

1.1 moves to amend H.F. No. 2693 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. **[115A.566] ZERO-WASTE GRANT PROGRAM.**

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

1.6 (b) "Electronics projects" means any product that is powered by electricity but does not
1.7 include industrial machinery or lead-acid batteries.

1.8 (c) "Eligible entity" means:

1.9 (1) a small business, as defined in section 645.455;

1.10 (2) an organization which is exempt from taxes under section 501(c)(3) of the Internal
1.11 Revenue Code;

1.12 (3) a Minnesota city, county, public school district, town, or Tribal government; or

1.13 (4) a manufacturer that pays employees a living wage.

1.14 (d) "Environmental justice area" means an area in the state that, based on the most recent
1.15 data published by the United States Census Bureau, meets any of the following criteria:

1.16 (1) 25 percent or more of the area's total population is nonwhite;

1.17 (2) 35 percent or more of households in the area have an income that is at or below 200
1.18 percent of the federal poverty level;

1.19 (3) 40 percent or more of the population over the age of five have limited English
1.20 proficiency; or

1.21 (4) the area is located in Indian Country, as defined in United States Code, title 18,
1.22 section 1151.

2.1 (e) "Life-cycle emissions" means the environmental impacts of products, processes, or
2.2 services from mining of the raw materials through manufacture, usage, and disposal.

2.3 (f) "Living wage" means the minimum income necessary to allow a person working 40
2.4 hours per week to afford the cost of housing, food, and other material necessities, as
2.5 determined by the commissioner.

2.6 (g) "Refurbished" means a covered product that was used, deemed defective, recycled,
2.7 or returned to the manufacturer, then tested and repaired by the manufacturer or a third party
2.8 before being sold again.

2.9 (h) "Reuse" means to use a product, packaging, or resource that is:

2.10 (1) designed and marketed to be used multiple times for the same purpose;

2.11 (2) designed for durability to function properly in its original condition for multiple uses;
2.12 and

2.13 (3) made of a material supported by adequate infrastructure to ensure the material can
2.14 be conveniently and safely used or refilled for multiple cycles.

2.15 (i) "Rural area" means outside the boundaries of a city whose population is 50,000 or
2.16 more, and outside an area contiguous to the city that has a population density greater than
2.17 100 persons per square mile.

2.18 (j) "Source reduction" means an activity that prevents generation of waste or prevents
2.19 inclusion of toxic materials in waste, including:

2.20 (1) reuse of a product in its original form;

2.21 (2) increasing the lifespan of a product;

2.22 (3) reducing material or the toxicity of material used in production or packaging in a
2.23 manner that does not impede the product's ability to be recycled; or

2.24 (4) changing procurement, consumption, or waste generation habits to result in smaller
2.25 quantities or lower toxicity of waste generated.

2.26 (k) "Zero waste" means conserving all resources by means of responsible production,
2.27 consumption, reuse, and recovery of products, packaging, and materials without burning
2.28 or otherwise destroying embodied energy, with no discharges to land, water, or air that
2.29 threaten the environment or human health.

3.1 Subd. 2. Grant program; establishment. A program is established in the Pollution
3.2 Control Agency to award grants to eligible entities to promote projects described in
3.3 subdivisions 5 to 8 that are consistent with zero-waste practices.

3.4 Subd. 3. Grant application process. (a) The commissioner shall develop administrative
3.5 procedures governing the application and grant award process. The commissioner is fiscal
3.6 agent for the grant program and is responsible for receiving and reviewing grant applications
3.7 and awarding grants under this section.

3.8 (b) The commissioner must award grants to eligible entities under this section through
3.9 a competitive grant process. In a request for proposals, the commissioner must:

3.10 (1) specify the maximum grant amount; and

3.11 (2) establish the minimum percentage of total project funds that an applicant must
3.12 contribute to the project.

3.13 (c) The commissioner must develop, in consultation with the agency's Environmental
3.14 Justice Advisory Group, a streamlined and accessible application process.

3.15 (d) To apply for a grant under this section, an eligible entity must submit a written
3.16 application to the commissioner on a form prescribed by the commissioner.

3.17 (e) The application must include specific source reduction, recycling, or composting
3.18 targets or estimate reductions in life-cycle emissions to be achieved by the project.

3.19 (f) A project awarded a grant under this section must be completed within three years
3.20 of the award.

