

State of Minnesota

H. F. No. **2318**

2.1 Subd. 2. **Grants to reduce diesel emissions.** (a) A school may apply to the commissioner  
2.2 of the Pollution Control Agency for a grant to reduce its diesel emissions. The grant may  
2.3 be used to retrofit or replace an existing diesel engine consistent with the diesel emissions  
2.4 reduction program or to purchase a new school bus that is a low-emission or zero-emission  
2.5 school bus. The commissioner may prioritize grants based on the expected reduction in  
2.6 emissions.

2.7 (b) No school may receive a grant of more than \$100,000 per year under this subdivision.

2.8 Subd. 3. **Grants for electric school bus pilot project.** A school may apply to the  
2.9 commissioner of the Pollution Control Agency for a grant to purchase an electric or  
2.10 electric-hybrid school bus as part of a pilot project. The pilot project must include a plan to  
2.11 evaluate the efficacy of an electric or electric-hybrid school bus. The commissioner may  
2.12 award one pilot grant under this subdivision in an amount not to exceed \$500,000. A school  
2.13 that receives a grant under this subdivision must prominently post its work plan and the  
2.14 results of the pilot project on the school's Web site.

2.15 Subd. 4. **Disposition of settlement revenue.** (a) Notwithstanding section 16A.013 or  
2.16 115A.06 or any other law to the contrary, the commissioner of the Pollution Control Agency  
2.17 must deposit money received from the mitigation trust fund into an account in the special  
2.18 revenue fund. For the purposes of this section, "mitigation trust fund" means the trust fund  
2.19 that was created to fund proposals to mitigate pollution and established as partial settlement  
2.20 for Clean Air Act violations in the Volkswagen Clean Air Act settlement case in the United  
2.21 States District Court for the District of Northern California.

2.22 (b) \$2,000,000 each year is appropriated from the account under paragraph (a) to the  
2.23 commissioner for grants under this section to reduce school bus diesel emissions.

2.24 (c) Any grants made under this section must be consistent with the terms of the mitigation  
2.25 trust fund.

2.26 **EFFECTIVE DATE.** This section is effective the day after the trustee for the mitigation  
2.27 trust fund has approved the state of Minnesota's proposed mitigation actions, found them  
2.28 to be eligible for funds from the mitigation trust fund, and released the funds to the  
2.29 commissioner of the Pollution Control Agency. The commissioner must notify the revisor  
2.30 of statutes when funds are released.