

**ENVIRONMENT AND NATURAL RESOURCES FINANCE BILL
S.F. 2096 (Chapter 57)**

SUMMARY: The Environment and Natural Resources Finance bill makes changes in a number of laws related to the Minnesota State Colleges and Universities system including renewable energy. A complete summary is listed below.

ARTICLE 1

Environment and Natural Resources

Section

4 Natural Resources

Subdivision 9. Enforcement. The commissioner of the Department of Natural Resources must publicize opportunities for conservation officer employment and recruit, when possible, conservation officer candidates from the biological sciences departments at colleges and universities.

- 16 Cooperation with other jurisdictions.** This section allows the commissioner of the Department of Agriculture to eliminate pest problems by entering into contracts with municipalities, nurseries, colleges, universities, state or federal agencies in connection with new or emerging plant pests programs, including research, or any other organization with the legal authority to enter into contractual agreements.

ARTICLE 2

Energy

Section

3 Department of Commerce

Subdivision 6. Energy and telecommunications. This section appropriates \$1 million each year for technical analysis and demonstration funding for automotive technology projects, with a special focus on plug-in hybrid electrical vehicles, and to study environmental friendly manufacturing and assembly processes to identify ones that could employ workers formerly employed at the St. Paul Ford manufacturing plant and other manufacturing facilities in Minnesota.

This section also appropriates \$4.25 million over the biennium for renewable energy research. Funding decisions will be made by a three-member panel that includes the commissioners of agriculture, commerce, and pollution control. Minnesota State Colleges and Universities system institutions will be eligible to compete for these funds.

This section also awards \$1 million to the Center for Rural Policy and Development at Minnesota State University, Mankato to make a grant to a nonprofit organization with experience dealing with energy and community wind issues to design and implement a rural wind energy development assistance program. This is a onetime only appropriation. The program must provide assistance to rural entities seeking to develop wind energy electric generation projects and to sell the energy from the projects. The grantee must

demonstrate an ability to sustain program functions with ongoing revenue from sources other than state funding and shall provide a 35 percent grant match in the first year. The center must use best practices regarding grant management functions, including selection and monitoring of the grantee, compliance review, and financial oversight. Grant management fees are limited to 2.5 percent of the grant.

- 6 Employee suggestions; energy savings incentive program.** This section requires the commissioner of the Department of Administration to implement a program making cash awards to state employees who make energy-saving suggestions. This does not apply to the Minnesota State Colleges and Universities unless the Board of Trustees affirms that it does.
- 17 Early purchase and deployment of renewable hydrogen, fuel cells, and related technologies by the state.** This section amends current law, which requires the Department of Commerce to identify opportunities to demonstrate the use of hydrogen, fuel cells and related technologies in state facilities and fleets, striking language regarding "demonstration" of the technology and substitutes "deployment." The language requires these agencies to recommend to the Department of Administration changes to state procurement guidelines to facilitate hydrogen deployment.
- 23 Minnesota renewable hydrogen initiative.** This section requires the commissioner of the Department of Commerce to develop a competitive grant program for projects to help the state reach its hydrogen goals. The commissioner is to establish a multi-stakeholder advisory committee, including academic organizations, to identify promising hydrogen deployment projects and recommend grants.

Preference is to be given to projects embodying concepts contained in the department's recent biennial report on hydrogen projects. Eligible projects must include hydrogen production options listed in the report. Education must be part of each grant. Non-public grantees must provide a 50 percent match with non-state funds.