

**SENATE**  
**STATE OF MINNESOTA**  
**NINETY-SECOND SESSION**

**S.F. No. 3655**

(SENATE AUTHORS: SENJEM)

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OFFICIAL STATUS  
Introduction and first reading  
Referred to State Government Finance and Policy and Elections

1.1 A bill for an act  
 1.2 relating to state government; modifying energy provisions in state-owned buildings;  
 1.3 amending Minnesota Statutes 2020, section 16B.32, subdivisions 1, 1a; repealing  
 1.4 Minnesota Statutes 2020, sections 16B.323, subdivisions 1, 2; 16B.326.

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

1.6 Section 1. Minnesota Statutes 2020, section 16B.32, subdivision 1, is amended to read:

1.7 Subdivision 1. **Alternative energy sources.** ~~Plans prepared by the commissioner for a~~  
 1.8 ~~new building or for a renovation of 50 percent or more of an existing building or its energy~~  
 1.9 ~~systems must include designs which use active and passive solar energy systems, earth~~  
 1.10 ~~sheltered construction, and other alternative energy sources where feasible. All new building~~  
 1.11 ~~and major building renovation projects subject to section 16B.325 must use renewable~~  
 1.12 ~~energy sources as defined in section 216B.1691, to the extent required to meet the sustainable~~  
 1.13 ~~building 2030 performance standards under section 216B.241, subdivision 9. Geothermal~~  
 1.14 ~~energy efficiency sources may also be considered.~~

1.15 Sec. 2. Minnesota Statutes 2020, section 16B.32, subdivision 1a, is amended to read:

1.16 Subd. 1a. **Onsite Energy generation from renewable sources.** ~~A state agency that~~  
 1.17 ~~prepares a predesign for a new building must consider meeting at least two percent of the~~  
 1.18 ~~energy needs of the building from renewable sources located on the building site. For~~  
 1.19 ~~purposes of this subdivision, "renewable sources" are limited to wind and the sun. The~~  
 1.20 ~~predesign must include an explicit cost and price analysis of complying with the two-percent~~  
 1.21 ~~requirement compared with the present and future costs of energy supplied by a public~~  
 1.22 ~~utility from a location away from the building site and the present and future costs of~~  
 1.23 ~~controlling carbon emissions. If the analysis concludes that the building should not meet at~~

2.1 ~~least two percent of its energy needs from renewable sources located on the building site,~~  
2.2 ~~the analysis must provide explicit reasons why not. The building may not receive further~~  
2.3 ~~state appropriations for design or construction unless at least two percent of its energy needs~~  
2.4 ~~are designed to be met from renewable sources, unless the commissioner finds that the~~  
2.5 ~~reasons given by the agency for not meeting the two percent requirement were supported~~  
2.6 ~~by evidence in the record.~~ The total aggregate nameplate capacity of all distributed generation  
2.7 serving state-owned building(s) or facilities, including any subscriptions to community solar  
2.8 garden under section 216B.1641, may not exceed 120 percent of the average annual electric  
2.9 energy consumption of the state-owned building or facilities being served.

2.10 Sec. 3. **REPEALER.**

2.11 Minnesota Statutes 2020, sections 16B.323, subdivisions 1 and 2; and 16B.326, are  
2.12 repealed.

**16B.323 SOLAR ENERGY IN STATE BUILDINGS.**

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

(b) "Major renovation" means a substantial addition to an existing building, or a substantial change to the interior configuration or the energy system of an existing building.

(c) "Solar energy system" means photovoltaic devices alone or installed in conjunction with a solar thermal system.

(d) "Photovoltaic device " has the meaning given in section 216C.06, subdivision 16.

(e) "Solar thermal system" has the meaning given "qualifying solar thermal project" in section 216B.2411, subdivision 2, paragraph (e).

(f) "State building" means a building whose construction or renovation is paid wholly or in part by the state from the bond proceeds fund.

Subd. 2. **Solar energy system.** (a) As provided in paragraphs (b) and (c), a project for the construction or major renovation of a state building, after the completion of a cost-benefit analysis, may include installation of solar energy systems of up to 300 kilowatts capacity on, adjacent, or in proximity to the state building.

(b) The capacity of a solar energy system must be less than 300 kilowatts to the extent necessary to match the electrical load of the building, or the capacity must be no more than necessary to keep the costs for the installation below the five percent maximum set by paragraph (c).

(c) The cost of the solar energy system must not exceed five percent of the appropriations from the bond proceeds fund for the construction or renovation of the state building. Purchase and installation of a solar thermal system may account for no more than 25 percent of the cost of a solar energy system installation.

(d) A project subject to this section is ineligible to receive a rebate for the installation of a solar energy system under section 116C.7791 or from any utility.

**16B.326 HEATING AND COOLING SYSTEMS; STATE-FUNDED BUILDINGS.**

The commissioner must review project proposer's study for geothermal and solar thermal applications as possible uses for heating or cooling for all building projects subject to a predesign review under section 16B.335 that receive any state funding for replacement of heating or cooling systems. When practicable, geothermal and solar thermal heating and cooling systems must be considered when designing, planning, or letting bids for necessary replacement or initial installation of cooling or heating systems in new or existing buildings that are constructed or maintained with state funds. The predesign review must include a written plan for compliance with this section from a project proposer.

For the purposes of this section, "solar thermal" means a flat plate or evacuated tube with a fixed orientation that collects the sun's radiant energy and transfers it to a storage medium for distribution as energy for heating and cooling.