

1.1 ..... moves to amend H.F. No. 849 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. **[216C.45] RESIDENTIAL ELECTRIC PANEL UPGRADE GRANT**  
1.4 **PROGRAM.**

1.5 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have  
1.6 the meanings given.

1.7 (b) "Area median income" means the median income of the geographic area in which a  
1.8 single-family or multifamily building whose owner is applying for a grant under this section  
1.9 is located, as reported by the federal Department of Housing and Urban Development.

1.10 (c) "Electric panel" means a building's electric load service center, including any  
1.11 subpanels, consisting of a main circuit breaker that regulates several other circuit breakers  
1.12 to prevent overloading and distributes electricity throughout the building. Electric panel  
1.13 includes a smart panel.

1.14 (d) "Electrical work" has the meaning given in section 326B.31, subdivision 17.

1.15 (e) "Eligible applicant" means:

1.16 (1) an owner of a single-family building whose occupants have an annual household  
1.17 income no greater than 150 percent of the area median income; or

1.18 (2) an owner of a multifamily building in which at least 50 percent of the units are  
1.19 occupied by households whose annual income is no greater than 150 percent of the area  
1.20 median income.

1.21 (f) "Multifamily building" means a building containing two or more units.

1.22 (g) "Smart panel" means an electrical panel that may be electronically programmed to  
1.23 manage electricity use in a building automatically.

2.1 (h) "Unit" means a residential living space in a multifamily building occupied by an  
2.2 individual or a household.

2.3 (i) "Upgrade" means:

2.4 (1) for a single-family residence, the installation of equipment, devices, and wiring  
2.5 necessary to increase an electrical panel's capacity to a total rating of not less than 200  
2.6 amperes; and

2.7 (2) for a multifamily building, the installation of equipment, devices, and wiring necessary  
2.8 to increase the capacity of an electric panel, including feeder panels, to a total rating that  
2.9 allows all the building's energy needs to be provided solely by electricity, as calculated  
2.10 using the National Electrical Code as adopted in Minnesota.

2.11 Subd. 2. **Program establishment.** A residential electric panel upgrade grant program  
2.12 is established in the Department of Commerce to provide financial assistance to owners of  
2.13 single-family residences and multifamily buildings to upgrade residential electric panels.

2.14 Subd. 3. **Application process.** An applicant seeking a grant under this section must  
2.15 submit an application to the commissioner on a form developed by the commissioner. The  
2.16 commissioner must develop administrative procedures to govern the application and grant  
2.17 award process. The commissioner may contract with a third party to conduct some or all of  
2.18 the program's operations.

2.19 Subd. 4. **Grant awards.** A grant may be awarded under this section to:

2.20 (1) an eligible applicant; or

2.21 (2) with the written permission of an eligible applicant submitted to the commissioner,  
2.22 to a contractor performing an upgrade or a third party on behalf of the eligible applicant.

2.23 Subd. 5. **Grant amount.** (a) Subject to the limits of paragraphs (b) to (d), a grant awarded  
2.24 under this section may be used to pay 100 percent of the equipment and installation costs  
2.25 of an upgrade.

2.26 (b) The commissioner may not award a grant to an eligible applicant under this section  
2.27 which, in combination with a federal grant awarded to the eligible applicant under the federal  
2.28 Inflation Reduction Act of 2022, Public Law 117-189, for the same electric panel upgrade,  
2.29 exceeds 100 percent of the equipment and installation costs of the upgrade.

2.30 (c) The maximum grant amount under this section that may be awarded to an eligible  
2.31 applicant who owns a single-family residence is:

3.1 (1) \$6,000 for an owner whose annual household income is less than 80 percent of area  
3.2 median income; and

3.3 (2) \$4,000 for an owner whose annual household income exceeds 80 percent but is not  
3.4 greater than 150 percent of area median income.

3.5 (d) The maximum grant amount that may be awarded under this section to an eligible  
3.6 applicant who owns a multifamily building is the sum of \$9,500, plus \$500 multiplied by  
3.7 the number of units containing a separate electric panel receiving an upgrade in the  
3.8 multifamily building, not to exceed \$50,000 per multifamily building.

3.9 Subd. 6. **Limitation.** No more than one grant may be awarded to an owner under this  
3.10 section for work conducted at the same single-family residence or multifamily building.

3.11 Subd. 7. **Outreach.** The department must publicize the availability of grants under this  
3.12 section to, at a minimum:

3.13 (1) income-eligible households;

3.14 (2) community action agencies and other public and private nonprofit organizations that  
3.15 provide weatherization and other energy services to income-eligible households; and

3.16 (3) multifamily property owners and property managers.

3.17 Subd. 8. **Contractor or subcontractor requirements.** Contractors and subcontractors  
3.18 performing electrical work under a grant awarded under this section must:

3.19 (1) comply with the provisions of sections 326B.31 to 326B.399;

3.20 (2) certify that the electrical work is performed by a licensed journeyworker electrician  
3.21 or a registered unlicensed individual under the direct supervision of a licensed journeyworker  
3.22 electrician or master electrician employed by the same licensed electrical contractor; and

3.23 (3) pay workers the prevailing wage rate, as defined in section 177.42, and are subject  
3.24 to the requirements and enforcement provisions in sections 177.27, 177.30, 177.32, 177.41  
3.25 to 177.435, and 177.45.

3.26 Subd. 9. **Report.** Beginning January 1, 2025, and each January 1 through 2033, the  
3.27 department must submit a report to the chairs and ranking minority members of the legislative  
3.28 committees with primary responsibility for climate and energy policy describing the activities  
3.29 and expenditures under the program established in the section. The report must include, at  
3.30 a minimum:

3.31 (1) the number of units in multifamily buildings and the number of single-family  
3.32 residences whose owners received grants;

4.1 (2) the geographic distribution of grant recipients; and

4.2 (3) the average amount of grants awarded per building in multifamily buildings and in  
4.3 single-family residences.

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

4.5 Sec. 2. **APPROPRIATIONS.**

4.6 (a) \$..... in fiscal year 2024 is appropriated from the general fund to the commissioner  
4.7 of commerce for the purpose of awarding electric panel upgrade grants under Minnesota  
4.8 Statute, section 216C.45 and to reimburse the reasonable cost of the department to administer  
4.9 the program. Grants awarded with funds appropriated under this subdivision must be awarded  
4.10 only to owners of single-family homes or multifamily buildings that are located outside the  
4.11 electric service area of the public utility subject to Minnesota Statutes, section 116C.779.  
4.12 This is a onetime appropriation and remains available until June 30, 2032. Any unexpended  
4.13 funds as of that date cancel to the general fund.

4.14 (b) Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph  
4.15 (j), \$..... in fiscal year 2024 is appropriated from the renewable development account  
4.16 established in Minnesota Statutes, section 116C.779, to the commissioner of commerce for  
4.17 the purpose of awarding electric panel upgrade grants under Minnesota Statutes, section  
4.18 216C.45 and to reimburse the reasonable cost of the department to administer the program.  
4.19 Grants awarded with funds appropriated under this subdivision must be awarded only to  
4.20 owners of single-family homes or multifamily buildings that are located within the electric  
4.21 service area of the public utility subject to Minnesota Statutes, section 116C.779. This is a  
4.22 onetime appropriation and remains available until June 30, 2032. Any unexpended funds  
4.23 as of that date cancel to the renewable development account."