

## **H.F. No. 2310 – Environment, Natural Resources, Climate, and Energy Omnibus Finance (2nd Unofficial Engrossment – Articles 4, 6, and 7)**

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### **Article 4 – Environment and Natural Resources Modifications**

**Section 1 [Escaped Farmed Cervidae]** requires an owner to immediately notify the commissioner of natural resources of the escape of a farmed cervid if the cervid is not returned within 24 hours of escape. This section also allows a person with a hunting license to kill and possess escaped farmed cervidae without being liable to the owner for loss of the animal. Requires escaped farmed cervidae that are killed to be tested for chronic wasting disease (CWD). Makes the owner responsible for proper disposal of a deceased CWD-positive escaped cervid and for paying any costs associated with the escaped cervid.

**Section 2 [Fencing Requirements for Farmed Cervidae]** requires fencing for farmed cervidae to be constructed and maintained in a manner that prevents physical contact between farmed cervidae and free-roaming cervidae. Requires fencing deficiencies to be repaired immediately if the deficiency allows entry or exit of farmed or wild cervidae. All other deficiencies must be fixed within a reasonable time not to exceed 14 days.

**Section 3 [Prohibition Against New White-Tailed Deer Farms]** prohibits new registrations of white-tailed deer farms. Allows transfer or sale of a white-tailed deer farm registration one time only. Transfer or sale may only be approved once the BAH has verified that the herd is CWD-free.

**Section 4 [Effects of CWD Detection]** prohibits moving a farmed white-tailed deer from a CWD-positive herd to another location. Requires the owner of premises where CWD has been detected to cooperate with inspections by the appropriate state agencies and prohibits raising farmed cervidae on the premises for ten years. This section also requires written disclosure to a purchaser of the property of the date the herd was depopulated and notice of the requirements and limitations that apply to the property as a result of CWD having been detected on it. Finally, the owner must file a notice containing related information with the appropriate county recorder or registrar of titles.

**Section 5 [CWD Liability]** provides that a herd owner is civilly liable to a person injured by the owner's sale or unlawful disposal of farmed cervidae that the owner knew or reasonably should have known were infected with or exposed to CWD. Provides further that a herd owner is liable to the state for costs associated with the owner's unlawful disposal of farmed cervidae infected with or exposed to CWD.

**Section 6 [Live Cervid and Cervidae Semen Importation Prohibition]** prohibits the importation of live cervidae or cervidae semen from a herd that is CWD positive or that has been exposed to CWD, or from a state or province where CWD is present in the farmed or wild cervid population. Live cervidae and cervidae semen may only be imported from states and provinces that are free from CWD and that have been subject to a CWD monitoring program for at least three years.

**Section 7 [Cooperation with Board of Animal Health]** authorizes the Department of Natural Resources (DNR) to contract with the Board of Animal Health to administer some or all of the statutes that govern farmed white-tailed deer once those duties are transferred to the DNR.

**Section 8 [Consultation with the Center for Prion Research]** requires BAH and the DNR to consult with the Minnesota Center for Prion Research and Outreach at the University of Minnesota in the administration of § 35.155 (farmed cervidae provisions).

**Section 9 [Notification of CWD Infections Required]** requires the BAH to promptly notify affected local and Tribal governments when an animal in a farmed cervidae herd tests positive for CWD.

**Section 10 [Annual CWD Testing of Farmed Cervidae Required]** requires BAH to annually test each farmed white-tailed deer for CWD using a live animal real-time quaking-induced conversion (RT-QuIC) test once the test is approved for that purpose by the USDA. If the first test is positive, a second test is required. If the second test is positive, the animal must be destroyed and a post-mortem CWD performed.

**Section 11 [Repeal of Requirement to File Permit Application in Quadruplicate]** repeals a requirement that applications for licenses permitting the passage of utilities over public lands and water be filed in quadruplicate.

**Section 12 [Watercraft Safety Definitions]** defines terms used in connection with watercraft safety and boater education requirements.

