 must submit a written report to the chairs and
 20.16 ranking minority members of the legislative
 20.17 committees with primary jurisdiction over
 20.18 environment policy and capital investment
 20.19 summarizing the findings and
 20.20 recommendations of the research, including
 20.21 any recommendations for policy changes or
 20.22 other legislation. This is a onetime
 20.23 appropriation.

20.24 **Sec. 5. POLLUTION CONTROL AGENCY \$ 2,000,000 \$ -0-**

20.25 \$2,000,000 is for transfer to the local climate
 20.26 action grant program account established in
 20.27 the special revenue fund to:

20.28 (1) award grants to eligible applicants;
 20.29 (2) provide technical assistance to applicants;
 20.30 (3) pay a contractor to provide greenhouse gas
 20.31 emissions data to grantees; and

21.1 (4) reimburse the reasonable costs of the
 21.2 agency to administer the program.
 21.3 Of this amount, 65 percent is available the first
 21.4 year, of which half is reserved for applicants
 21.5 located outside the counties of Hennepin,
 21.6 Ramsey, Anoka, Dakota, Scott, Carver, and
 21.7 Washington. In the second year, any
 21.8 unencumbered first year money and the
 21.9 balance of the appropriation are available to
 21.10 all eligible applicants, and remains available
 21.11 until June 30, 2025. The base in fiscal year
 21.12 2026 is \$0."

21.13 Page 23, line 18, delete "at" and insert "on a schedule determined by the commission"

21.14 Page 23, line 19, delete everything before the comma

21.15 Page 27, line 28, before "An" insert "(a)"

21.16 Page 28, after line 3, insert:

21.17 "(b) Money in the account is appropriated to the department for the purposes of this
 21.18 section and to reimburse the reasonable costs of the department to administer this section."

21.19 Page 34, after line 12, insert:

21.20 "Subd. 7. **Account established.** (a) The electric vehicle rebate account is established as
 21.21 a separate account in the special revenue fund in the state treasury. The commissioner shall
 21.22 credit to the account appropriations and transfers to the account. Earnings, such as interest,
 21.23 dividends, and any other earnings arising from assets of the account, must be credited to
 21.24 the account. Funds remaining in the account at the end of a fiscal year are not canceled to
 21.25 the general fund, but remain in the account until expended. The commissioner shall manage
 21.26 the account.

21.27 (b) Money in the account is appropriated to the commissioner for the purpose of awarding
 21.28 rebates for electric vehicles and to reimburse the reasonable costs of the department to
 21.29 administer this section."

21.30 Renumber the subdivisions in sequence

21.31 Page 36, after line 18, insert:

22.1 "Subd. 3. **Account established.** (a) The residential electric panel upgrade grant account
22.2 is established as a separate account in the special revenue fund in the state treasury. The
22.3 commissioner shall credit to the account appropriations and transfers to the account. Earnings,
22.4 such as interest, dividends, and any other earnings arising from assets of the account, must
22.5 be credited to the account. Funds remaining in the account at the end of a fiscal year are
22.6 not canceled to the general fund, but remain in the account until expended. The commissioner
22.7 shall manage the account.

22.8 (b) Money in the account is appropriated to the commissioner for the purpose of awarding
22.9 electric panel upgrade grants and to reimburse the reasonable costs of the department to
22.10 administer this section."

22.11 Renumber the subdivisions in sequence

22.12 Page 45, line 12, before the period, insert "contributing to the energy storage target
22.13 assigned to the utility under subdivision 2"

22.14 Page 61, after line 17, insert:

22.15 "(c) The commissioner may modify program requirements under this section when
22.16 necessary to align with comparable federal programs administered by the department under
22.17 the federal Inflation Reduction Act of 2022, Public Law 117-189."

