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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

EIGHTY-SIXTH  
SESSION

**HOUSE FILE No. 214**

January 22, 2009

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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 energy; authorizing school boards to form business entity solely  
1.3 for wind energy project; providing exemption from production tax; amending  
1.4 Minnesota Statutes 2008, sections 123B.02, subdivision 21; 272.029, subdivision  
1.5 7.

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

1.7 Section 1. Minnesota Statutes 2008, section 123B.02, subdivision 21, is amended to  
1.8 read:

1.9 Subd. 21. **Wind energy conversion system.** The board, or more than one board  
1.10 acting jointly under the authority granted by section 471.59, may construct, acquire, own  
1.11 in whole or in part, operate, and sell and retain and spend the payment received from  
1.12 selling energy from a wind energy conversion system, as defined in section 216C.06,  
1.13 subdivision 19. The board's share of the installed capacity of the wind energy conversion  
1.14 systems authorized by this subdivision must not exceed 3.3 megawatts of nameplate  
1.15 capacity. A board owning, operating, or selling energy from a wind energy conversion  
1.16 system must integrate information about wind energy conversion systems in its educational  
1.17 programming. The board, or more than one board acting jointly under the authority  
1.18 granted by section 471.59, may be a limited partner in a partnership, a member of a limited  
1.19 liability company, or a shareholder in a corporation, established for the sole purpose of  
1.20 constructing, acquiring, owning in whole or in part, financing, or operating a wind energy  
1.21 conversion system for the benefit of the district or districts in accordance with this section.

1.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

1.23 Sec. 2. Minnesota Statutes 2008, section 272.029, subdivision 7, is amended to read:

2.1 Subd. 7. **Exemption.** (a) The tax imposed under this section does not apply to  
2.2 electricity produced by wind energy conversion systems located in a job opportunity  
2.3 building zone, designated under section 469.314, for the duration of the zone. The  
2.4 exemption applies beginning for the first calendar year after designation of the zone and  
2.5 applies to each calendar year that begins during the designation of the zone.

2.6 (b) The tax imposed under this section does not apply to electricity produced by  
2.7 wind energy conversion systems owned or jointly owned by a school board under section  
2.8 123B.02, subdivision 21.

2.9 **EFFECTIVE DATE.** This section is effective for taxes payable in 2009 and  
2.10 thereafter.