

HF3439 - 0 - EV Charging Required; New Residential Buildings

Chief Author: **Lucille Rehm**
 Committee: **Labor and Industry Finance & Policy**
 Date Completed: **3/12/2024 10:25:55 AM**
 Lead Agency: **Labor and Industry Dept**
 Other Agencies:
 Administrative Hearings

| 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 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| Administrative Hearings | - | - | - | - | - | - |
| Administrative Hearings | - | - | - | - | - | - |
| Labor and Industry Dept | | | | | | |
| Construction Code | - | - | 77 | - | - | - |
| State Total | | | | | | |
| Administrative Hearings | - | - | - | - | - | - |
| Construction Code | - | - | 77 | - | - | - |
| Total | - | - | 77 | - | - | - |
| Biennial Total | | | 77 | | | - |

| Full Time Equivalent Positions (FTE) | Biennium | | | Biennium | |
|--------------------------------------|----------|--------|--------|----------|--------|
| | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| Administrative Hearings | - | - | - | - | - |
| Administrative Hearings | - | - | - | - | - |
| Labor and Industry Dept | | | | | |
| Construction Code | - | - | - | - | - |
| Total | - | - | - | - | - |

Lead 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:** 3/12/2024 10:25:55 AM
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 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| Administrative Hearings | - | - | - | - | - |
| Administrative Hearings | - | - | - | - | - |
| Labor and Industry Dept | | | | | |
| Construction Code | - | - | 77 | - | - |
| Total | - | - | 77 | - | - |
| Biennial Total | | | 77 | | - |
| 1 - Expenditures, Absorbed Costs*, Transfers Out* | | | | | |
| Administrative Hearings | - | - | - | - | - |
| Administrative Hearings | - | - | 2 | - | - |
| Labor and Industry Dept | | | | | |
| Construction Code | - | - | 77 | - | - |
| Total | - | - | 79 | - | - |
| Biennial Total | | | 79 | | - |
| 2 - Revenues, Transfers In* | | | | | |
| Administrative Hearings | - | - | - | - | - |
| Administrative Hearings | - | - | 2 | - | - |
| Labor and Industry Dept | | | | | |
| Construction Code | - | - | - | - | - |
| Total | - | - | 2 | - | - |
| Biennial Total | | | 2 | | - |

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 Committee: **Labor and Industry Finance & Policy**
 Date Completed: **3/12/2024 10:25:55 AM**
 Agency: **Labor and Industry Dept**

| 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 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| Construction Code | - | - | 77 | - | - | - |
| Total | - | - | 77 | - | - | - |
| Biennial Total | | | 77 | | | - |

| Full Time Equivalent Positions (FTE) | Biennium | | | Biennium | |
|--------------------------------------|----------|--------|--------|----------|--------|
| | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| Construction Code | - | - | - | - | - |
| 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:** 3/11/2024 9:08:19 AM
Phone: 651-296-6055 **Email:** karl.palm@lbo.mn.gov

State Cost (Savings) Calculation Details

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| State Cost (Savings) = 1-2 Dollars in Thousands | Biennium | | | Biennium | |
|--|----------|--------|--------|----------|--------|
| | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| Construction Code | - | - | 77 | - | - |
| Total | - | - | 77 | - | - |
| Biennial Total | | | 77 | | - |
| 1 - Expenditures, Absorbed Costs*, Transfers Out* | | | | | |
| Construction Code | - | - | 77 | - | - |
| Total | - | - | 77 | - | - |
| Biennial Total | | | 77 | | - |
| 2 - Revenues, Transfers In* | | | | | |
| Construction Code | - | - | - | - | - |
| Total | - | - | - | - | - |
| Biennial Total | | | - | | - |

Bill Description

SF4298 adds requirements to the State Building Code for providing electric vehicle charging infrastructure in all new residential buildings that provide on-site parking facilities. The bill deletes the statutory exemption for residential structures with fewer than four dwelling units from this requirement.

Assumptions

Rulemaking will be required to implement the specified changes in the State Building Code.

Because DLI has recently engaged in the rulemaking process to require the State Building Code to provide electric vehicle charging infrastructure in new commercial and multifamily structures, the agency has experience in this area. Therefore, DLI anticipates a small rulemaking expense (\$46,905) in SFY25. DLI assumes stakeholder education to building owners, architects, engineers, and code officials will be needed so they can apply the new scoping correctly. Costs for stakeholder education will include development and delivery of one live seminar delivered at eight locations and development of incremental online education estimated at \$30,000.

Expenditure and/or Revenue Formula

| Expenditures | 2024 | 2025 | 2026 | 2027 |
|------------------------|------|--------|------|------|
| Minor Rulemaking | - | 46,905 | | |
| Education and Training | | 30,000 | | |
| Total | | 76,905 | | |

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact: Gregory Metz (651-284-5884)

Agency Fiscal Note Coordinator Signature: Jacob Gaub

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Chief Author: **Lucille Rehm**
 Committee: **Labor and Industry Finance & Policy**
 Date Completed: **3/12/2024 10:25:55 AM**
 Agency: **Administrative Hearings**

| 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 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| Administrative Hearings | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |
| Biennial Total | | | - | | | - |

| Full Time Equivalent Positions (FTE) | Biennium | | | Biennium | |
|--------------------------------------|----------|--------|--------|----------|--------|
| | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| Administrative Hearings | - | - | - | - | - |
| 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: Chloe Burns **Date:** 3/11/2024 1:23:16 PM
Phone: 651-297-1423 **Email:** chloe.burns@lbo.mn.gov

State Cost (Savings) Calculation Details

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

| State Cost (Savings) = 1-2 | | Biennium | | | Biennium | |
|--|--------|----------|----------|--------|----------|---|
| Dollars in Thousands | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 | |
| Administrative Hearings | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |
| Biennial Total | | | - | | | - |
| 1 - Expenditures, Absorbed Costs*, Transfers Out* | | | | | | |
| Administrative Hearings | - | - | 2 | - | - | - |
| Total | - | - | 2 | - | - | - |
| Biennial Total | | | 2 | | | - |
| 2 - Revenues, Transfers In* | | | | | | |
| Administrative Hearings | - | - | 2 | - | - | - |
| Total | - | - | 2 | - | - | - |
| Biennial Total | | | 2 | | | - |

Bill Description

SF4298 provides for the Department of Labor and Industry (DLI) to require that all new residential buildings that provide on-site parking facilities have electric vehicle ready spaces, electric vehicle capable spaces, and electric vehicle charging stations.

Assumptions

The Office of Administrative Hearings (OAH) has used DLI’s assumption that a small rulemaking will be needed to meet the requirements of Section 1. Based on past practices, OAH assumes that a small rulemaking under chapter 14 will require an estimated 10 hours of administrative law judge (ALJ) time for activity related to rulemaking procedures. Of the total rulemaking amount estimated by DLI, \$2,450 is for the 10 hours of ALJ time for a small rulemaking.

OAH currently bills ALJ time for rulemaking at the MMB-approved billable rate of \$245 per hour (see Minn. Stat. § 16A.126, subd. 1 (2022)).

Expenditure and/or Revenue Formula

Estimated 10 hours of ALJ time for rulemaking activities related to implementing the requirements of Sec. 1 = 10 hours x \$245/hr = \$2,450 charged to DLI in FY2025 pursuant to the requirements of Minn. Stat. § 14.53.

Long-Term Fiscal Considerations

Costs associated with rulemaking activities are a one-time occurrence.

Local Fiscal Impact

References/Sources

Agency Contact: Denise Collins

Agency Fiscal Note Coordinator Signature: Denise Collins

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