

1.1 Senator moves to amend S.F. No. 862 as follows:

1.2 Page 3, after line 15, insert:

1.3 "Sec. 3. Minnesota Statutes 2024, section 446A.081, subdivision 9, is amended to read:

1.4 Subd. 9. **Other uses of fund.** (a) The drinking water revolving loan fund may be used
1.5 as provided in the act, including the following uses:

1.6 (1) to buy or refinance the debt obligations, at or below market rates, of public water
1.7 systems for drinking water systems, where the debt was incurred after the date of enactment
1.8 of the act, for the purposes of construction of the necessary improvements to comply with
1.9 the national primary drinking water regulations under the federal Safe Drinking Water Act;

1.10 (2) to purchase or guarantee insurance for local obligations to improve credit market
1.11 access or reduce interest rates;

1.12 (3) to provide a source of revenue or security for the payment of principal and interest
1.13 on revenue or general obligation bonds issued by the authority if the bond proceeds are
1.14 deposited in the fund;

1.15 (4) to provide loans or loan guarantees for similar revolving funds established by a
1.16 governmental unit or state agency;

1.17 (5) to earn interest on fund accounts;

1.18 (6) to pay the reasonable costs incurred by the authority, the Department of Employment
1.19 and Economic Development, and the Department of Health for conducting activities as
1.20 authorized and required under the act up to the limits authorized under the act;

1.21 (7) to develop and administer programs for water system supervision, source water
1.22 protection, and related programs required under the act;

1.23 (8) to provide principal forgiveness or grants to the extent permitted under the federal
1.24 Safe Drinking Water Act and other federal law, based on the criteria and requirements
1.25 established for drinking water projects under the water infrastructure funding program under
1.26 section 446A.072;

1.27 (9) to provide loans, principal forgiveness or grants to the extent permitted under the
1.28 federal Safe Drinking Water Act and other federal law to address green infrastructure, water
1.29 or energy efficiency improvements, or other environmentally innovative activities;

(10) to provide principal forgiveness, or grants for 80 percent of project costs up to a maximum of ~~\$100,000~~ \$250,000 for projects needed to comply with national primary drinking water standards for an existing nonmunicipal community public water system;

(11) to provide principal forgiveness or grants to the extent permitted under the federal Safe Drinking Water Act and other federal laws for projects to replace the privately owned portion of drinking water lead service lines; and

(12) to provide principal forgiveness or grants to the extent permitted under the federal Safe Drinking Water Act and other federal laws for 50 percent of project costs up to a maximum of ~~\$3,000,000~~ \$5,000,000 for projects to address emerging contaminants in drinking water as defined by the United States Environmental Protection Agency.

(b) Principal forgiveness or grants provided under paragraph (a), clause (9), may not exceed 25 percent of the eligible project costs as determined by the Department of Health for project components directly related to green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities, up to a maximum of \$1,000,000."

Page 3, delete lines 17 to 21

Renumber the subdivisions in sequence

Page 4, line 6, delete everything after the period

Page 4, delete lines 7 to 14

Renumber the sections in sequence and correct the internal references

Amend the title accordingly