

Minnesota Attorney General: Administrative Rules Proceedings

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Our File # 596

ADMIN 1000 (Rev. 1/78)
SF-00006-01

STATE OF [redacted]NESOTA

DEPARTMENT ATTORNEY GENERAL

Office Memorandum

TO : JANE BROWN
Office of Economic
Opportunity

DATE: May 5, 1980

FROM : JERRY S. ANDERSON
Special Assistant
Attorney General

PHONE: 296-1288

SUBJECT: In the Matter of Adoption of a Temporary Rule of the Department of Economic Security, Governing Fuel Assistance to Low-Income Families.

The above-captioned temporary rules have been approved by this office.

While the statute does not require it, this office recommends that an Order of Adoption and a copy of the Rules as Adopted be filed with the Secretary of State. It is the department's responsibility to comply with the Notice provisions of Minn. Stat. § 15.0412, Subd. 5.

If you have any questions, do not hesitate to contact me.

JSA/bw
cc: Duane Harves
Susan Robertson

Our File #596

Permanent Rule_____

Temporary Rule X

RULES REVIEW CHECKLIST

DATE RULES RECEIVED 4/30 DUE DATE 5/7

Resubmitted and Received_____

a. Returned to Agency w/o Filing w/Secretary of State_____
b. Approved 5/5/80 Date Sent Back to Agency 5/5/80

- -

1. Rules as Adopted_____

2. Rules as Proposed_____

3. Certificate of Board's
   Authorizing Resolution, where applicable_____

4. Order for Hearing_____

5. Notice of Hearing_____
   Sufficiency_____

6. Secretary of State's List_____(one copy only)

7. Certificate of Acquisition of
   Secretary of State's List_____

8. Secretary of State's Certification of Delivery
   of Secretary of State's List to Agency_____

9. Affidavit of Mailing_____
   At least 30 days prior to hearing_____

10. Publication in State Register_____
    At least 30 days prior to hearing_____

11. Statement of Need and Evidence_____

12. Hearing Examiner's Report_____

13. Agency's Findings of Fact_____

14. Certificate of Board's Resolution
    Adopting Rules, where applicable_____

15. Order Adopting_____

16. Report of Chief Hearing Examiner_____

17. Order Approving Incorporation by Reference,
    where applicable_____

18. Certificate of Compliance with Rulemaking Procedures_____

19. Copy of Notice of Intent to Solicit Outside Opinion,
    where applicable_____

20. Petition by Public, where applicable_____

STATE OF MINNESOTA

DEPARTMENT OF ECONOMIC SECURITY

In the matter of adoption of a temporary rule of the Department of Economic Security, governing fuel assistance to low-income families.

Order Adopting Temporary Rate

Pursuant to the authority vested in me by Laws 1980, Chapter 579, sec. 22, IT IS ORDERED that the annexed rules identified as Emergency Residential Heating Grants For Low Income People are adopted this 29th day of April, 1980.

State of Minnesota
Department of Economic Security

by Rolf Middleton
Rolf Middleton, Commissioner

AG copy – corrected

Department of Economic Security, Office of Economic Opportunity

Temporary Rule Governing Emergency Residential Heating Grants

Request for Public Comment

Notice is hereby given that the Department of Economic Security has submitted the following temporary rule to the Attorney General for his approval in accordance with Laws 1980, ch. 579, sec. 22. The rule will take effect upon approval by the Attorney General. The purpose of the rule is to govern the administration of grants for emergency residential heating assistance to low income persons pursuant to Laws 1980, ch. 579. All interested persons may comment on these rules to:

Beverly Gleeson, Director
Office of Economic Opportunity
Minnesota Department of Economic Security
690 American Center Building
150 East Kellogg Boulevard
St.Paul, Minnesota 55101

Written comments submitted for consideration must be received by June 15, 1980. The temporary rule may be amended on the basis of comments received.

Rolf Middleton
Commissioner
Department of Economic Security

Temporary Rule

8 MCARC 4.4012-Emergency residential heating grants for low income people.

A. Policy.

1. The purpose of the rule is to develop and deliver a state emergency residential heating assistance program under the authority granted by Laws 1980, chapter 579 to supplement the federal Energy Crisis Assistance

Program of 42 USC § 2809, paragraph (a), clause (5), at prescribed income levels of low income persons not assisted under the federal program, in order to aid those persons in relieving part of the energy/fuel cost burden.

