

Senator moves to amend S.F. No. 4457 as follows:

Delete everything after the enacting clause and insert:

"Section 1. [446A.0735] DRINKING WATER REGIONALIZATION PLANNING AND ASSISTANCE GRANTS.

Subdivision 1. Eligible recipients. Grants under this section must be made available to counties, municipalities, and townships that seek to undertake the process outlined in Minnesota Statutes, chapter 116A, to establish or expand regional drinking water systems.

Subd. 2. Eligible expenses. Grant funds must be used for planning activities, including feasibility studies, engineering analyses, legal and financial assessments, community engagement efforts, preliminary and final design work, and activities necessary for drinking water system establishment or expansion under Minnesota Statutes, chapter 116A, to support regional drinking water infrastructure development.

Subd. 3. Grant administration. By November 1, 2026, the commissioner of health must develop an application process and selection criteria that prioritizes projects addressing aging infrastructure, water quality, affordability, or economic development.

Subd. 4. Grant maximum and match requirement. Grants awarded under this section must not exceed \$300,000 per grant recipient per year. Grant recipients must provide matching funds equaling at least 25 percent of the total grant amount. For any one regional drinking water system or district, the commissioner may not award grants in a fiscal year that, in the aggregate across all grant recipients involved with that drinking water system or district, exceed 60 percent of the funds available for that fiscal year.

Subd. 5. Reporting. The commissioner of health must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over water infrastructure by January 15, 2028, summarizing the grants awarded, the progress of funded projects, and recommendations for future funding to support drinking water regionalization efforts.

Sec. 2. APPROPRIATION; DRINKING WATER REGIONALIZATION PLANNING AND ASSISTANCE GRANTS.

\$1,000,000 in fiscal year 2027 is appropriated from the general fund to the commissioner of health for grants for the drinking water regionalization planning and assistance grant program under Minnesota Statutes, section 446A.0735."

Amend the title accordingly