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State of Minnesota
HOUSE OF REPRESENTATIVES
NINETIETH SESSION

H. F. No. **4424**

04/18/2018 Authored by Kiel
The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance

1.1 A bill for an act
1.2 relating to energy; establishing a grant program for residential biomass heating
1.3 systems; appropriating money.

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

1.5 Section 1. **RESIDENTIAL BIOMASS HEATING SYSTEM GRANT PROGRAM.**

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

1.8 (b) "Homeowner" means the owner of a residential homestead, as defined in section
1.9 273.124, subdivision 1, paragraph (a), or the owner of an agricultural homestead, as defined
1.10 in section 273.13, subdivision 23, paragraph (a).

1.11 (c) "Residential biomass heating system" means:

1.12 (1) a pellet stove or wood heater, as defined in Code of Federal Regulations, title 40,
1.13 section 60.531; or

1.14 (2) a residential forced-air furnace or residential hydronic heater, as defined in Code of
1.15 Federal Regulations, title 40, section 60.5473.

1.16 Subd. 2. Establishment. A grant program is established under the Department of
1.17 Commerce to award grants to homeowners to fund the purchase and installation of a
1.18 residential biomass heating system.

1.19 Subd. 3. Eligible expenditures. (a) Grants awarded to a homeowner under this section
1.20 may be used to pay up to the lesser of \$5,000 or 33 percent of the cost to purchase and install
1.21 a residential biomass heating system in the homeowner's residence.

2.1 (b) The commissioner is prohibited from awarding grants under this section to a
2.2 homeowner for a residential biomass heating system that is not certified by the federal
2.3 Environmental Protection Agency as meeting the 2015 New Source Performance Standards
2.4 for air emissions for residential biomass heating systems contained in Code of Federal
2.5 Regulations, title 40, part 60, subparts AAA and QQQQ, as applicable.

2.6 Subd. 4. **Application process.** A homeowner must submit an application to the
2.7 commissioner on a form prescribed by the commissioner. The commissioner must develop
2.8 administrative procedures governing the application and grant award process, and must
2.9 award grants on a first-come, first-served basis.

2.10 Subd. 5. **Appropriation.** \$..... in fiscal year 2019 and \$..... in fiscal year 2020 are
2.11 appropriated from the account established in section 116C.779, subdivision 1, to the
2.12 commissioner of commerce to award grants under this section. Funds that are unspent at
2.13 the end of fiscal year 2019 remain available for spending under this section. Funds that are
2.14 unspent at the end of fiscal year 2020 cancel to the account established in section 116C.779,
2.15 subdivision 1.

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