

March 7, 2023

Minnesota House of Representatives
Taxes Committee
State Office Building, Rm. 5
Saint Paul, MN 55155

RE: House File 2311, Solar Tax Credit

Dear Chair Gomez, Representative Bierman, and Committee Members,

On behalf of Clean Energy Economy MN (CEEM), I write today to support HF2311, a bill creating a refundable tax credit for solar power systems for residential and commercial customers. This proposal, combined with the existing federal incentives in the Inflation Reduction Act, will help more Minnesotans choose solar by defraying the upfront costs of installing their own system.

CEEM is an industry-led, nonpartisan, non-profit organization representing the business voice of energy efficiency and clean energy in Minnesota. We work to educate Minnesotans about the economic benefits of transitioning to a clean energy economy and are committed to delivering a 100% clean energy future where all Minnesota businesses and citizens will thrive. Our business membership is comprised of nearly 50 clean energy companies ranging from start-up businesses to Fortune 100 and 500 corporations that employ tens of thousands of Minnesotans across the state.

We thank Rep. Bierman for bringing this bill forward and Chair Gomez for hearing it in committee. Depending on the cost of the solar system, this bill will provide residential homeowners a credit of up to \$2,500 and business owners of up to \$15,000.

As Minnesota moves to 100% clean energy by 2040, distributed generation like rooftop solar will play a key role in the transition. Rooftop solar brings additional value by generating power where it is consumed – not requiring expensive transmission lines to bring power from far away – and adds resiliency, which allows the grid to be more agile and recover faster from outages. This additional tax credit will assist more Minnesotans in choosing to go solar and all Minnesotans will benefit from the additional distributed generation of clean energy on our grid.

The solar industry employs nearly 5,000¹ Minnesotans, and the sector grew nearly 10% last year, significantly faster than the state average job growth. Statewide, 58,000 Minnesotans are employed in the clean energy economy with 69% of this workforce comprised of small businesses with fewer than 20 individuals. Creating this solar tax credit for residential homeowners and businesses will continue to support the small businesses working in the residential and commercial solar industry by assisting more Minnesotans in being able to afford solar power systems.

Thank you for this opportunity to share our support for this proposal. If you have any questions, please let us know.

Sincerely,



George Damian
Director of Government Affairs
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¹ 2022 Clean Jobs Midwest Report: <https://www.cleanenergyeconomymn.org/clean-jobs-midwest>