**Section 13 [Issuance of Watercraft Operator's Permit]** requires the DNR to issue a watercraft operator's permit to a person 12 years of age or older who completes the watercraft safety course and test administered by the DNR or a similar course approved by the DNR.

**Section 14 [Watercraft Operator's Permit Required]** will eventually require all nonexempt persons 12 and older who were born after June 30, 1987, to obtain a watercraft operator's permit to operate a motorboat, including a personal watercraft.

**Section 15 [Watercraft Safety Program]** requires the DNR to establish a water safety course and testing program for personal watercraft and watercraft operators and to create a short boater safety examination to be administered by motorboat rental businesses to renters of motorboats.

**Section 16 [Motorboat Rental Businesses]** imposes various requirements on motorboat rental businesses, including a requirement to create a list of authorized users, to provide personal floatation devices, to provide a summary of applicable motorboat regulations to motorboat renters, and to administer a short test on the regulations. This section also prohibits renting to anyone under age 18. Resort businesses are exempt from motorboat rental requirements.

**Section 17 [Technical Change]** makes a conforming change to reflect changes made elsewhere in the bill.

**Section 18 [Minnesota Is a Mining-Friendly State]** statutorily declares that Minnesota is a mining friendly state.

**Section 19 [Hunting and Fishing Licenses Must Be Paperless by Default]** requires the DNR to issue angling, trapping, and hunting licenses in a paperless format except where a person requests a paper license. This section becomes effective on March 1, 2026.

**Section 20 & 21 [Technical Change]** make technical changes to reflect the statutory changes made in section 19.

**Section 22 [Resident Angling Licenses for Military Spouses]** authorizes DNR to issue a resident angling license to the spouse of a person in the armed forces that is stationed in the state.

**Section 23 [Resident Angling Licenses for National Guard Spouses]** authorizes DNR to issue a resident angling license to the spouse of a person in the National Guard that is stationed in the state.

**Section 24 [Repeal of Turtle Seller License Fees]** repeals language that sets a fee for turtle seller's licenses and turtle seller's apprentice licenses to reflect the fact that these licenses will no longer be issued if the bill becomes law. This section also reduces the cost of a recreational turtle license from \$25 to \$5.

**Section 25 [Shotgun Use Area Modification]** redefines the shotgun use area to include only Olmsted County.

**Section 26 [Recreational Turtle License Required to Take Turtles]** requires a recreational turtle license to take, possess, or transport turtles. This is in addition to an existing requirement to possess an angling license for these purposes. This section also provides that turtles taken from the wild are for personal use only and may not be resold.

**Section 27 [Exemptions to Turtle License Requirements]** repeals several existing exemptions to the requirement to possess turtle licenses and adds several new exemptions to the license requirements.

**Section 28 [Turtle Taking Methods]** prohibits taking turtles with traps or commercial equipment.

**Section 29 [Turtle Species Limits]** prohibits possessing more than 3 snapping turtles or more than 3 western painted turtles except in certain circumstances. This section also makes technical changes that repeal language that is no longer needed.

**Section 30 [BWSR Agreements with Other Entities]** authorizes the Board of Water and Soil Resources (BWSR) to enter into agreements, including grant agreements, with Tribal nations, federal agencies, higher education institutions, local governments, and private sector organizations to carry out programs and other responsibilities authorized by statute.

**Section 31 [Work with Stakeholders on Conservation Practices]** requires BWSR to work with Tribal nations and other stakeholders to foster mutual understanding and provide recommendations for standardized specifications related to conservation practices.

**Section 32 [Work with Stakeholders to Enhance Native Vegetation]** requires BWSR to work with state and federal agencies, Tribal nations, academic institutions, local governments, practitioners, and stakeholders to foster mutual understanding and to provide recommendations for standardized specifications to establish and enhance native vegetation. Authorizes BWSR to convene work groups for this purpose.

