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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 2136

03/26/2015 Authored by Wagenius; Dehn, R., and Slocum
The bill was read for the first time and referred to the Committee on Education Finance

1.1 A bill for an act
1.2 relating to capital investment; appropriating money for public schools indoor air
1.3 quality capital improvements; authorizing the sale and issuance of state bonds;
1.4 proposing coding for new law in Minnesota Statutes, chapter 123B.

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

1.6 Section 1. [123B.573] PUBLIC SCHOOLS INDOOR AIR QUALITY CAPITAL
1.7 IMPROVEMENTS GRANT PROGRAM.

1.8 Subdivision 1. Account established; no cancellation. A public schools indoor air
1.9 quality capital improvements grant account is created in the bond proceeds fund. Money
1.10 in the account is appropriated to the commissioner to make grants under this section.
1.11 Appropriations of bond proceeds to this account are not subject to section 16A.642, but
1.12 remain available for grants.

1.13 Subd. 2. Definitions. For the purposes of this section, the following terms have
1.14 the meaning given them:

1.15 (1) "controlled-access highway" has the meaning given it in section 160.02,
1.16 subdivision 12;

1.17 (2) "eligible capital improvements" include removal of existing heating, ventilating,
1.18 and air conditioning systems; acquisition and installation of heating, ventilating, and
1.19 air conditioning systems that provide the highest quality of indoor air; other capital
1.20 improvements that are necessary for or support providing the highest indoor air quality;
1.21 and predesign, design, engineering, and other capitalizable costs associated with eligible
1.22 capital improvements; and

1.23 (3) "school building" means a building owned and operated by a district and used by
1.24 students, but does not include ice arenas or ice facilities.

2.1 Subd. 3. **Indoor air quality capital improvements grant program.** The
2.2 commissioner, in consultation with the commissioners of the Pollution Control Agency,
2.3 health, and commerce, shall develop a grant program to finance eligible capital
2.4 improvements in school buildings that are within one-half mile of a controlled-access
2.5 highway that primarily carries traffic from areas outside the neighborhood or community
2.6 in which the building is located. The capital improvements must result in better indoor
2.7 air quality that supports the good health of and learning by students and reduces or
2.8 eliminates known triggers of asthma and other respiratory illnesses. Eligible projects
2.9 must not result in higher noise in student learning areas. The program must include
2.10 criteria and priorities for making grants. At a minimum, the program must give priority
2.11 to school building projects that address the need for environmental justice that has been
2.12 created by construction of controlled-access highways through poorer neighborhoods with
2.13 concentrations of people of color and the resulting permanent disruption to and pollution
2.14 of those neighborhoods from the traffic.

2.15 Subd. 4. **Application.** A district may apply for a grant in the manner and at the time
2.16 required by the commissioner. In addition to any other information the commissioner
2.17 requires, the application must:

2.18 (1) identify the school building in which the improvements will be made and provide
2.19 information supporting its eligibility for a grant under this section;

2.20 (2) include the predesign and design, if completed, of the proposed capital
2.21 improvements;

2.22 (3) identify total project costs and the amount requested;

2.23 (4) explain how the project fits the program criteria and priorities;

2.24 (5) describe the local contribution to the project;

2.25 (6) provide details of air quality testing performed before the capital improvements
2.26 have been made; and

2.27 (7) provide details of the district plan to maintain the indoor air quality, including
2.28 the district's plan for testing and monitoring under section 123B.57, after the capital
2.29 improvements have been made to demonstrate the improvements in air quality in the
2.30 building.

2.31 Subd. 5. **Maximum grant amount; local contribution.** A district may receive up
2.32 to \$..... in grants for one or more eligible capital improvements in one or more school
2.33 buildings under this section. A grant may be for 100 percent of project costs. The amount
2.34 a district has spent on testing or other complimentary capital improvements, and the
2.35 amount it will spend in efficiently operating and maintaining the air quality improvements
2.36 made with the grant funds, constitute the local contribution to a project.

3.1 Subd. 6. **Grant cancellation.** If, five years after entering into a grant agreement
 3.2 for a project, the commissioner determines that the project has not proceeded in a timely
 3.3 manner and is unlikely to be completed, the commissioner must cancel the grant and
 3.4 require the grantee to return all grant money awarded for that project. Grant money
 3.5 returned to the commissioner is appropriated to the commissioner to make additional
 3.6 grants under this section.

3.7 Subd. 7. **Testing; reporting.** (a) A district that receives a grant under this section
 3.8 must implement an indoor air quality testing program and report to the commissioner
 3.9 the results of the testing. The testing program must include testing the performance of
 3.10 HVAC systems through commissioning and periodic re-commissioning using visual
 3.11 assessments, records review, pressure testing, airflow testing, carbon dioxide testing, or
 3.12 other methods as determined by the commissioner, in consultation with the district and the
 3.13 commissioner of health.

3.14 (b) The commissioner must report on the program by February 15 each year to the
 3.15 legislative committees with jurisdiction over education finance, capital investment, and
 3.16 health, as provided in section 3.195. The commissioner's report must include information
 3.17 on the grants awarded, capital improvements financed, air quality testing results, and other
 3.18 matters the commissioner determines are relevant to the program.

3.19 **Sec. 2. PUBLIC SCHOOLS INDOOR AIR QUALITY CAPITAL**
 3.20 **IMPROVEMENTS GRANT PROGRAM.**

3.21 Subdivision 1. **Appropriation.** \$..... is appropriated from the bond proceeds fund
 3.22 to the commissioner of education for grants under Minnesota Statutes, section 123B.573.

3.23 Subd. 2. **Bond sale.** To provide the money appropriated in this section from the
 3.24 bond proceeds fund, the commissioner of management and budget shall sell and issue
 3.25 bonds of the state in an amount up to \$..... in the manner, upon the terms, and with
 3.26 the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the
 3.27 Minnesota Constitution, article XI, sections 4 to 7.

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