

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3731

03/31/2016 Authored by Garofalo

The bill was read for the first time and referred to the Committee on Government Operations and Elections Policy

1.1 A bill for an act
1.2 relating to public contracts; requiring state agencies, public postsecondary
1.3 education institutions, and political subdivisions to timely allocate federal tax
1.4 deductions for energy efficient design to the designer; proposing coding for new
1.5 law in Minnesota Statutes, chapter 15.

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

1.7 Section 1. **[15.765] ALLOCATION OF FEDERAL TAX DEDUCTIONS FOR**
1.8 **ENERGY EFFICIENT DESIGN.**

1.9 When a state agency, public postsecondary education institution, or political
1.10 subdivision enters into a contract with a nongovernmental person or entity for design related
1.11 to a governmental building, the state agency, public postsecondary education institution,
1.12 or political subdivision must allocate all federal tax deductions for energy efficient design
1.13 work under United States Code, title 26, section 179D, to the designer or designers. An
1.14 agency's, public postsecondary education institution's, or political subdivision's solicitation
1.15 document and contract must not request or require the contract price to be reduced as a
1.16 result of the 179D federal tax deduction. The state agency, public postsecondary education
1.17 institution, or political subdivision must complete and provide to the designer or designers
1.18 the 179D federal tax deduction allocation form or forms in a timely manner.

1.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.