

SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 1277

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DATE
02/22/2017

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Introduction and first reading
 Referred to Agriculture, Rural Development, and Housing Finance

OFFICIAL STATUS

1.1 A bill for an act
 1.2 relating to agriculture; appropriating money for grants to provide technical
 1.3 assistance and appropriate technology for certain spark ignition motor fuel
 1.4 wholesalers and retailers.
 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. **APPROPRIATIONS; WHOLESALE AND RETAIL LIQUID MOTOR**
 1.7 **FUEL EQUIPMENT GRANTS.**

1.8 (a) \$12,500,000 is appropriated in fiscal year 2018 from the general fund to the
 1.9 commissioner of agriculture for grants to motor fuel wholesalers and retail motor fueling
 1.10 station operators to install equipment necessary to store or dispense biofuels to the public
 1.11 in order to meet the biofuel requirement goals established under Minnesota Statutes, section
 1.12 239.7911. Wholesale sellers of motor fuel are eligible for grant money for up to two storage
 1.13 sites so long as each site is located in Minnesota and will store, or use tank systems to blend,
 1.14 motor gasoline comprised of at least 15 percent of agriculturally derived, denatured ethanol
 1.15 by volume. Retail motor fueling station operators are eligible for grant money under this
 1.16 paragraph for up to and including 25 retail motor fuel dispensing sites so long as each site
 1.17 is located in Minnesota and the grant money under this paragraph is used to modify or install
 1.18 storage and dispensing components for at least one dispensing site that dispenses gasoline
 1.19 that is blended with at least 15 percent of agriculturally derived, denatured ethanol, by
 1.20 volume, for use in spark ignition engines. A grant award under this paragraph must not
 1.21 exceed 90 percent of the cost of the installation project.

1.22 (b) The commissioner may use up to \$70,000 of the appropriated amount for
 1.23 administration expenses.

2.1 (c) The commissioner must work with stakeholders to establish operational initiatives
2.2 and criteria so as to more fully attain the requirements in Minnesota Statutes, section
2.3 239.7911.

2.4 (d) This appropriation is available until expended. The commissioner must report to the
2.5 legislative committees with jurisdiction over agricultural policy and finance by February
2.6 1, for each fiscal year in which funds are available, detailing the number of grants awarded
2.7 under paragraph (a) and the projected effect of the grant program on meeting the biofuel
2.8 replacement goals under Minnesota Statutes, section 239.791.