

1.1 **Senator Klein from the Committee on Commerce and Consumer Protection, to**
 1.2 **which was re-referred**

1.3 **S.F. No. 2301:** A bill for an act relating to energy; establishing the Minnesota Climate
 1.4 Innovation Finance Authority to provide financing and leverage private investment for clean
 1.5 energy and other projects; requiring a report; appropriating money; proposing coding for
 1.6 new law in Minnesota Statutes, chapter 216C.

1.7 Reports the same back with the recommendation that the bill be amended as follows:

1.8 Page 3, after line 19, insert:

1.9 "(m) "Project labor agreement" means a prehire collective bargaining agreement with a
 1.10 council of building and construction trades labor organizations, prohibiting strikes, lockouts,
 1.11 and similar disruptions, and providing for a binding procedure to resolve labor disputes on
 1.12 the project."

1.13 Page 3, line 20, delete "(m)" and insert "(n)"

1.14 Page 4, line 3, delete "(n)" and insert "(o)"

1.15 Page 4, line 6, delete "(o)" and insert "(p)"

1.16 Page 4, line 8, delete "(p)" and insert "(q)"

1.17 Page 4, line 24, delete "or foreclosure"

1.18 Page 5, line 16, before "investment" insert "lending and"

1.19 Page 6, line 10, delete the second "and"

1.20 Page 6, line 11, after "skills" insert "and qualifications"

1.21 Page 6, line 12, delete the period and insert ", making an affirmative effort to recruit and
 1.22 hire a director and staff who are from, or share the interests of, the communities the authority
 1.23 must serve;"

1.24 Page 6, after line 12, insert:

1.25 "(13) apply for, either as a direct or subgrantee applicant, and accept Greenhouse Gas
 1.26 Reduction Fund grants authorized by the federal Clean Air Act, title 42, United States Code,
 1.27 section 7434(a). If the application deadlines for these grants are earlier than is practical for
 1.28 the authority to meet, the commissioner shall apply on behalf of the authority. In all cases,
 1.29 applications for these funds by or on behalf of the authority must be coordinated with all
 1.30 known Minnesota applicants; and

1.31 (14) ensure that authority contracts with all third-party administrators, contractors, and
 1.32 subcontractors contain required covenants, representations and warranties specifying that

2.1 such third parties are agents of the authority, and that all acts of such third parties are
2.2 considered acts of the authority, provided that the act is within the contracted scope of
2.3 work."

2.4 Page 6, line 18, after "investment" insert ", co-lending,"

2.5 Page 6, line 21, delete "and"

2.6 Page 6, delete lines 22 to 24 and insert:

2.7 "(4) expend up to 25 percent of funds appropriated to the authority for startup purposes,
2.8 which may be used for financing programs and project investments authorized under this
2.9 section, prior to adoption of the strategic plan required under subdivision 7 and the investment
2.10 strategy under subdivision 8; and

2.11 (5) require a specific project to agree to implement a project labor agreement as a
2.12 condition of receiving financing from the authority."

2.13 Page 7, after line 11, insert:

2.14 "(c) Before providing any direct loans to residential borrowers, the authority must issue
2.15 a request for information to existing known financing entities, specifying the market need
2.16 and the authority's goals in meeting the underserved market segment, and soliciting each
2.17 financing entity's:

2.18 (1) current financing offerings for that specific market;

2.19 (2) prior efforts to meet that specific market; and

2.20 (3) plans and capabilities to serve that specific market.

2.21 (d) The authority may only provide direct loans to residential borrowers if the authority
2.22 certifies that no financing entity is currently able to meet the specific underserved market
2.23 need and the authority's goals, and that the authority's entry into the market will not supplant
2.24 or duplicate any existing financing activities in that specific market."

2.25 Page 7, line 17, after the first "communities" insert ", labor organizations,"

2.26 Page 7, line 21, delete "and"

2.27 Page 7, line 23, delete the period and insert "; and"

2.28 Page 7, after line 23, insert:

2.29 "(4) agree to implement a project labor agreement."

3.1 Page 7, line 30, after "177.45" insert ", including the posting of prevailing wage rates,
3.2 prevailing hours of labor and hourly basic rates of pay for all trades on the project in at least
3.3 one conspicuous location at the project site"

3.4 Page 8, after line 9, insert:

3.5 "(c) The authority and any third-party administrator, contractor, subcontractor, or agent
3.6 that conducts lending, financing, investment, marketing, administration, servicing, or
3.7 installation of measures in connection with a qualified project financed in whole or in part
3.8 with authority funds is subject to sections 325D.43 to 325D.48; 325F.67 to 325F.71; 325G.06
3.9 to 325G.14; 325G.29 to 325G.37; and 332.37."

3.10 Page 8, line 10, delete "(c)" and insert "(d)"

3.11 Page 9, line 7, delete "...." and insert "December 15, 2024"

3.12 Page 11, line 11, delete everything after "years" and insert period

3.13 Page 11, delete lines 12 and 13

3.14 Page 11, delete lines 19 to 23

3.15 Page 11, line 24, delete "(g)" and insert "(e)"

3.16 Page 11, line 27, delete "(h)" and insert "(f)"

3.17 Page 11, line 29, delete "(i)" and insert "(g)"

3.18 Page 12, line 1, delete "(j)" and insert "(h)"

3.19 Page 12, line 4, delete "(k)" and insert "(i)"

3.20 Page 12, line 16, after the comma, insert "the ratio of projects subject to and exempt
3.21 from prevailing wage requirements under subdivision 6, paragraph (b),"

3.22 Page 12, after line 25, insert:

3.23 "Sec. 2. MINNESOTA CLIMATE INNOVATION FINANCE AUTHORITY.

3.24 (a) The initial appointments made under Minnesota Statutes, section 216C.441,
3.25 subdivision 10, paragraph (a), clause (6), items (i) to (iii), shall be for two-year terms, and
3.26 the initial appointments made under Minnesota Statutes, section 216C.441, subdivision 10,
3.27 paragraph (a), clause (6), items (iv) to (vi), shall be for three-year terms.

3.28 (b) The governor must make the appointments required under this section no later than
3.29 July 30, 2023.

4.1 (c) The initial meeting of the board of directors must be held no later than September
 4.2 15, 2023. At the initial meeting, the board shall elect a chair and vice-chair by majority vote
 4.3 of the members present."

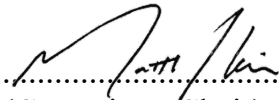
4.4 Page 12, line 27, before "\$45,000,000" insert "(a)"

4.5 Page 12, after line 29, insert:

4.6 "(b) Of this amount, the commissioner of management and budget may make up to \$.....
 4.7 available to the commissioner of commerce, at the request of the commissioner of commerce,
 4.8 for activities related to preparing and submitting an application on the authority's behalf for
 4.9 federal Greenhouse Gas Reduction Funds as authorized under Minnesota Statutes, section
 4.10 216C.441, subdivision 4, paragraph (a), clause (13), or to conduct other necessary start-up
 4.11 activities prior to the authority's having sufficient staff resources to do so."

4.12 Renumber the sections in sequence

4.13 And when so amended the bill do pass and be re-referred to the Committee on State and
 4.14 Local Government and Veterans. Amendments adopted. Report adopted.

4.15 
 4.16 (Committee Chair)

4.17 March 23, 2023.....
 4.18 (Date of Committee recommendation)