2. This program does not entitle any household to a certain amount and/or any form of assistance.

B. Definitions. As used in this rule.

1. "Commissioner" means the Commissioner of the Minnesota Department of Economic Security or his/her designated representative.
2. "Community Action Agency" is a private non-profit corporation or public agency established pursuant to the Economic Opportunity Act of 1964 Pub. L. 88-452 as amended which is authorized to administer funds received from federal, state, local or private funding sources and to assess, design, operate, finance and oversee anti-poverty programs.
3. "DES/OEO" means the Department of Economic Security, Office of Economic Opportunity.
4. "Director" means the director of "DES/OEO".
5. "Earned Income" is salary or wages received for work performed as an employee or income from a business, farm or other enterprise in which a person is engaged on his/her own account. Social Security benefits are not considered earned income.
6. "Elderly household" means a household headed by a person who is 60 years of age or older.
7. "Eligible household" means any household, whether owning or renting their dwelling, which a grantee has determined to be eligible for assistance. Eligibility is based on total annualized household income during not more than 12 months or less than the 90-day period preceding the request for assistance.
8. "Energy Crisis Assistance Program" or "ECAP" is the federally funded energy assistance program of 42 USC § 2809, paragraph (a), clause (5).

9. "Grant" means the approved written agreement entered into between the grantee and the State.

10. "Grantee" means an entity named in the Notification of Grant Award as the recipient.

11. "Handicapped person" means any individual (a) who is handicapped as defined in section 7(6) of the Rehabilitation Act of 1973, (b) who is under a disability as defined in section 1614(a)(3)(A) or 223(d)(1) of the Social Security Act or in section 102(7) of the Developmental Disabilities Services and Facilities Construction Act, or (c) who is receiving benefits under chapter 11 or 15 of Title 38, United States Code.

12. "Head of a household" is a member of the household who by consensus of the household is considered its head.

13. "Household" refers to the persons related by blood, adoption, or marriage living in a dwelling and forming an economic unit. Other persons residing in the dwelling and contributing to its welfare are also considered household members for the purpose of determining household income.

14. "Law" means Chapter 579,Laws 1980.

15. "Local administering agency" means a county board, community action agency, or a public or private non-profit agency which has been granted funds in accordance with this rule.

16. "Medical expenses" are those health-related costs that are not reimbursed by insurance or other sources and that exceed 3% of the household income. Payments by a member of a household to a nursing home for residential care are considered a medical expense.

17. "State" hereinafter means the State of Minnesota acting through DES/OEO.

18. "Vendor" means a supplier of goods or services.

19. "Working poor" are those eligible households which receive earned income.

C. Local administrating agencies.

1. In order to be granted an award a local administering agency must be a county board, community action agency or a public or private non-profit agency and must have:

   a. Experience in operating programs that serve the poor.

   b. The ability to carry out or arrange for the outreach activities outlined in the Instruction for Delivery of the Emergency Residential Heating Grants Program.

   c. An adequate accounting system with appropriate fiscal controls as defined in the following:

      1) Federal Management Circular 74-4, 34 CFR 225.

      2) U.S. OMB Circular A-102.

      3) U. S. Treasury Circular 1082.

      4) U. S. Treasury Circular 1075.

2. Allocations to local administrative agencies will be made on the basis of the number of income eligible households in the area served by the agency. Unexpended funds in one grantee area may be reallocated to another area of the state by State.

3. All grants shall be evidenced by written agreement under which the grantee shall agree to comply with the provisions of the law, this rule, and such other matters as may be deemed appropriate for the effective administration of the grant.

D. Serving clients.

1. Local delivery agencies will identify potential participants through their existing programs and through cooperation with other area human service providers. Other linkages will combine with the above to form decentralized intake and certification systems.

2. Grantees are required to publicize in an attempt to inform all eligible households of the availability of Emergency Residential Heating Assistance.