**Section 33 [Easement Stewardship Accounts Modifications]** expands permissible uses of the water and soil conservation easement stewardship account to include repairing or replacing structures and requires BWSR to consider the estimated annualized costs for repairing and replacing water control structures in determining the amount of the financial contribution to the account it seeks when it acquires a conservation easement.

**Section 34 [Lawns to Legumes Program]** statutorily establishes the Lawns to Legumes program.

**Section 35 [Habitat-Friendly Utilities Program]** authorizes BWSR to provide financial and technical assistance to promote the successful establishment of native vegetation as part of utility projects, including solar and wind projects, pipelines, and electrical transmission corridors.

**Section 36 [Habitat-Enhancement Landscape Program]** authorizes BWSR to provide financial and technical assistance to establish or enhance areas of diverse native vegetation.

**Section 37 [Expansion of Permissible Uses of Cost-Share Program Money]** expands permissible uses of money provided under what is currently known as the BWSR cost-share program. Currently, that money can be used for practices for erosion or sedimentation control or water quality improvement, but this section would expand permissible uses to include improvements related to water quantity, habitat enhancement, plant biodiversity, energy conservation, or climate adaptation, resiliency, or mitigation. This section is one of several sections related to the cost-share program that facilitate its transformation from a cost-share program into a more general program providing technical and financial assistance.

**Section 38 [Expansion of Permissible Uses of Cost-Share Program Money]** expands permissible uses of cost-share program money by limiting permissible uses to include projects identified in state-approved plans that are related to water and natural resources and established under chapters 103B, 103C, 103D, 103F, 103G, and 114D.

**Section 39 [Cost-Share Program Conforming Changes; Repeal of Contract Requirements]** makes various conforming changes to reflect changes to the cost-share program statutes made elsewhere in the bill. This section also repeals statutory language governing the length of a cost-share contract and penalties to be paid for nonperformance.

**Section 40 [Cost-Share Program Conforming Changes]** makes various conforming changes to reflect changes to the cost-share program statutes made elsewhere in the bill.

**Section 41 [Technical Changes]** makes technical changes to a statute that governs watershed district projects.

**Section 42 [Establishment of Soil Health Practices Program]** requires BWSR to establish a soil health practices program to provide technical and financial assistance to support no till, field borders, prairie strips, cover crops, and other practices designed to produce soil health practices that achieve water quality, soil productivity, climate change resiliency, or carbon sequestration benefits. Under the program, BWSR would provide support to local units of government, private sector organizations, and farmers.

**Section 43 [RIM Purposes Expansion]** expands the purposes of the Reinvest in Minnesota Resources Law to include establishing perennial vegetation, restoring and enhancing marginal land, and protecting environmentally sensitive areas, including wellhead protection areas, grasslands, peatlands, shorelands, and forest lands in priority areas.

**Section 44 [Grasslands Definition]** adds a definition of grasslands to Minnesota Statutes Chapter 103F.

**Section 45 [Establishment of Reinvest in Minnesota Working Lands Program]** requires BWSR to establish a Reinvest in Minnesota Working Lands Program that would complement the existing Reinvest in Minnesota Reserve Program.

**Section 46 [Reporting of Fish Kills]** requires a state or county staff person or official who learns of a fish kill in public waters to report the location of the fish kill to the Minnesota State Duty Officer within one hour. The Minnesota State Duty Officer, in turn, must alert certain state agencies within one hour, and the incident must be posted to the Environmental Quality Board (EQB) Monitor in its next scheduled posting.

**Section 47 [Fish Kill Response Protocol]** requires the commissioners of agriculture, health, and natural resources, and the commissioner of the Pollution Control Agency to develop a protocol for steps state agencies responding to a fish kill must take to ascertain the cause of the fish kill as well as to inform the public of potential hazards.