22.18 Page 61, line 24, delete "must" and insert "may"

22.19 Page 62, line 4, delete "must" and insert "may"

22.20 Page 62, after line 11, insert:

22.21 "Subd. 7. **Account established.** (a) The residential heat pump rebate account is
22.22 established as a separate account in the special revenue fund in the state treasury. The
22.23 commissioner shall credit to the account appropriations and transfers to the account. Earnings,
22.24 such as interest, dividends, and any other earnings arising from assets of the account, must
22.25 be credited to the account. Funds remaining in the account at the end of a fiscal year are
22.26 not canceled to the general fund, but remain in the account until expended. The commissioner
22.27 shall manage the account.

22.28 (b) Money in the account is appropriated to the commissioner for the purposes of this
22.29 section and to reimburse the reasonable costs of the department to administer this section."

22.30 Page 70, line 20, after the period, insert "The commissioner shall consider amendments
22.31 to the model energy codes that mitigate the impact of climate change and reduce greenhouse

- 23.1 gas emissions by increasing and optimizing energy efficiency and improving resiliency of
23.2 new buildings and existing buildings undergoing additions, alterations, and changes of use."
- 23.3 Page 70, line 23, reinstate the stricken language
- 23.4 Page 70, line 24, reinstate the stricken language and insert a period and delete the new
23.5 language
- 23.6 Page 70, delete line 25
- 23.7 Page 70, line 26, delete everything before the period
- 23.8 Page 70, after line 35, insert:
- 23.9 "(f) Nothing in this section shall be interpreted to limit the ability of a public utility to
23.10 offer code support programs, or to claim energy savings resulting from such programs,
23.11 through its energy conservation and optimization plans approved by the commissioner of
23.12 commerce under section 216B.241."
- 23.13 Page 80, line 27, delete everything after "is" and insert "used in structural applications
23.14 in accordance with industry standard definitions."
- 23.15 Page 80, delete line 28
- 23.16 Page 82, line 28, after the second comma, insert "mass timber,"
- 23.17 Page 83, delete lines 16 and 17
- 23.18 Page 83, line 18, delete "(10)" and insert "(9)"
- 23.19 Page 83, line 22, delete "and"
- 23.20 Page 83, after line 22, insert:
- 23.21 "(10) how the issues in clauses (1) to (9) are addressed by existing programs in other
23.22 states and countries; and"
- 23.23 Page 84, after line 19, insert:
- 23.24 "(9) the American Institute of Steel Construction;"
- 23.25 Renumber the clauses in sequence
- 23.26 Page 85, after line 6, insert:
- 23.27 "(i) Meetings of the task force are subject to chapter 13D."
- 23.28 Page 85, line 7, delete "(i)" and insert "(j)"
- 23.29 Page 97, after line 11, insert:

24.1 "Subd. 11. **Account established.** (a) The Minnesota climate innovation authority account
 24.2 is established as a separate account in the special revenue fund in the state treasury. The
 24.3 authority's board of directors shall credit to the account appropriations and transfers to the
 24.4 account. Earnings, such as interest, dividends, and any other earnings arising from assets
 24.5 of the account, must be credited to the account. Funds remaining in the account at the end
 24.6 of a fiscal year are not canceled to the general fund, but remain in the account until expended.
 24.7 The authority's board of directors shall manage the account.

24.8 (b) Money in the account is appropriated to the board of directors of the Minnesota
 24.9 Climate Innovation Finance Authority for the purposes of this section and to reimburse the
 24.10 reasonable costs of the authority to administer this section."

24.11 Renumber the subdivisions in sequence

24.12 Page 99, after line 25, insert:

24.13 "Subd. 3. **Account established.** (a) The local climate action grant account is established
 24.14 as a separate account in the special revenue fund in the state treasury. The commissioner
 24.15 shall credit to the account appropriations and transfers to the account. Earnings, such as
 24.16 interest, dividends, and any other earnings arising from assets of the account, must be
 24.17 credited to the account. Funds remaining in the account at the end of a fiscal year are not
 24.18 canceled to the general fund, but remain in the account until expended. The commissioner
 24.19 shall manage the account.

24.20 (b) Money in the account is appropriated to the agency for the purposes of this section
 24.21 and to reimburse the reasonable costs of the department to administer this section."