3. All residents of Minnesota may apply for this program. Assistance will be obligated for certified eligible applications on a priority system to the extent that program funds are available within any grantee area. Grantees must give priority to elderly, handicapped, and working poor households.

4. Grantees must have and publicize to all applicants procedures for review of the partial or complete denial of assistance under this program.

E. Forms of assistance.

1. Assistance made available under this program must be directed to the payment of past-due energy bills if past due bills exist.

2. Households which have paid their heating costs and households supplying their own heating source will also be assisted:

   a. Payment of energy related bills may be made through the establishment of a line of credit or a voucher system.

   b. Immediate, short-term supportive services may be provided.

   c. Direct cash assistance may be made in those cases where a person has paid a fuel bill and is in crisis or to implement one of the allowable activities of the program. This amount shall not exceed a total of $50 per household for the entire duration of the program.

F. Eligibility.

1. Emergency residential heating grants may be paid only to households not eligible for the federal Energy Crisis Assistance Program and whose total annualized household income does not exceed the following limits:

Size of household	Not more than
1	$ 5,100
2	$ 6,750
3	$ 8,400
4	$ 10,050
5	$ 11,700
6	$ 13,350

(For each additional household member add $1,650).

2. In determining total household income, a household with earned income may deduct from earned income State and federal income taxes and social security contributions. In addition, a household may deduct medical expenses that are not reimbursed by insurance or other sources that exceed three percent of the household income.

3. Proof of income must be supplied. The period for determining eligibility will be not more than 12 months nor less than the 90-day period preceding the request for assistance. Grantees may follow their normal procedure to verify income eligibility, and will be required to randomly verify a reasonable number of applicants who sign declarations of income. Farm income and income from self employment may be verified by 1979 Income Tax Return Forms.

4. Payments under this program shall not be considered as income or resources under any other public or publicly assisted income tested program.

G. Limitation on payments.

1. The maximum amount of assistance to eligible households shall be fifty percent of the cost of residential primary heating costs paid by the household during the heating season beginning September 1, 1979 and ending May 31, 1980 or the appropriate maximum amount as defined in the following table, whichever is less:

House-hold size	Household more than but	Income not More than	Fuel Oil Canadian Natural Gas and Propane	Wood and Other Energy Sources
1		$ 4,250	$ 400	$ 267
	$4,250	$ 4,675	$ 283	$ 189
	$4,675	$ 5,100	$ 167	$ 111
2		$ 5,625	$ 400	$ 267
	$5,625	$ 6,188	$ 283	$ 189
	$6,188	$ 6,750	$ 167	$ 111
3		$ 7,000	$ 400	$ 267
	$7,000	$ 7,700	$ 283	$ 189
	$7,700	$ 8,400	$ 157	$ 111
4		$ 8,375	$ 400	$ 267
	$ 8,375	$ 9,212	$ 283	$ 189
	$ 9,212	$10,050	$ 167	$ 111
5		$ 9,750	$ 400	$ 267
	$ 9,750	$10,725	$ 283	$ 189
	$10,725	$11,700	$ 167	$ 111
		$11,125	$ 400	$ 267
6	$11,125	$12,238	$ 283	$189
	$12,238	$13,350	$ 167	$111

2. Grants for recipients who use two or more types of fuel shall be based on the household's primary energy source.

3. Households which received federal Energy Crisis Assistance Program funds will not be eligible for assistance under this program. Recipients of

Supplemental Security Income (SSI) who were ineligible for ECAP funds are eligible for assistance under this program but the direct SSI fuel payment received by that household must be deducted from the amount of assistance.

H. Coordination with vendors.

Vendor agreements developed and executed for ECAP will be considered as an agreement also covering this program. Any new vendors secured for this program are required to enter into a written agreement.

I. Termination of the program.

Each grant will terminate on September 30, 1980 with any remaining balances returned to the State.

J. Program costs.

1. Grantees may expend up to 5% of their total allcoation on administrative costs. If the grantee incurs expenditures in excess of its total allocation, the amount of the over-expenditure must be absorbed by the grantee.
2. Two percent of the total State appropriation will be used for administrative costs including audit at the State level by DES/OEO.