**Section 48 [Definition of Microplastic]** adds a definition of microplastic to the statutes.

**Section 49 [Definition of Nanoplastic]** adds a definition of nanoplastic to the statutes.

**Section 50 [Definition of Plastic]** adds a definition of plastic to the statutes.

**Section 51 [Chloride Reduction Training Authority]** establishes the Pollution Control Agency's chloride reduction training program and existing fee in statute.

**Section 52 [Paint Stewardship Program Modifications]** makes various modifications to the paint stewardship program, including adding a requirement that the financial reserve not exceed 75% of annual operating expenses, allowing the PCA to rewrite a stewardship plan after multiple inadequate submissions, and clarifying the language of the statute.

**Section 53 [Capital Assistance Program Modifications]** modifies the capital assistance program statute that helps local governments pay for and expand their solid waste and materials management infrastructure. This section would expand the alternatives to disposal that the program must encourage local communities to undertake.

**Section 54 [Capital Assistance Program Applicant Requirements]** requires applicants for assistance under the capital assistance program to demonstrate that they have evaluated the proposed project's impact on climate change, including greenhouse gas emissions, and have reviewed the project's impact on overburdened areas, conducted stakeholder engagement, and assessed community input.

**Sections 55 [Technical Change]** makes conforming changes in response to changes made elsewhere in the bill.

**Section 56 [Increase in Maximum Grant Percentage for Certain Projects]** increases from 50% to 75% the maximum percentage of bond funded project capital costs that can be paid for with capital assistance program grants.

**Section 57 [Capital Assistance Program Maximum Grant Awards Increase]** raises the maximum amounts that can be awarded in grants under the capital assistance program.

**Sections 58 and 59 [Broadening of Curbside Recycling and Composting Grant Program]** broaden the program that provides competitive grants to political subdivisions and Tribes for curbside recycling and composting to also include waste reduction and reuse.

**Section 60 [Cumulative Impacts]** requires a cumulative impacts analysis to be undertaken by an applicant for a major air permit for a facility located in the metropolitan area. Authorizes the PCA to require a cumulative impacts analysis be undertaken by applicants for other air permits, certain solid waste permits, and permits related to hazardous waste. When a cumulative impacts analysis is required, the applicant must hold public meetings and the PCA must consider both the analysis and comments when making the permit decision. Permits for facilities to be located in environmental justice areas that will have a cumulative adverse effect must be denied unless there is a compelling public interest or the PCA enters into a community benefit agreement.

**Section 61 [PCA Duty to Environmental Justice Areas]** requires the PCA to ensure that actions or programs that have a direct, indirect, or cumulative impact on environmental justice areas incorporate community-focused practices and procedures in agency processes, including communication, outreach, engagement, and education to enhance meaningful, timely, and transparent community access.

**Section 62 [Products Containing PFAS]** prohibits the sale of enumerated items containing PFAS beginning January 1, 2025 and requires manufacturers of other PFAS-containing products to file a notice with the PCA about the PFAS contents of the products. Contains certain exemptions

**Section 63 [Watercraft Operator's Permit Information on Driver's Licenses]** adds language to the statutes that facilitates the inclusion of watercraft operator's permit information on driver's licenses.

**Section 64 [Lottery in Lieu Changes]** raises from 72.43% to 82% the percentage of lottery-in-lieu revenue that must be deposited in the game and fish fund and the natural resources fund. Requires

that an additional 2% be deposited in a regional parks and trails account in the natural resources fund and may only be spent for parks and trails of regional significance. This section also requires that an additional 1% be deposited in an outdoor recreational opportunities for underserved communities account in the natural resources fund and provides that this money may only be spent on projects and activities that connect diverse and underserved Minnesotans through expanding cultural environmental experiences, exploration of their environment, and outdoor recreational activities.

**Section 65 [Lead and Cadmium in Consumer Products]** prohibits the importing, manufacturing, selling, or distributing of enumerated consumer products with lead or cadmium levels that exceed the levels set forth in the statute.

