

A bill for an act
relating to economic development; providing funding for rural renewable energy
initiatives; appropriating money.

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

Section 1. **RURAL RENEWABLE ENERGY AND ECONOMIC
DEVELOPMENT CONSORTIUM; APPROPRIATION.**

(a) \$7,500,000 for fiscal year 2008 and \$7,500,000 for fiscal year 2009 are
appropriated from the general fund to the commissioner of employment and economic
development for the direct expenses of the matching loan program of the statewide
consortium under paragraph (b) to support development for the efficient transformation of
agricultural and timber biomass into renewable energy forms and related manufactured
products to be made available to consumers at a reasonable cost. The commissioner shall
provide the appropriation each fiscal year as a grant to the Rural Renewable Energy and
Economic Development Consortium at Minnesota State University, Mankato for the
purposes in paragraph (b).

(b) The Rural Renewable Energy and Economic Development Consortium is a
collaboration between the Minnesota State University, Mankato and other educational and
business partners. The board of directors of the consortium shall distribute \$5,000,000 of
the grant in paragraph (a) in fiscal year 2008 and \$5,000,000 of the grant in paragraph
(a) in fiscal year 2009 as a zero interest matching loan in units up to \$500,000 to support
renewable energy related businesses and repayable on an agreed payment schedule. In
addition, \$2,500,000 of the grant in paragraph (a) in each fiscal year shall be used by
the consortium for research and technical support, workforce training, and equipment
support to assist in rural Minnesota industry development. The board of directors of the

H.F. No. 1455, as introduced - 85th Legislative Session (2007-2008)

- 2.1 consortium shall report annually on June 30 to the governor and chairs of the senate and
- 2.2 house committees with jurisdiction over economic development funding on the status
- 2.3 of the program.