K. Reporting.

1. Grantees shall report bi-weekly to the State through the close of the program in the five areas currently required by regulation for ECAP (number of households served, number of individuals served, elderly headed households served, dollars obligated for fuel/heating costs, and dollars obligated for other purposes). A final report will be required which will include a summary of information collected through the required program application and worksheet. An invoice will be required from grantees as frequently as is necessary to receive funds under this program.

L. Monitoring and Audit.

1. The Office of Economic Opportunity will monitor the delivery of this program at the local level.

2. Charges related to poor administration, faulty or inadequate eligibility certification, duplication and/or fraud will be investigated immediately by the Office of Economic Opportunity with a one week requirement on correction and/or restitution. Failure to rectify the problem may result in withdrawal of the grantee contract and/or criminal charges.

3. An accounting firm will be contracted by the State to perform audits on grantees. The legislative auditor will approve the selection of the auditors and the scope of the audit.

4. Grantees shall fully cooperate with the monitoring and audit process.

M. Severability.

The provisions of this rule shall be severable and if any phrase, clause, sentence, or provision is declared illegal or of no effect, the validity of the remainder of this rule and the applicability thereof to any person or circumstances shall not be affected thereby.

H.F.No. 1710
CHAPTER No.
579

AN ACT

relating to energy; establishing a legislative commission on energy; stating energy policy; broadening the scope of state weatherization programs; creating a state emergency residential heating program; expanding energy awareness programs; creating a Minnesota biomass center; providing for an ethanol demonstration plant; providing grants and assistance for community energy planning; expanding consumer representation in certain energy hearings; regulating delinquency charges on customer or subscriber accounts; providing guidelines for a state plan for spending federal money; reimbursing counties for emergency energy assistance expenses; providing education on building energy efficiency; directing the public service commission to establish a pilot project allowing utilities to make conservation investments for customers; appropriating money; amending Minnesota Statutes 1978, Sections 45.17, by adding a subdivision; 90.195; 116H.01; 116H.087; 116H.12, Subdivision 11; 116H.129, Subdivision 5; 216B.16, by adding a subdivision; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; Chapter 216B, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 116H.085; 116H.13, Subdivisions 3 and 7; 116H.22; and 268.37; repealing Minnesota Statutes 1978, Sections 116H.125; and 325.986, Subdivisions 1 and 2.

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

Section 1. [3.351] [LEGISLATIVE COMMISSION ON ENERGY.] Subdivision 1. [COMPOSITION.] The legislative commission on energy is composed of five senators of the

majority party and three senators of the minority party appointed by the subcommittee on committees of the committee on rules and administration, and five representatives of the majority party and three representatives of the minority party appointed by the speaker of the house. The commission shall be appointed by June 1, 1980. The commission shall elect a chairman from among its members.

Subd. 2. [GENERAL DUTIES.] The commission shall:

(a) Make a continuing study of matters relating to energy supply and use in the state;

(b) Identify the potential for enhanced economic growth and job creation from increased energy efficiency and the production and utilization of renewable energy systems.

(c) Identify ways to assure the provision of necessary energy supplies to all Minnesotans;

(d) Coordinate resources and programs on energy conservation; and

(e) Review overall legislative policy concerning energy.

Subd. 3. [ENERGY PLAN; REPORT TO LEGISLATURE.] The commission shall develop legislative energy plans based on the provisions of subdivision 2 and consistent with appropriate long term energy goals for Minnesota. The plans shall be reported to the legislature no later than February 15 of each year.

Subd. 4. [STAFF.] The commission shall use existing legislative facilities and staff.

Sec. 2. Minnesota Statutes 1978, Section 45.17, is amended by adding a subdivision to read:

Subd. 7. The consumer services section shall represent and further the interests of residential utility

consumers through participation as an intervenor or interested party in federal proceedings relating to the regulation of: (a) wholesale rates for energy delivered through interstate facilities; or (b) fuel used in generation of electricity or the manufacture of gas. The consumer services section may maintain, intervene in or otherwise participate in any civil actions relating to the federal proceedings. In performing its duties pursuant to this subdivision, the section shall follow the guidelines established pursuant to subdivision 6, clause (1).