**Sections 66 through 68 [PFAS-Containing Firefighting Foam]** prohibit the manufacture, sale, or use of Class B firefighting foam containing PFAS, subject to certain exceptions.

**Section 69 [50-Year Clean Water Plan Scope of Work]** requires the University of Minnesota Water Council to develop a scope of work, timeline, and budget for a plan to promote and protect clean water in Minnesota for the next 50 years.

**Section 70 [Solar Panel Recycling Report]** requires the commissioner of the PCA, in consultation with the commissioners of commerce and employment and economic development, to coordinate preparation of a report on developing a statewide system to reuse and recycle solar photovoltaic modules and installation components in the state.

**Section 71 [Recommendations to Prevent Fish Kills in the Driftless Area]** by January 15, 2024, requires the commissioners of agriculture, health, and natural resources, and the commissioner of the Pollution Control Agency to make recommendations to the legislature for statutory and rules changes that, if implemented, would help prevent fish kills within the boundaries of the Department of Natural Resources Paleozoic Plateau ecological section.

**Section 72 [Temporary Exemption for Terminals and Oil Refineries]** provides a temporary exemption to the prohibition on PFAS-containing Class B firefighting foam for terminals and oil refineries.

**Section 73 [Transfer of White-Tailed Deer-Related Duties]** transfers the responsibility for administering and enforcing statutes and rules regulating farmed white-tailed deer from BAH to the DNR, effective July 1, 2025.

**Section 74 [Prohibition on Turtle Seller License Renewal]** prohibits transfer or renewal of a turtle seller's license.

**Section 75 [Upper Sioux Agency State Park Transfer]** requires the DNR to convey for no consideration all state-owned land within the boundaries of Upper Sioux Agency State Park to the Upper Sioux Community.

**Section 76 [White Bear Lake Area Stakeholder Group]** requires the DNR to convene a group of stakeholders to advise the commissioner and the legislature on options for ensuring communities in the White Bear Lake area have access to sufficient safe drinking water to allow for municipal growth while simultaneously ensuring the sustainability of surface and groundwater sources to supply the needs of future generations.

**Section 77 [Revisor Instruction]** instructs the Revisor of Statutes to make necessary conforming Changes

**Section 78 [Repealer]** repeals statutes and rules in connection with:

- Governor’s bill (BWSR cost share changes, NPDES annual report, and cadmium and lead)
- Watercraft safety (SF 553)
- Farmed cervidae (SF 1526)
- Turtle sellers (SF 612)

## **ARTICLE 6 – STRENGTHEN MINNESOTA HOMES**

**Section 1 [Homeowner’s Insurance; Fortified Program Standards]** requires insurers to provide a premium discount or reduced insurance rate to insure new or retrofitted residential property that meets the Fortified program standards as administered by the Insurance Institute for Business and Home Safety.

**Section 2 [Strengthen Minnesota Homes Program]** establishes the Strengthen Minnesota Homes program in the Department of Commerce to provide grants to retrofit residential property to resist loss due to common perils, including but not limited to tornadoes or other catastrophic windstorm events. Grants must be awarded on a first come, first served basis.

## **ARTICLE 7 – ENERGY POLICY**

**Section 1 [Buy Clean and Buy Fair Minnesota]** requires new construction of state buildings with more than 50,000 square feet, certain renovations of more than 50,000 square feet, and construction or reconstruction of more than two miles of trunk highway to only use carbon steel rebar, structural steel, concrete, or asphalt paving mixture that does not exceed the maximum acceptable global warming potential, as determined by the commissioner of administration.

**Section 2 [Sustainable Building Guidelines Must Include Resiliency]** requires sustainable building design guidelines for state buildings to incorporate resiliency guidelines to encourage design that allows buildings to adapt to projected climate-related changes that are reflected in both acute events and chronic trends.

**Section 3 [Fee for Charging Electric Vehicles in Capitol Area]** requires a person who charges a privately-owned vehicle at a charging station in the capitol area to pay an electric service fee established by the commission of administration.

