

1.1 ..... moves to amend H.F. No. 1254, the first engrossment, as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. **[116.083] PROPANE SCHOOL BUS REBATE PROGRAM.**

1.4 Subdivision 1. **Definitions.** For the purposes of this section, the following terms have  
1.5 the meanings given:

1.6 (1) "commissioner" means the commissioner of the Minnesota Pollution Control Agency;

1.7 (2) "propane school bus" means a school bus fueled by propane and used by a school  
1.8 or under contract with the school to transport pupils to or from a school or to or from  
1.9 school-related activities;

1.10 (3) "school" means a Minnesota school district or Minnesota charter school; and

1.11 (4) "school bus" means a type A, B, C, or D school bus as defined in section 169.011,  
1.12 subdivision 71.

1.13 Subd. 2. **Rebate program.** (a) A rebate program is established in the Pollution Control  
1.14 Agency to award rebates to eligible applicants to reduce air emissions from diesel-powered  
1.15 school buses.

1.16 (b) An eligible applicant must submit an application to the commissioner on a form  
1.17 prescribed by the commissioner. The commissioner shall develop administrative procedures  
1.18 governing the application and rebate award process. Applications shall be reviewed on a  
1.19 first come first-served basis. The commissioner shall act as fiscal agent for the rebate program  
1.20 and shall be responsible for receiving and reviewing rebate applications and awarding rebates  
1.21 under this section.

1.22 Subd. 3. **Eligible applicants.** (a) A school that purchases a propane school bus is eligible  
1.23 for a rebate under this section. A school may apply for a rebate under this section on behalf

2.1 of a party with whom the school contracts for pupil transportation, and may assign the rebate  
2.2 to the contracted party.

2.3 (b) Propane school buses receiving a rebate under this section must be registered and  
2.4 licensed in Minnesota.

2.5 Subd. 4. **Eligible expenditures.** (a) The cost of purchasing a school bus that has not  
2.6 been modified from the original manufacturer's specifications is eligible for a rebate under  
2.7 this section.

2.8 (b) Any rebate awarded under this section must be consistent with the terms of the  
2.9 mitigation trust fund.

2.10 (c) For the purposes of this section, "mitigation trust fund" means the trust fund created  
2.11 to fund proposals to mitigate pollution that is established in the partial settlement for Clean  
2.12 Air Act violations in the court case in the United States District Court for the District of  
2.13 Northern California.

2.14 Subd. 5. **Rebate amount.** A rebate under this section is the lesser of 25 percent of the  
2.15 cost of a propane school bus or \$25,000.

2.16 Subd. 6. **Limitation.** A school may receive no more than five rebates under this section  
2.17 in a calendar year.

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

2.19 Sec. 2. **DISPOSITION OF SETTLEMENT REVENUE; APPROPRIATION.**

2.20 (a) Notwithstanding Minnesota Statutes, section 16A.013 or 115A.06 or any law to the  
2.21 contrary, the commissioner must deposit money received from the mitigation trust fund into  
2.22 an account in the special revenue fund.

2.23 (b) \$15,000,000 is appropriated from the account established in paragraph (a) to the  
2.24 commissioner for the purpose of awarding rebates under this section. The commissioner,  
2.25 in consultation with the commissioner of management and budget, shall determine the  
2.26 annual amount of the appropriation to be transferred to the commissioner, based on the  
2.27 schedule and amount of deposits placed in the account and any other requirements established  
2.28 with respect to the mitigation trust fund, and must endeavor to transfer to the commissioner  
2.29 equal annual installments over the life of the account.

2.30 (c) For the purposes of this section, "mitigation trust fund" means the trust fund created  
2.31 to fund proposals to mitigate pollution that is established in the partial settlement for Clean

3.1 Air Act violations in the court case in the United States District Court for the District of  
3.2 Northern California.

3.3 **EFFECTIVE DATE.** This section is effective the day after the trustee for the mitigation  
3.4 trust fund has approved the state of Minnesota's proposed mitigation actions, found them  
3.5 to be eligible for funds from the mitigation trust fund, and released those funds to the  
3.6 commissioner. The commissioner must notify the revisor of statutes when the funds have  
3.7 been released to the commissioner."

3.8 Amend the title accordingly