Sec. 3. Minnesota Statutes 1978, Section 90.195, is amended to read:

90.195 [SPECIAL USE PERMIT.] The commissioner~~ for a $5 fee~~ may issue a permit to salvage or cut not to exceed ~~25~~ 12 cords of fuelwood per year for personal use from either or both of the following sources: (1) Dead, down, and diseased trees; (2) other trees that are of negative value under good forest management practices. Such permits may be issued for a period not to exceed one year. A fee shall be charged for the permit of not less than $5 nor more than the approximate current market value of fuelwood stumpage of similar species, grade and volume that is being charged in the area.

Sec. 4. Minnesota Statutes 1978, Section 116H.01, is amended to read:

116H.01 [FINDINGS AND PURPOSE.] The legislature finds and declares that ~~the present rapid~~ continued growth in demand for energy ~~is in part due to unnecessary energy use; that a continuation of this trend will result in serious depletion of finite quantities of fuels, land and water resources, and threats to the state's environmental quality; that the state must insure consideration of urban expansion, transit systems, economic development, energy~~

~~conservation and environmental protection in planning for large energy facilities; that there is a need to carry out energy conservation measures; and that energy planning, protection of environmental values, development of Minnesota energy sources, and conservation of energy require expanded authority and technical capability and a unified, coordinated response within state government.~~

~~The legislature seeks to encourage thrift in the use of energy, and to maximize use of energy efficient systems, thereby reducing the rate of growth of energy consumption, prudently conserving energy resources, and assuring statewide environmental protection consistent with an adequate, reliable supply of energy.~~ will cause severe social and economic dislocations, and that the state has a vital interest in providing for: increased efficiency in energy consumption, the development and use of renewable energy resources wherever possible, and the creation of an effective energy forecasting, planning and education program.

The legislature further finds and declares that the protection of life, safety and financial security for citizens during an energy crisis is of paramount importance.

Therefore, the legislature finds that it is in the public interest to review, analyze and encourage those energy programs that will minimize the need for annual increases in fossil fuel consumption by 1990 and the need for additional electrical generating plants, and provide for an optimum combination of energy sources consistent with environmental protection and the protection of citizens.

The legislature intends to monitor, through energy policy planning and implementation, the transition from historic growth in energy demand to a period when demand

for traditional fuels becomes stable and the supply of renewable energy resources is readily available and adequately utilized.

Sec. 5. Minnesota Statutes, 1979 Supplement, Section 116H.085, is amended to read:

116H.085 [ENERGY CONSERVATION INFORMATION CENTER.] The director shall establish an energy ~~conservation~~ information center in the agency's offices in St. Paul. The information center shall maintain a toll-free telephone information service and disseminate printed materials on energy conservation topics, including but not limited to, availability of loans and other public and private financing methods for energy conservation physical improvements, the techniques and materials used to conserve energy in buildings, including retrofitting or upgrading insulation and installing weatherstripping, the projected prices and availability of different sources of energy, and ~~the~~ alternative sources of energy.

The energy information center shall serve as the official Minnesota alcohol fuels information center and shall disseminate information, printed, by the toll-free telephone information service, or otherwise on the applicability and technology of alcohol fuels.

The information center shall include information on the potential hazards of energy conservation techniques and improvements in the printed materials disseminated. The agency shall not be liable for damages arising from the installation or operation of equipment or materials recommended by the information center.

Sec. 6. Minnesota Statutes 1978, Section 116H.087, is amended to read:

116H.087 [ENERGY CONSERVATION PUBLICITY.] The director of the energy agency in consultation with ~~the director of~~

~~the housing finance agency~~ other affected agencies or departments shall develop informational materials, pamphlets and radio and television messages on ~~the~~ energy conservation and housing programs available in Minnesota, renewable energy resources, and energy supply and demand. The ~~pamphlets~~ printed materials shall include information on available tax credits for residential energy conservation measures, residential retrofitting loan and grant programs, and data on the economics of energy conservation and renewable resource measures. ~~Before the pamphlets or media messages are released for general distribution they~~ Copies of printed materials shall be ~~reviewed by~~ distributed to members of the appropriate standing committees of the legislature.

