

(SENATE AUTHORS: MAGNUS, Rosen, Kubly, Dahms and Sheran)

DATE	D-PG	OFFICIAL STATUS
03/03/2011	325	Introduction and first reading Referred to Agriculture and Rural Economies
03/09/2011	450	Author added Sheran See SF1016, Sec. 3, Sub. 4

A bill for an act
relating to agriculture; appropriating money to the commissioner of agriculture
for bioenergy grants.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **APPROPRIATION; BIOENERGY GRANTS.**

(a) \$..... in fiscal year 2012 is appropriated from the special revenue fund to the commissioner of agriculture for bioenergy grants. The NextGen Energy Board, established in Minnesota Statutes, section 41A.105, shall make recommendations to the commissioner on grants for owners of Minnesota facilities producing bioenergy, organizations that provide for on-station, on-farm field scale research and outreach to develop and test the agronomic and economic requirements of diverse stands of prairie plants and other perennials for bioenergy systems, or certain nongovernmental entities. For the purposes of this paragraph, "bioenergy" includes transportation fuels derived from cellulosic material, as well as the generation of energy for commercial heat, industrial process heat, or electrical power from cellulosic material via gasification or other processes. The board must give priority to a bioenergy facility that is at least 60 percent owned and controlled by farmers, as defined in Minnesota Statutes, section 500.24, subdivision 2, paragraph (n), or natural persons residing in the county or counties contiguous to where the facility is located. Grants are limited to 50 percent of the cost of research, technical assistance, or equipment related to bioenergy production or \$500,000, whichever is less. Grants to nongovernmental entities for the development of business plans and structures related to community ownership of eligible bioenergy facilities together may not exceed \$150,000. The board shall make a good-faith effort to select projects that have merit, and when taken together, represent a variety of bioenergy technologies, biomass feedstocks,

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2.1 and geographic regions of the state. Projects must have a qualified engineer provide
2.2 certification on the technology and fuel source. Grantees must provide reports at the
2.3 request of the commissioner. No later than February 1, 2013, the commissioner shall
2.4 report on the projects funded under this appropriation to the house of representatives and
2.5 senate committees with jurisdiction over agriculture finance. The commissioner's costs
2.6 in administering the program may be paid from the appropriation. This is a onetime
2.7 appropriation and is available until June 30, 2013.

2.8 (b) The utility subject to Minnesota Statutes, section 116C.779, shall transfer the
2.9 amount required for the appropriation in paragraph (a) to the commissioner of agriculture
2.10 on a schedule determined by the commissioner. The money transferred must be deposited
2.11 in the special revenue fund.