

SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 2895

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DATE
03/14/2023

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Introduction and first reading
Referred to Capital Investment

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to capital investment; establishing grant program to replace lead drinking
1.3 water service lines; establishing grant program for mapping lead service lines;
1.4 requiring report; appropriating money; proposing coding for new law in Minnesota
1.5 Statutes, chapter 446A.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. [446A.077] LEAD SERVICE LINE REPLACEMENT; GRANT
1.8 PROGRAM.

1.9 Subdivision 1. Establishment. The authority must establish a program to replace lead
1.10 drinking water service lines in the state by 2033 and must provide grants to entities for this
1.11 purpose. The program must be structured to maximize use of federal funds available for the
1.12 purposes described in subdivision 3.

1.13 Subd. 2. Eligible recipients. The following are eligible recipients of grants under this
1.14 section:

1.15 (1) community public water suppliers of a community water system as defined in Code
1.16 of Federal Regulations, title 40, section 141.2, as amended;

1.17 (2) municipalities;

1.18 (3) suppliers of other residential drinking water systems; and

1.19 (4) any applicant eligible for loans and grants under the federal Safe Drinking Water
1.20 Act.

1.21 Subd. 3. Eligible uses. An eligible recipient may use a grant provided under this program
1.22 for:

- 2.1 (1) removing and replacing lead drinking water service lines;
2.2 (2) repaying debt incurred for the purposes described in clauses (1), (3), and (4);
2.3 (3) providing information to residents on the benefits of removing lead service lines; or
2.4 (4) performing necessary construction activities required for and associated with removing
2.5 and replacing lead service lines.

2.6 Subd. 4. **Required removal of privately owned lead service line.** At least 70 percent
2.7 of the money made available under the grant program must be used for removing privately
2.8 owned portions of lead drinking water service lines or installing privately owned portions
2.9 of drinking water service lines.

2.10 Subd. 5. **Grant priorities.** In prioritizing the expenditure of grant money received under
2.11 this section, the authority must give priority to applications that use the money as part of a
2.12 plan to remove all lead service lines within a municipality or residential drinking water
2.13 system. A plan should include:

2.14 (1) a description of how the recipient will maximize the number of property owners with
2.15 privately owned portions of lead lines that will participate in the removal and replacement,
2.16 including lower-income residents and those from other disadvantaged communities;

2.17 (2) a description of how the recipient will coordinate the removal of the publicly owned
2.18 and privately owned portions of the lead lines to maximize efficient use of money; and

2.19 (3) a description of how the recipient will minimize the number of lead service lines
2.20 that are only partially removed.

2.21 Subd. 6. **Workforce plan.** Applicants who serve 75,000 customers or more must submit
2.22 a workforce plan as part of their application. The workforce plan must include a description
2.23 of how the applicant will maximize the use of registered apprentices, along with populations
2.24 under-represented in the construction industry in the lead removal and replacement work.

2.25 Subd. 7. **Reporting.** By August 1 each year, the authority must report to the chairs and
2.26 ranking minority members of the legislative committees and divisions with jurisdiction over
2.27 environment and natural resources policy and finance on the operation of the program during
2.28 the previous fiscal year.

2.29 Subd. 8. **Prevailing wage.** Laborers and mechanics performing work on a project funded
2.30 by a grant under this section, including removing and replacing lead drinking water service
2.31 lines and installing replacement drinking water service lines, must be paid the prevailing

3.1 wage rate for the work as defined in section 177.42, subdivision 6. The project is subject
3.2 to the requirements and enforcement provisions of sections 177.30 and 177.41 to 177.45.

3.3 Subd. 9. **General fund appropriation.** \$..... in fiscal year 2024 through fiscal year
3.4 2033 is appropriated from the general fund to the authority to provide grants according to
3.5 this section. This subdivision expires June 30, 2033.

3.6 **Sec. 2. [446A.078] LEAD LINE REMOVAL GOAL.**

3.7 It is the goal of the state of Minnesota to remove all lead service lines in public drinking
3.8 water systems by 2032.

3.9 **Sec. 3. LEAD SERVICE LINE MAPPING GRANTS.**

3.10 Subdivision 1. **Establishment.** The commissioner of health must establish a grant
3.11 program to provide financial assistance to municipalities for producing an inventory of
3.12 publicly and privately owned lead service lines within their jurisdiction.

3.13 Subd. 2. **Eligible uses.** A municipality may use grant money under this section for:

3.14 (1) surveying households to determine the material of their water service line;

3.15 (2) creating publicly available databases or visualizations of lead service lines; and

3.16 (3) complying with the lead service line inventory requirements of the federal
3.17 Environmental Protection Agency's lead and copper rule.

3.18 Subd. 3. **Appropriation base.** The base for this program for the biennium in fiscal years
3.19 2024 and 2025 is \$.....

3.20 **EFFECTIVE DATE.** This section is effective July 1, 2023.