

**SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION**

S.F. No. 2074

(SENATE AUTHORS: MARTY, McEwen, Mitchell and Dibble)

DATE
03/03/2025

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Introduction and first reading
Referred to Energy, Utilities, Environment, and Climate

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to energy; limiting rate recovery of executive pay for certain public utilities;
1.3 amending Minnesota Statutes 2024, section 216B.16, by adding a subdivision.

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

1.5 Section 1. Minnesota Statutes 2024, section 216B.16, is amended by adding a subdivision
1.6 to read:

1.7 Subd. 17a. **Executive compensation; rate recovery limitation.** (a) The commission is
1.8 prohibited from allowing Minnesota ratepayers to pay for compensation to any of a public
1.9 utility's ten highest-paid officers or employees in an amount that exceeds the governor's
1.10 annual salary.

1.11 (b) For purposes of this subdivision, the term "compensation" includes salary, incentive
1.12 program payments, or any other compensation regardless of the compensation's form.
1.13 Compensation does not include expense reimbursements or benefits offered to a public
1.14 utility's ten highest-paid officers or employees on terms comparable to the terms under
1.15 which the benefits are offered to the public utility's other employees.

1.16 (c) Nothing in this subdivision limits the compensation paid to a public utility's ten
1.17 highest-paid officers or employees from sources other than Minnesota ratepayers, including
1.18 from sources made available to a public utility by the public utility's investors. The
1.19 commission must ensure that compensation from sources other than Minnesota ratepayers
1.20 does not disproportionately burden ratepayers in other states.

1.21 (d) This subdivision applies to a public utility with at least 300,000 retail customers in
1.22 Minnesota.

- 2.1 **EFFECTIVE DATE.** This section is effective the day following final enactment and
- 2.2 applies to rate filings submitted on or after that date.