

March 10, 2026

Members of the House Energy Finance and Policy Committee
Minnesota House of Representatives

Re: HF 3912 — Restrictions on utility use of late fees and reconnection fees

Dear Co-Chair Acomb, Co-Chair Swedzinski, and Members of the House,

The Minnesota Rural Electric Association respectfully submits this letter of opposition to HF 3912. Minnesota's electric cooperatives are member-owned, not-for-profit utilities. Our members are our neighbors, and keeping electricity affordable for every household we serve is at the core of everything we do. Co-ops consistently maintain some of the lowest rates in the state — not by accident, but because of a relentless focus on cost control and efficient operations. Affordability isn't just a talking point for us. It's our mission.

We also understand that many Minnesotans are struggling. The cost of groceries, housing, healthcare, and energy have risen significantly in recent years, and we know that many of our members are feeling that pressure every month. When a member falls behind on their bill, our first call is not to a collections agency. Co-ops work directly with every member who reaches out to establish payment agreements, connect them with assistance programs, and find solutions that keep the lights on. We take that responsibility seriously.

The difficult truth this bill doesn't address is that when bills go unpaid and co-ops lack basic cost-recovery tools to address chronic non-payment, those costs don't simply disappear. They are spread across every other member's bill. Eliminating the ability for cooperatives to use appropriate collection tools shifts the financial burden squarely onto members who do pay their bills.

We appreciate the opportunity to provide this testimony and welcome further discussion with the bill's author and committee members regarding the issues raised today.

Tricia Elite
Government Affairs Representative
Minnesota Rural Electric Association