

Chapter 39

2023 Regular Session

Subject Lead drinking water service lines

Bill H.F. 24

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Overview

Creates a grant program to help municipalities fund the inventory and replacement of lead service lines. Sets a goal of removal of these lines from public drinking water systems statewide by 2033.

Summary

Section	Description
1	<p>Authority of commissioner.</p> <p>Grants the commissioner of health authority to do activities necessary for operating the lead service line replacement grant program.</p>
2	<p>[446A.077] Lead service line replacement; grant program.</p> <p>Creates a grant program to help municipalities fund the replacement of lead service lines.</p> <p>Subd. 1. Definitions. Defines "lead service line" and "service line."</p> <p>Subd. 2. Establishment. Requires the Public Facilities Authority to establish a grant program for replacing lead drinking water service lines by 2033 that maximizes use of federal funds.</p> <p>Subd. 3. Eligible recipients. Allows the following groups to receive grants:</p> <ol style="list-style-type: none">1) Community public water suppliers of a community water system;2) Municipalities;3) Suppliers of other residential drinking water systems; and4) Anyone eligible for grants or loans under the federal Safe Drinking Water Act.

Section Description

Requires applicants to apply to be listed on the Minnesota Department of Health project priority list.

Subd. 4. Eligible uses. Specifies that grant funds may be used for removing and replacing lead drinking water service lines, providing information to residents on the benefits of doing so, performing associated construction, and repaying debt incurred for any of these purposes. Requires grants for replacing lines to cover 100 percent of the cost of privately owned parts of lines and no more than 50 percent of the cost of publicly owned parts of lines. Any grant money used for repaying debt must pay the full balance of the outstanding debt.

Subd. 5. Grant priorities. Requires an eligible recipient to submit a plan to the commissioner of health for replacement of all lead service lines in the service area. Details the priorities that the eligible recipient must describe in the plan. Requires prioritization of grant money for grants to repay debt incurred for eligible uses under subdivision 4.

Subd. 6. Workforce plan. Requires applicants who serve 15,000 service connections or more to submit as part of their application a description of how it will maximize use of registered apprentices and populations under-represented in the construction industry in the work performed under the grant.

Subd. 7. Reporting. Sets September 15 as the annual deadline for the Public Facilities Authority to report to legislature on the program.

Subd. 8. Prevailing wage. Requires payment of prevailing wage to laborers and mechanics hired for grant activities.

Subd. 9. Mapping and inventory costs. Authorizes the Public Facilities Authority to use up to ten percent of appropriations to the lead service line replacement grant for mapping costs and inventory activities that will identify lead service lines for replacement. The Public Facilities Authority is authorized to enter into interagency agreements to provide technical assistance to eligible entities under subdivision 3 for inventory activities and replacement plans. Any money not spent on mapping and inventory work must be used for replacement of lead service lines.

3 **[446A.078] Lead line removal goal.**

Declares that it is a goal of the state of Minnesota to remove all lead service lines in public drinking water systems by 2033.

4 **Loan conditions.**

Stipulates that loan and grant agreements under this program must not exceed ten years. Sets the interest rate for loans made to replace lead service lines at zero

Section	Description
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percent with principal payments to start no later than 18 months after project completion.

Effective date: This section became effective May 17, 2023.

5 **Other uses of fund.**

Allows the drinking water revolving loan fund to be used for principal forgiveness or grants for replacing the privately owned portion of drinking water lead service lines to the extent allowed by federal law. Also allows it to be used for 50 percent of project costs up to a maximum of \$3,000,000 for projects addressing emerging contaminants in drinking water as defined by the U.S. Environmental Protection Agency.

Effective date: This section became effective May 17, 2023.

6 **Lead service line replacement; appropriation.**

Appropriates \$240,000,000 from the general fund to the Public Facilities Authority for the lead service line replacement grant program. This onetime appropriation is available until June 30, 2033.



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