Sec. 7. [116H.089] [COMMUNITY ENERGY PLANNING; GRANTS.] Subdivision 1. [PURPOSE.] In order to improve the energy planning capabilities of local governments, the energy agency shall make grants to counties and cities, however organized. The energy agency when making grants shall give priority to those units of government that submit proposals that could result in significant savings of traditional energy sources, development of renewable energy systems, and broad community involvement. The director shall give priority to local units of government that provide staff or other support for a program and who request grants for programs which can be duplicated by other local governments. The grants may be used to purchase materials, employ staff or contract with other units of government or qualified consultants.

The director shall not make grants of more than 45 percent of the amount appropriated for those purposes to cities and counties located within the seven county metropolitan area. A single grant to a city or county

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The director shall not make grants of more than 45 percent of the amount appropriated for those purposes to cities and counties located within the seven county metropolitan area. A single grant to a city or county

shall not exceed $50,000.

Subd. 2. [QUALIFYING EXPENDITURES.] Community energy planning grants may be used for the following purposes:

(a) To gather, monitor, and analyze local energy supply, demand, and cost information;

(b) To prepare comprehensive community energy plans;

(c) To implement comprehensive energy plans that the unit of government is authorized to undertake for the management of problems resulting from: (1) rising energy cost; (2) lack of efficient public and private transportation; (3) lack of community conservation efforts; (4) lack of widespread renewable energy sources; and (5) lack of energy components in comprehensive plans and local ordinances;

(d) To assist neighborhood organizations in counties and cities to do energy planning by making grants to the local unit of government; and

(e) Any other purposes deemed appropriate by the director of the energy agency.

Subd. 3. [ADMINISTRATION.] The energy agency shall determine priorities pursuant to subdivisions 1 and 2, and shall promulgate rules for the submission and review of applications in accordance with the provisions of chapter 15. For this purpose the energy agency may adopt temporary rules pursuant to the provisions of section 15.0412, subdivision 5.

Sec. 8. Minnesota Statutes 1978, Section 116H.12, Subdivision 11, is amended to read:

Subd. 11. No new residential

(a) forced air type central furnace,

(b) cooking appliance manufactured with an electrical supply cord, or

(c) clothes drying equipment

designed to burn natural gas equipped with a continuously burning pilot shall be sold or installed in Minnesota. This subdivision does not apply to forced air type furnaces designed for installation in mobile homes.

Sec. 9. Minnesota Statutes 1978, Section 116H.129, Subdivision 5, is amended to read:

Subd. 5. [RESIDENTIAL ENERGY DISCLOSURE PROGRAM.] By ~~March 1, 1979~~ May 1, 1980, the commissioner of administration, in consultation with the director of the energy agency and the appropriate standing committees of the legislature, shall promulgate rules providing for residential energy disclosure requirements and shall approve forms for the purposes of this subdivision. The rules and forms shall provide only for the disclosure of structural characteristics, energy use characteristics relating to energy consumption and conservation, and the extent of compliance with standards adopted pursuant to subdivision 1. Nothing in the forms shall indicate or be deemed to indicate that the residence meets all state building code specifications.

Sec. 10. Minnesota Statutes, 1979 Supplement, Section 116H.13, Subdivision 3, is amended to read:

Subd. 3. No proposed large energy facility shall be certified for construction unless the applicant has justified its need. In assessing need, the director shall evaluate:

(1) The accuracy of the long range energy demand forecasts on which the necessity for the facility is based;

(2) The effect of existing or possible energy conservation programs under sections 116H.01 to 116H.15 or other federal or state legislation on long term energy demand;

(3) The relationship of the proposed facility to

overall state energy needs, such as are described in the most recent state energy policy and conservation report prepared pursuant to section 116H.11;

(4) Promotional activities which may have given rise to the demand for this facility;

(5) Socially beneficial uses of the output of this facility, including its uses to protect or enhance environmental quality;

(6) The effects of the facility in inducing future development;

(7) Possible alternatives for satisfying the energy demand including but not limited to potential for increased efficiency of existing energy generation facilities;

(8) The policies, rules and regulations of other state and federal agencies and local governments; and

(9) Any feasible combination of energy conservation improvements, required by the public service commission pursuant to section 18, that can (1) replace part or all of the energy to be provided by the proposed facility, and (2) compete with it economically.

