

Subject Energy

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## Overview

House File 3436 appropriates \$191.5 million from the general fund in fiscal year 2021 for several energy-related grant and loan programs, including energy conservation programs in homes, schools, commercial buildings, and nursing homes; financial assistance to promote solar energy in homes and schools; rebates for the purchase of electric vehicles, electric buses, and electric school buses; and other programs.

## Summary

Section	Description
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| 1 | <p><b>[115A.5591] Composting; multifamily buildings; competitive grant program.</b></p> <p>Establishes a grant program in the Pollution Control Agency to encourage composting by residents of multifamily buildings in areas where composting is not picked up at curbside. Owners of multifamily buildings, nonprofit organizations, and political subdivisions are eligible to receive grants.</p>   |
| 2 | <p><b>[216C.372] School energy conservation revolving loan fund.</b></p> <p>Establishes a revolving loan fund in the Department of Commerce to make zero-interest loans to school districts to implement energy conservation measures in schools. Loan terms may not exceed 15 years.</p>   |
| 3 | <p><b>[216C.375] Solar for schools program.</b></p> <p>Establishes a grant program in the Department of Commerce to award grants to stimulate the installation of solar energy systems—which may include photovoltaic and solar thermal devices, and energy storage—in schools. Systems awarded grants may not exceed the lesser of 40 kW or 120 percent of the building’s average electrical load. At least half the grants must be awarded to schools in which the proportion of students eligible for free and reduced-price lunches exceeds 50 percent.</p> |

<b>Section</b>	<b>Description</b>
4	<p><b>[216C.401] Electric vehicle rebates.</b></p> <p>Establishes a program in the Department of Commerce to award rebates to eligible purchasers of electric vehicles, \$2,500 for new vehicles and \$500 for used vehicles.</p>
5	<p><b>[216C.418] Residential solar rebates.</b></p> <p>Establishes a grant program in the Department of Commerce to award grants to stimulate the installation of solar photovoltaic systems on residential buildings. Rebates awarded in 2020 are capped at four percent of the total installation and purchase cost; rebates issued in 2021 are capped at eight percent of total costs; rebates awarded after 2021 are limited to 20 percent of total costs.</p>
6	<p><b>Residential energy efficiency grants.</b></p> <p>Establishes a program in the Department of Commerce to award grants to homeowners who install energy conservation improvements in their principal residence. Grants may not exceed the lesser of \$2,000 or 34 percent of the total cost of the project.</p>
7	<p><b>Energy efficiency grants; commercial buildings.</b></p> <p>Establishes a program in the Department of Commerce to award grants to owners of commercial buildings, including multifamily buildings, who install energy conservation improvements.</p>
8	<p><b>Energy efficiency grants; nursing homes.</b></p> <p>Establishes a program in the Department of Commerce to award grants to owners of nursing homes who install energy conservation improvements.</p>
9	<p><b>City climate action grant program.</b></p> <p>Establishes a program in the Pollution Control Agency to award grants to cities to develop and implement plans to mitigate climate change impacts on cities and to reduce cities' contributions to the causes of climate change. Grants are capped at \$50,000, and must be matched with local funds dollar-for-dollar in cities with a population above 20,000. Smaller cities must match five percent of the grant funds with local resources, including in-kind services.</p>
10	<p><b>Innovative distributed energy project grant program.</b></p> <p>Establishes a program in the Department of Commerce to award grants to municipal utilities and cooperative electric associations to interconnect energy generators of ten kW or less that contain at least two of these three components: wind, solar photovoltaic, or energy storage.</p>

<b>Section</b>	<b>Description</b>
11	<b>Electric school bus grant program.</b> Establishes a program in the Department of Education to award grants to school districts to stimulate the purchase of electric school buses by paying the incremental cost of an electric bus over a nonelectric bus. Grants may also be used to pay for electric charging systems.
12	<b>Electric bus grant program.</b> Establishes a program in the Department of Transportation to award grants to transit providers to stimulate the purchase of electric school buses by paying the incremental cost of an electric bus over a nonelectric bus. Grants may also be used to pay for electric charging systems. Electric buses awarded a grant must be deployed in areas with poor air quality.
13	<b>Commissioner of commerce; appropriation.</b> Appropriates \$131.5 million in fiscal year 2021 from the general fund to the commissioner of commerce for the programs in sections 2 to 8 and 10.
14	<b>Commissioner of the Pollution Control Agency; appropriation.</b> Appropriates \$10 million in fiscal year 2021 from the general fund to the commissioner of the Pollution Control Agency for the multifamily composting and city climate action grant programs in sections 1 and 9.
15	<b>Commissioner of education; appropriation.</b> Appropriates \$20 million in fiscal year 2021 from the general fund to the commissioner of education for the grant program for electric school buses in section 11.
16	<b>Commissioner of transportation; appropriation.</b> Appropriates \$20 million in fiscal year 2021 from the general fund to the commissioner of transportation for the grant program for electric buses in section 12.
17	<b>Board of Water and Soil Resources; appropriation.</b> Appropriates \$9 million in fiscal year 2021 from the general fund to the Board of Water and Soil Resources: \$6.5 million for payments to enrollees in the Conservation Reserve Program, and \$2.5 million for fee title acquisition of land to permanently protect vulnerable groundwater used for drinking water.

Section	Description
18	<b>Carbon sequestration report; appropriation.</b> Appropriates \$1 million in fiscal year 2021 from the general fund to the Board of Regents at the University of Minnesota for a study to investigate the potential for carbon sequestration on private and public lands.



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