24.22 Renumber the subdivisions in sequence

24.23 Page 100, line 24, delete "6" and insert "7"

24.24 Page 100, line 29, delete "6 and 7" and insert "7 and 8"

24.25 Page 101, line 22, after the semicolon, insert "and"

24.26 Page 101, line 23, delete "\$15,000,000" and insert "\$5,000,000" and delete the semicolon
 24.27 and insert a period

24.28 Page 101, delete lines 24 and 25

24.29 Page 108, line 30, delete "Within 180 days of the effective date of this section,"

24.30 Page 108, line 31, before the period, insert "no later than 180 days after the filings made
 24.31 under subdivision 2, paragraph (a)"

25.1 Page 129, line 8, after the period, insert "Each year, the amount the public utility must
 25.2 transfer to the renewable development account under this paragraph must be reduced by
 25.3 the amount of any per-cask payment made by the public utility to the Prairie Island Indian
 25.4 Community under section 216B.1645, subdivision 4."

25.5 Page 133, delete section 2

25.6 Page 135, line 29, delete "\$....." and insert "\$50,000"

25.7 Page 136, line 3, delete "....." and insert "November 1, 2023," and delete "....." and
 25.8 insert "January 1, 2024"

25.9 Page 136, after line 26, insert:

25.10 "Sec. 7. Minnesota Statutes 2022, section 216B.1645, subdivision 4, is amended to read:

25.11 Subd. 4. **Settlement with ~~Mdewakanton Dakota Tribal Council at Prairie Island~~**
 25.12 **Indian Community.** (a) The commission shall approve as a state energy policy rider a rate
 25.13 schedule providing for the automatic adjustment of charges to recover the costs or expenses
 25.14 of a settlement between the public utility that owns the Prairie Island nuclear generation
 25.15 facility and the ~~Mdewakanton Dakota Tribal Council at Prairie Island~~ Indian Community,
 25.16 resolving outstanding disputes regarding the ~~provisions of Laws 1994, chapter 641, article~~
 25.17 ~~1, section 4~~ extended operation of the Prairie Island nuclear generating facility. The rate
 25.18 schedule approved under this subdivision applies until the public utility's first base rate
 25.19 change under section 216B.16 that occurs after January 1, 2024. After the public utility's
 25.20 first base rate change that occurs after January 1, 2024, any costs and expenses under this
 25.21 subdivision must be recovered through the public utility's base rates.

25.22 (b) The settlement must provide for annual payments, ~~not to exceed \$2,500,000 annually,~~
 25.23 beginning January 1, 2024, by the public utility to the Prairie Island Indian Community;
 25.24 The annual payments must consist of (1) a \$10,000,000 lump sum payment each year the
 25.25 Prairie Island nuclear generating facility is in operation, and (2) \$50,000 for each dry cask
 25.26 or container containing spent fuel that is located at the Prairie Island nuclear generating
 25.27 facility, each year for as long as the dry casks or containers containing spent nuclear fuel
 25.28 are stored at the Prairie Island Independent Spent Fuel Storage Installation.

25.29 (c) The payments made to the Prairie Island Indian Community under this subdivision
 25.30 may be used for, ~~among other purposes~~ any purpose that benefits the Prairie Island Indian
 25.31 Community, including but not limited to acquiring up to 1,500 contiguous or noncontiguous
 25.32 acres of land in Minnesota within 50 miles of the tribal community's reservation at Prairie
 25.33 Island to be taken into trust by the federal government for the benefit of the tribal community

- 26.1 for housing and other residential purposes. The legislature acknowledges that the intent to
- 26.2 purchase land by the tribe for relocation purposes is part of the settlement agreement and
- 26.3 Laws 2003, First Special Session chapter 11. However, the state, through the governor,
- 26.4 reserves the right to support or oppose any particular application to place land in trust status."
- 26.5 Renumber the sections in sequence and correct the internal references
- 26.6 Amend the title accordingly