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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. **1775**

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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; creating school district renewable energy grant program;
1.3 authorizing bonds; appropriating money; proposing coding for new law in
1.4 Minnesota Statutes, chapter 216C.

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

1.6 Section 1. **[216C.147] SCHOOL DISTRICT RENEWABLE ENERGY GRANT**
1.7 **PROGRAM.**

1.8 Subdivision 1. **Definitions.** For the purposes of this section, "renewable energy
1.9 systems" means solar thermal water heating, solar electric or photovoltaic equipment,
1.10 wind energy conversion systems of 3.3 megawatts nameplate capacity or less, and heating
1.11 and cooling applications using geothermal energy.

1.12 Subd. 2. **Program established.** The commissioner of commerce shall develop,
1.13 implement, and administer a school district renewable energy system grant program
1.14 under this section.

1.15 Subd. 3. **Grant purposes.** The commissioner may make grants to school districts to
1.16 finance the purchase and installation of renewable energy systems.

1.17 Subd. 4. **Technical standards.** The commissioner shall determine technical
1.18 standards for renewable energy systems to qualify for grants under this section.

1.19 Subd. 5. **Grant proposals.** At least once a year, the commissioner shall publish
1.20 in the State Register a request for proposals from school districts for a grant under this
1.21 section. Within 45 days after the deadline for receipt of proposals, the commissioner shall
1.22 select grant proposals based on the following criteria:

1.23 (1) the reliability and cost-effectiveness of the renewable technology to be installed
1.24 under the proposal;

2.1 (2) the extent to which the proposal effectively integrates with the conservation and
2.2 energy efficiency programs of the energy utilities serving the district;

2.3 (3) the extent to which the district has maximized other cost-effective energy
2.4 efficiency and conservation improvement;

2.5 (4) the total life cycle energy use and greenhouse gas emissions reductions per
2.6 dollar of installed cost;

2.7 (5) the geographic distribution of grant recipients throughout the state;

2.8 (6) the percentage of total project cost requested; and

2.9 (7) other criteria the commissioner may determine to be necessary and appropriate.

2.10 Subd. 6. **Educational programming.** A district must integrate information about
2.11 the renewable energy system for which a grant is received under this section in its
2.12 educational programming.

2.13 Subd. 7. **Minnesota product preference.** Notwithstanding any other law to the
2.14 contrary, any contract for the purchase of renewable energy systems or related services to
2.15 be paid with or out of grant funds provided under this section, must be awarded to the
2.16 lowest responsible bidder having its principal place of business in Minnesota or who
2.17 uses a majority of parts manufactured or produced in the state in the assembly of a final
2.18 product, unless the school district grantee determines that it would be inconsistent with the
2.19 public interest, the cost would be unreasonable, or the products or materials of the class or
2.20 kind to be used are not produced or manufactured in the state in commercial quantities and
2.21 of a satisfactory quality.

2.22 Subd. 8. **Grant terms.** The maximum grant to a school district under this section
2.23 may not exceed \$.....

2.24 Subd. 9. **Account; appropriation.** A school district renewable energy system
2.25 grant account is established in the bond proceeds fund in the state treasury. Money in the
2.26 account consists of the proceeds of bonds appropriated to the account and other earnings
2.27 on money in the account, legislative appropriations, and money from any other source
2.28 credited to the account. Money in the account is appropriated to the commissioner of
2.29 commerce to make school district renewable energy system grants under this section.

2.30 **Sec. 2. SCHOOL DISTRICT RENEWABLE ENERGY SYSTEM GRANT;**
2.31 **APPROPRIATION.**

2.32 \$..... is appropriated from the bond proceeds fund to the school district renewable
2.33 energy system grant account for the purpose of making grants under Minnesota Statutes,
2.34 section 216C.147.

3.1 Sec. 3. **BOND AUTHORIZATION.**

3.2 To provide the money appropriated in this act from the bond proceeds fund, the
3.3 commissioner of finance shall sell and issue bonds of the state in an amount up to \$..... in
3.4 the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections
3.5 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.