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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 4239

03/09/2020 Authored by Long, Stephenson and Wagenius
The bill was read for the first time and referred to the Energy and Climate Finance and Policy Division

1.1 A bill for an act
1.2 relating to energy; providing energy efficiency grants to commercial buildings;
1.3 appropriating money.

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

1.5 Section 1. ENERGY EFFICIENCY GRANTS; COMMERCIAL BUILDINGS.

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

1.8 (b) "Commercial building" means a multifamily or commercial building that can benefit
1.9 from the installation of cost-effective energy improvements, as determined by an energy
1.10 audit.

1.11 (c) "Commissioner" means the commissioner of commerce.

1.12 (d) "Cost-effective energy improvement" means any renovation or retrofitting of a
1.13 building to improve energy efficiency that is permanently affixed to the property, results
1.14 in a net reduction in energy consumption, and has been identified in an energy audit as
1.15 repaying the energy improvement's purchase and installation costs in 20 years or less, based
1.16 on the amount of future energy saved and estimated future energy prices.

1.17 (e) "Energy audit" has the meaning given in Minnesota Statutes, section 216C.435,
1.18 subdivision 4.

1.19 (f) "Multifamily building" means an apartment facility containing four or more dwelling
1.20 units that are rented by a person or family to use as a residence.

2.1 Subd. 2. **Establishment.** The commissioner must establish a commercial building energy
2.2 efficiency grant program in the Department of Commerce to provide financial assistance
2.3 to owners of commercial buildings in which cost-effective energy improvements are installed.

2.4 Subd. 3. **Application.** An application for a grant under this program must be made to
2.5 the commissioner on a form developed by the commissioner. The commissioner must
2.6 develop procedures to (1) solicit and review applications, and (2) award grants under this
2.7 section.

2.8 Subd. 4. **Grant awards.** When awarding grants under this section, the commissioner
2.9 must give preference to applications for cost-effective energy efficiency improvements in
2.10 multifamily buildings.

2.11 Subd. 5. **Eligible expenditures.** Appropriations made to support the activities of this
2.12 section must be used only to:

2.13 (1) provide grants under this section; and

2.14 (2) reimburse the department's reasonable expenses to administer the grant program.

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

2.16 Sec. 2. **APPROPRIATION.**

2.17 \$15,000,000 in fiscal year 2021 is appropriated from the general fund to the commissioner
2.18 of commerce to award commercial building energy efficiency grants under section 1. This
2.19 is a onetime appropriation. This appropriation remains available until December 31, 2022.

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