**Section 4 [Preference Order for Purchase of State Vehicles]** establishes a four-tier preference order for purchase of state vehicles with electric vehicles being the highest preference and gasoline or diesel fueled vehicles being the lowest tier. Higher preference vehicles may be rejected only if they are incapable of performing the work for which they are being purchased or the total cost of ownership would be more than 10% higher than the next vehicle type.

**Section 5 [Technical Changes]** makes conforming changes to reflect the statutory changes made in section 4.



**Section 6 [RDA Projects Are Subject to Prevailing Wage Requirements/Diversity Report]** requires payment of prevailing wages on construction projects that receive funds from the renewable development account. Specifies that the construction projects are also subject to prevailing wage reporting and record keeping requirements and enforcement by the Department of Labor and Industry. This section also requires that a project receiving funding from the renewable development account must submit the diversity report required by § 216C.51.

**Section 7 [Solar Energy Production Incentive Program Extension]** increases the amount that the public utility subject to § 116C.779 must allocate to the solar energy production incentive program.

**Section 8 [Area C Contingency Account]** creates an account to provide money to the owner of a solar energy generating system planned to be deployed on the former industrial waste dump for the former Ford Twin Cities Assembly Plant in the event that the Pollution Control Agency issues a corrective action determination in connection with contaminated soil or groundwater that adversely affects the project.

**Sections 9 through 11 [Air Ventilation Program Act]** requires the commissioner of commerce to establish an air ventilation program to provide grants to reimburse school boards for heating, ventilation, and air conditioning assessment reports, related testing, and upgrades to improve the health, safety, and HVAC system efficiency.

**Section 12 [Dealers Must Employ Persons Knowledgeable about Electric Vehicles]** requires dealers of new motor vehicles to employ at least one person who has had training on the fundamentals of electric vehicles and related issues.

**Section 13 [Intervenor Compensation Statute Applicability]** makes an existing statute governing compensation for intervenors in rate proceedings before the Public Utilities Commission inapplicable until the statute created by Section 26 expires on July 1, 2028.

**Section 14 [Transportation Electrification Plans]** requires a public utility to submit a transportation electrification plan to the commission by November 1, 2023, which may include an educational component, utility investment, research and demonstration projects, and rate structures or programs that encourage electric vehicle charging that optimizes grid operation. Allows the Public Utilities Commission (PUC) to approve cost recovery for prudent and reasonable investments made or expenses incurred by a public utility in the administration and implementation of a transportation electrification plan.

**Section 15 [Electric School Bus Deployment Program]** creates a program in the Department of Commerce to provide grants to accelerate the deployment of electric school buses by paying for up to 95% of a school district's or transportation service provider's cost to purchase one or more electric school buses or to convert fossil-fuel-powered buses into electric school buses. Grants may also be used to deploy related infrastructure. The deadline for applications is December 31, 2032.

**Section 16 [Community Solar Garden Transition]** transitions the community solar garden program to a low-income community solar garden program. Cooperative associations, nonprofit organizations, and Indian Tribes are eligible owners, and at least 25% of subscribers must be low-income residential subscribers and nonresidential subscribers. Eligible nonresidential subscribers are statutorily enumerated.

**Section 17 [Prairie Island Nuclear Power Plant Settlement Payments]** requires the utility that is subject to Section 116C.779 to make additional payments to the Prairie Island Indian Community in the event that a new settlement resolving the dispute about continued operation of the Prairie Island Nuclear Power Plant is entered into.

**Section 18 [Wood Waste as Renewable Energy]** includes wood waste and wood chip biomass in the definition of biomass, for purposes of defining what constitutes a renewable energy technology for purposes of meeting the renewable energy standard obligation and for purposes of generating renewable energy credits.

**Section 19 [Required Delay of Standard Obligations]** requires the PUC to modify or delay implementation of a standard obligation for a generation and transmission cooperative electric association, a municipal power agency, a power district, a cooperative electric association, or municipal utility providing electric service that is not a member of one of these, if the PUC makes certain findings related to rate impacts, reliability, or technical issues.

