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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 3178

February 18, 2008

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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 capital investments; authorizing the sale and issuance of state bonds;
1.3 appropriating money for grants for the design of renewable energy projects in
1.4 K-12 public schools.

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

1.6 Section 1. **DESIGN FOR RENEWABLE ENERGY PROJECTS FOR K-12**
1.7 **SCHOOLS.**

1.8 Subdivision 1. **Appropriation.** (a) \$5,000,000 is appropriated from the bond
1.9 proceeds fund to the commissioner of commerce for grants to school districts to pay
1.10 the costs of designing renewable energy projects to generate energy used in public
1.11 K-12 schools. In awarding grants, the commissioner must determine, at a minimum,
1.12 the following:

1.13 (1) that the physical condition of the school building is sufficient to support the
1.14 efficient operation of the renewable energy project;

1.15 (2) that enrollment projections for the school indicate no significant possibility that
1.16 the school may close within ten years; and

1.17 (3) that the projected cumulative energy savings exceed the grant amount and the
1.18 corresponding debt service within 15 years.

1.19 (b) For the purposes of this section, "renewable energy" means:

1.20 (1) a wind energy conversion system, as defined in Minnesota Statutes, section
1.21 216C.06, subdivision 19;

1.22 (2) a solar energy system, as defined in Minnesota Statutes, section 216C.06,
1.23 subdivision 17; or

1.24 (3) a closed loop geothermal system consisting of:

2.1 (i) continuous underground pipes in which a fluid circulates to transfer heat between
2.2 the earth and the fluid;

2.3 (ii) a heat pump to move heat between the fluid and a building; and

2.4 (3) a distribution system to distribute heating or cooling throughout a building.

2.5 Subd. 2. **Bond sale.** To provide the money appropriated in subdivision 1 from
2.6 the bond proceeds fund, the commissioner of finance shall sell and issue bonds of the
2.7 state in an amount up to \$5,000,000 in the manner, upon the terms, and with the effect
2.8 prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota
2.9 Constitution, article XI, sections 4 to 7.

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