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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 1455

February 26, 2007

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The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to economic development; providing funding for rural renewable energy
1.3 initiatives; appropriating money.

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

1.5 Section 1. **RURAL RENEWABLE ENERGY AND ECONOMIC**
1.6 **DEVELOPMENT CONSORTIUM; APPROPRIATION.**

1.7 (a) \$7,500,000 for fiscal year 2008 and \$7,500,000 for fiscal year 2009 are
1.8 appropriated from the general fund to the commissioner of employment and economic
1.9 development for the direct expenses of the matching loan program of the statewide
1.10 consortium under paragraph (b) to support development for the efficient transformation of
1.11 agricultural and timber biomass into renewable energy forms and related manufactured
1.12 products to be made available to consumers at a reasonable cost. The commissioner shall
1.13 provide the appropriation each fiscal year as a grant to the Rural Renewable Energy and
1.14 Economic Development Consortium at Minnesota State University, Mankato for the
1.15 purposes in paragraph (b).

1.16 (b) The Rural Renewable Energy and Economic Development Consortium is a
1.17 collaboration between the Minnesota State University, Mankato and other educational and
1.18 business partners. The board of directors of the consortium shall distribute \$5,000,000 of
1.19 the grant in paragraph (a) in fiscal year 2008 and \$5,000,000 of the grant in paragraph
1.20 (a) in fiscal year 2009 as a zero interest matching loan in units up to \$500,000 to support
1.21 renewable energy related businesses and repayable on an agreed payment schedule. In
1.22 addition, \$2,500,000 of the grant in paragraph (a) in each fiscal year shall be used by
1.23 the consortium for research and technical support, workforce training, and equipment
1.24 support to assist in rural Minnesota industry development. The board of directors of the

- 2.1 consortium shall report annually on June 30 to the governor and chairs of the senate and
- 2.2 house committees with jurisdiction over economic development funding on the status
- 2.3 of the program.