**Section 20 [Report on Rates Paid, Service Reliability, and Use of Peaking Facilities]** requires electric utilities to annually submit a report the appropriate legislative committees on the reliability of electric service, rates paid by customers, and the utility's use of peaking facilities during the year covered by the report compared to the three years prior to the reporting year.

**Section 21 [Distributed Solar Energy Standard]** requires the public utility subject to section 116C.779 to generate at least 3% of its total retail electric sales from solar photovoltaic devices with a nameplate capacity of ten megawatts or less, at least 70% of which cannot be owned by the utility.

**Section 22 [Technical Change]** makes a technical change to conform to the changes made in another section.

**Section 23 [Utility Customer Dispute Resolution]** requires residential customer complaints against a public utility to be filed with the PUC's consumer affairs office. If the customer is not satisfied with the resolution of the dispute by the consumer affairs office, the customer may file an appeal with the commission, which can either be dismissed, resolved through an informal proceeding before the commission, or referred to the Office of Administrative Hearings for a contested case. Judicial review of decisions is made available.

**Section 24 [Distributed Resources Options in Resource Planning]** requires a utility to consider distributed energy resources among the options considered in its resource plan filing.

**Section 25 [Commerce Assessment]** raises from \$500,000 to \$1,000,000 the amount that the Department of Commerce may assess per fiscal year to pay for grid reliability analyses and to perform regional and national duties.

**Section 26 [Compensation for Certain PUC Proceeding Participants]** authorizes the PUC to order a public utility to compensate Minnesota residents, certain nonprofit, and Indian tribes who materially assist the commission in a PUC proceeding. This section also contains per proceeding, per recipient, and per utility caps on compensation received or paid. This section expires on July 1, 2028.

**Section 27 [Reporting on Certain Accounts]** requires the commissioner of commerce to report to the legislature annually certain information about accounts created in the special revenue fund by Chapter 216C.

**Sections 28 through 33 [Preweatherization Program Establishment]** establish a preweatherization program in the Department of Commerce to provide grants for preweatherization services to income-eligible households in Minnesota. Grants are also available through a competitive process to educational institutions, certified training centers, labor organizations, and nonprofits for training and developing programs for careers in the weatherization industry.

**Section 34 [Energy Benchmarking]** requires certain properties of more than 50,000 square feet to participate in energy benchmarking to make a building's owners, tenants, and potential tenants aware of the building's energy consumption levels and patterns, and how the building's energy use compares with that of similar buildings nationwide.

**Section 35 [Solar for Schools Eligibility Expansion]** expands eligibility for the solar for schools program to Tribal contract schools and any other public school district deemed appropriate by the commissioner.

**Section 36 [Technical Change]** technical change to the solar for schools program statute.

**Section 37 [Solar for Schools Program Extension]** extends the solar for schools program by seven years, to 2032.

**Section 38 [Technical Change]** technical change to the solar for schools program statute.

**Section 39 [Distributed Energy Resources System Upgrade Program]** establishes a distributed energy resources system upgrade program in the Department of Commerce to provide funding to the utility subject to section 116C.779 to complete infrastructure upgrades necessary to enable electricity customers to interconnect distributed energy resources.

**Section 40 [Solar on Public Buildings Program Establishment]** Establishes a solar on public buildings grant program to provide grants to stimulate the installation of solar energy generating systems on public buildings. Utilities and developers may apply for the grants on behalf of local government buildings.

**Section 41 [Energy Storage Incentive Program]** requires the public utility subject to § 116C.779 to develop and operate a program to provide lump sum grants to customers to reduce the costs of purchasing and installing on-site energy storage systems.

