

HOUSE RESEARCH

Bill Summary

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Overview

House File 320 creates a school energy conservation revolving loan program to provide financial assistance to school districts to make energy conservation investments in schools to reduce greenhouse gas emissions and improve air quality.

Section

1 [126C.40] Subd. 5. Energy conservation. Strikes language requiring school districts to pay principal and interest on energy loans approved after 1998 from the general fund. Specifies that energy loans may be repaid from levies made without voter approval.

2 [216C.371] Definitions.

3 [216C.372] School energy conservation revolving loan program.

Subd. 1. Loan program established. Establishes a school energy conservation revolving loan program account in the bond proceeds fund. Appropriates money in the account to the commissioner of commerce to make energy conservation loans to school districts.

Subd. 2. Purpose. States that the program is created to provide financial assistance to school districts to make energy improvements in schools to reduce greenhouse gas emissions.

Subd. 3. Limitations. Provides that loans be awarded on a first-come, first-served basis. Sets a maximum aggregate level (left blank) for loans at a single school district.

Subd. 4. Applications. Lists the information that must be contained in an application for a

Section

loan.

Subd. 5. Loan conditions. Specifies that loans may not represent more than half the total project cost, have a repayment term of less than 20 years, and be below market rate.

Subd. 6. Biennial report. Requires the commissioner of commerce to submit a biennial report to the legislature on the loan program, including the number and amount of loans made and the energy savings and greenhouse gas emissions reduced.

4 Public school energy conservation revolving loan program.

Subd. 1. Appropriation. Appropriates \$... from the bond proceeds fund to the commissioner of commerce for the loan program.

Subd. 2. Bond sale. Authorizes the commissioner of management and budget to sell bonds to fund the appropriation in this section.