3.21 Subd. 4. Grant award process; priorities. In awarding grants under this section, the
3.22 commissioner must:

3.23 (1) award at least 60 percent of available money to eligible entities whose projects are
3.24 located in environmental justice areas, and at least 30 percent of available funds to eligible
3.25 entities whose projects are located in rural areas; and

3.26 (2) give priority to eligible entities whose projects:

3.27 (i) achieve source reduction;

3.28 (ii) support existing or create new jobs that pay a living wage, with additional priority
3.29 given to projects that create jobs for individuals with barriers to employment, as determined
3.30 by the commissioner;

3.31 (iii) minimize any negative environmental consequences of the proposed project;

4.1 (iv) demonstrate a need for additional investment in infrastructure and projects to achieve
4.2 source reduction, recycling, or composting targets set by the local unit of government
4.3 responsible for waste and recycling programs in the project area;

4.4 (v) encourage further investment in source reduction, recycling, or composting projects;
4.5 or

4.6 (vi) incorporate multistakeholder involvement, including nonprofit, commercial, and
4.7 public sector partners.

4.8 Subd. 5. **Electronics grants.** (a) The commissioner may award grants under this
4.9 subdivision to source reduction and recycling projects that address electronic products.
4.10 Grants may be used to fund recycling technology or infrastructure, research and development
4.11 projects, and electronics repair or refurbishment.

4.12 (b) No grant may be awarded under this subdivision:

4.13 (1) for an electronic waste buy-back program that pays consumers for used electronics
4.14 products in the form of credits that may be used to purchase additional electronics products;
4.15 or

4.16 (2) to recyclers who are not certified by an organization accredited by the American
4.17 National Standards Institute National Accreditation Board as having achieved the e-Stewards
4.18 Standard for Responsible Recycling and Reuse of Electronic Equipment.

4.19 Subd. 6. **Source reduction and reuse grants.** The commissioner may award grants
4.20 under this subdivision to projects that promote source reduction or reuse. Grants may be
4.21 used:

4.22 (1) to redesign products in ways that reduce their lifecycle emissions while not increasing
4.23 the toxicity of those emissions, including reducing the amount of packaging; or

4.24 (2) for education and outreach activities that encourage consumers to change their product
4.25 purchasing, use, or disposal behaviors in ways that promote source reduction or reuse.

4.26 Subd. 7. **Market development grants.** (a) The commissioner may award grants under
4.27 this subdivision to projects that promote and strengthen markets for recycling, composting,
4.28 and reuse, including projects that increase demand for sorted recyclable commodities,
4.29 refurbished goods, or compost.

4.30 (b) Projects seeking grants under this subdivision to expand recycling markets must
4.31 target easily or commonly recycled materials or materials that are disproportionately disposed
4.32 of in landfills or incinerated.

5.1 (c) Projects seeking grants under this subdivision must not conflict with other laws or
5.2 requirements identified by the commissioner.

5.3 Subd. 8. **Recycling and composting infrastructure grants.** (a) Grants awarded under
5.4 this subdivision may be used for facilities, machinery, equipment, and other physical
5.5 infrastructure or supplies required to collect or process materials for recycling and
5.6 composting.

5.7 (b) Grants awarded under this subdivision must result in increased capacity to process
5.8 residential and commercial source-separated organics, yard waste, and recyclable materials.
5.9 Grants awarded to increase the capacity of composting infrastructure must generate a usable
5.10 product that has demonstrable environmental benefits.

5.11 (c) No grant may be awarded under this subdivision to support composting material
5.12 derived from mixed municipal solid waste.

5.13 Subd. 9. **Reporting.** By January 15, 2025, and each January 15 through 2027, the
5.14 commissioner must submit a written report to the chairs and ranking minority members of
5.15 the legislative committees having jurisdiction over economic development and environment
5.16 that describes the use of grant money under this section. The report must include, at a
5.17 minimum:

5.18 (1) a list of grant recipients, grant amounts, and project descriptions; and

5.19 (2) a narrative of progress made toward grant project goals.

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

5.21 Sec. 2. **APPROPRIATION.**

5.22 \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated from the general
5.23 fund to the commissioner of the Pollution Control Agency for the zero-waste grant program
5.24 established under Minnesota Statutes, section 115A.566 and to reimburse the reasonable
5.25 costs of the agency to administer the program.

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

5.27 Amend the title accordingly