**Section 42 [Electric Vehicle Rebates]** provides rebates of up to \$2,500 for the purchase or lease of an eligible new electric vehicle and \$500 for the purchase or lease of an eligible used electric vehicle. Only vehicles with an MSRP of \$60,000 or less are eligible. The rebate amount can be increased by \$500 and \$100 for new or used vehicles, respectively, if the purchaser meets certain income requirements. The rebate program expires on June 30, 2027.

**Section 43 [Dealer Grants to Cover Costs of Manufacturer Certification]** creates a grant program to provide grants of up to \$40,000 to dealers of new motor vehicles to offset the costs of obtaining the training and equipment required by electric vehicle manufacturers in order to certify a dealer to sell electric vehicles produced by the manufacturer.

**Section 44 [Minnesota Climate Innovation Finance Authority]** establishes a Minnesota Climate Innovation Finance Authority to accelerate the deployment of clean energy projects, greenhouse gas emissions reduction projects, and other qualified projects through the strategic deployment of public funds in the form of grants, loans, credit enhancements, and other financing mechanisms in order to leverage existing public and private sources of capital to reduce the upfront and total cost of qualified projects and to overcome financial barriers to project adoption, especially in low-income communities.

**Section 45 [Residential Heat Pump Rebate Program]** establishes a residential heat pump rebate program to provide financial assistance to eligible applicants that purchase and install a heat pump in the applicant's Minnesota residence. Under the program a person who received or has applied for a heat pump rebate under the Inflation Reduction Act of 2022 is eligible for a rebate under the program of up to \$4,000.

**Section 46 [Residential Electric Panel Upgrade Grant Program]** establishes a residential electric panel upgrade grant program to provide financial assistance to owners of single-family residences and multifamily buildings to upgrade residential electric panels. An owner of a single family residence with household income no greater than 150 percent of the area median income, or an owner of a multifamily building in which at least 50 percent of the units are occupied by households whose annual income is no greater than 150 percent of the area median income, is eligible for a grant under the program.

**Section 47 [Public Utility Diversity Reporting]** requires each public utility to file an annual diversity report with the commissioner.

**Section 48 [Limited Biodiesel-Fueled Peaking Facility Use as Carbon-Free Energy]** provides that electricity generated from carbon-free technology includes electricity generated by the first 400 hours per year of peaking facilities using biodiesel fuel.

**Section 49 [Technical Correction]** makes a technical correction to an energy bill enacted earlier in the 2023 session.

**Section 50 [Community Solar Gardens Order]** requires the Public Utilities Commission to issue an order addressing Community Solar Garden program requirements in light of the modifications made by this act within 180 days of the submission of a low-income community solar garden plan by the utility subject to section 116C.779.

**Section 51 [Advanced Nuclear Study]** requires the commissioner of commerce to conduct a study evaluating the potential costs, benefits, and impacts of advanced nuclear technology reactor power generation in Minnesota.

**Section 52 [Tribal Advocacy Council on Energy]** requires the commissioner of commerce to provide technical support and subject matter expertise to assist and help facilitate any efforts taken by the 11 federally recognized Indian Tribes in Minnesota to establish a Tribal advocacy council on energy.

**Section 53 [Electric Grid Resiliency Grants]** establishes a program to provide grants to consumer-owned utilities or their associated trade associations for projects that develop or improve distributed energy resources in the state, help provide flexibility to electric utilities or consumers, lead to lower

rates, provide environmental benefits, increase the resilience of an electric grid, are power generation or storage resources located near load centers, or develop programs to enhance the safety of personnel performing duties exposing them to potential electrical hazards.

**Section 54 [Initial Appointments to Board of Directors]** provides for initial appointments to the board of directors of the Minnesota Climate Innovation Finance Authority.

**Section 55 [Supporting Investment in Green Fertilizer]** requires a grant under this act to a cooperative to invest in green fertilizer production facilities to include a long-term agreement to purchase nitrogen fertilizer for cooperative members. Requires related reporting.

**Section 56 [Repealer]** repeals a statute that is being replaced with a new statute created by another section.