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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. **3236**

02/13/2020 Authored by Lippert, Kiel, Stephenson, Theis, Schultz and others
The bill was read for the first time and referred to the Long-Term Care Division
03/04/2020 Adoption of Report: Amended and re-referred to the Energy and Climate Finance and Policy Division

1.1 A bill for an act
1.2 relating to energy; establishing a nursing home energy efficiency grant program;
1.3 appropriating money; proposing coding for new law in Minnesota Statutes, chapter
1.4 216C.

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

1.6 Section 1. **[216C.45] ENERGY EFFICIENCY GRANTS FOR NURSING HOMES.**

1.7 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
1.8 the meanings given.

1.9 (b) "Energy conservation improvements" means a project that results in energy efficiency
1.10 or energy conservation, as provided in section 216B.241, subdivision 1e.

1.11 (c) "Nursing home" or "nursing home facilities" has the meaning given under section
1.12 144A.01, subdivision 5.

1.13 Subd. 2. **Establishment.** A grant program is established under the Department of
1.14 Commerce to award grants to nursing home facilities to install energy conservation
1.15 improvements.

1.16 Subd. 3. **Interagency coordination.** When developing and administering this program,
1.17 the commissioner must coordinate with the commissioner of human services and other
1.18 public agencies as appropriate.

1.19 Subd. 4. **Eligible expenditures.** (a) Grants awarded to a nursing home under this section
1.20 may be used to fund the costs to design, engineer, procure, and install energy conservation
1.21 improvements. A grant must not exceed \$500,000 per applicant. The commissioner must

2.1 attempt to award grants that are paired with utility energy efficiency programs described in
2.2 section 216B.241, subdivision 1f.

2.3 (b) Notwithstanding any other law to the contrary, erection, construction, installation,
2.4 remodeling, and repair supported by a grant awarded under this section is a project as defined
2.5 in section 177.42, subdivision 2, and is subject to the requirements of sections 177.30 and
2.6 177.41 to 177.45.

2.7 Subd. 5. **Application process.** (a) The department must establish a competitive
2.8 application and review process to select grants. Grants must be selected on the basis of
2.9 several criteria, including but not limited to:

2.10 (1) a reduction in energy usage and customer bills;

2.11 (2) a needs-based assessment on the long-term viability of the facility, including whether
2.12 the facility's reported spending on utilities per licensed bed is higher than average for similar
2.13 facilities;

2.14 (3) project readiness;

2.15 (4) innovation, transferability, and collaboration;

2.16 (5) positive impacts on the community;

2.17 (6) a reduction in fossil fuel emissions;

2.18 (7) job creation; and

2.19 (8) the long-term retention of existing living-wage jobs in the facility.

2.20 (b) A nursing home must submit an application to the commissioner on a form prescribed
2.21 by the commissioner. The commissioner must develop administrative procedures governing
2.22 the application, review, and grant award process.

2.23 Subd. 6. **Reporting.** The commissioner must submit a report by September 1, 2022, to
2.24 the chairs and ranking minority members of the senate and house of representatives
2.25 committees with jurisdiction over energy. The report must detail how the money was spent
2.26 and the results that were achieved. The report must include, at a minimum, information and
2.27 data regarding the number of participants, the types of projects completed, achieved energy
2.28 reductions, and estimated customer bill savings.

2.29 Sec. 2. **APPROPRIATION.**

2.30 \$20,000,000 in fiscal year 2021 is appropriated from the general fund to the commissioner
2.31 of commerce for nursing home energy efficiency grants under Minnesota Statutes, section

- 3.1 216C.45. This is a onetime appropriation and is available until June 30, 2022. The
- 3.2 commissioner may use up to five percent of this amount to administer the program. Any
- 3.3 unexpended funds remaining after June 30, 2022, cancel to the general fund.