Sec. 11. Minnesota Statutes, 1979 Supplement, Section 116H.13, Subdivision 7, is amended to read:

Subd. 7. Other state agencies authorized to issue permits for siting, construction or operation of large energy facilities, and those state agencies authorized to participate in matters before the Minnesota public service commission involving utility rates and adequacy of utility services, shall present their position regarding need and participate in the public hearing process prior to the issuance or denial of a certificate of need. Issuance or denial of certificates of need shall be the sole and exclusive prerogative of the director and said determinations and certificates shall be binding upon other

state departments and agencies, regional, county and local governments and special purpose government districts except as provided in sections 116C.01 to 116C.08 and 116D.04, subdivision 9.

Sec. 12. [116H.17] [ENERGY AUDITS.] The director of the energy agency, in cooperation with the director of consumer services, shall develop the state plan for the program of energy audits of residential and commercial buildings required by 42 United States Code, Section 8211 et seq. The consumer services division and the attorney general are authorized to release information on consumer complaints about the operation of the program to the energy agency.

Sec. 13. Minnesota Statutes, 1979 Supplement, Section 116H.22, is amended to read:

116H.22 [MONEY FOR SCHOOLS AND GOVERNING BODIES.] Funds Money to pay part or all of the actual costs of mini-audits, maxi-audits and energy conservation measures performed by or for schools and governing bodies shall be available from legislative appropriations made for that purpose in accordance with the priorities established in section 116H.23. Money appropriated pursuant to this section is available to school districts and local governmental units that submitted acceptable mini-audits or maxi-audits after April 9, 1976 and before July 1, 1979.

Sec. 14. [174.256] [PARK AND RIDE PROGRAM.] Subdivision 1. [PURPOSE.] It is the purpose of this section to encourage citizens of Minnesota to transfer from low-occupancy vehicles to multi-occupancy vehicles, to reduce the use of the automobile and provide for more efficient usage of existing facilities in heavily traveled corridors and congested areas, to divert automobile drivers from parking spaces in metro areas, to decrease

low-occupancy vehicle miles driven and the congestion, pollution, energy consumption, highway damage, and other costs associated with highway use, and to increase the efficiency and productivity of and benefit from public investments in public park and ride facilities and systems in the state, reducing the need for increases in urban land used for parking. It is also the purpose of this section to encourage the use of van pools, car pools, and ride sharing by the citizens of the state.

Subd. 2. [DEFINITIONS.] For purposes of this section the following terms have the meanings given them in this subdivision:

(a) "Commissioner" means the commissioner of transportation.

(b) "Park and ride facility" means a facility consisting of a park and ride lot where commuters' automobiles are parked, and, within a reasonable walking distance, a station or some transfer point where commuters board the transit mode.

(c) "Transit mode" includes transportation by bus, car pool, van pool, and other similar services.

(d) "Exclusive use park and ride lot" means a parking lot that is intended to be used exclusively for park and ride purposes, is constructed with public money and is located within 100 miles of a central business district.

(e) "Joint use park and ride lot" means a parking lot that is intended to be used for other purposes in addition to park and ride and is located within 100 miles of a central business district.

(f) "Fringe parking lot" means a parking lot located outside but near a central business district.

Subd. 3. [GENERAL POWERS AND DUTIES.] The commissioner shall have the power to:

(a) Develop and monitor a comprehensive park and ride facility program throughout the state. The program shall coordinate and provide money for the development of a statewide program of park and ride facilities, including joint use park and ride lots, exclusive use park and ride lots, and fringe park and ride lots;

(b) Offer, use and apply the information developed pursuant to clause (a) to assist and advise political subdivisions and recipients of financial assistance in the planning, promotion, development, operation and evaluation of park and ride service facilities. The political subdivision or eligible recipient is responsible for the repair and maintenance of the facility by using local money;

(c) Act upon request as the designated agent of any eligible person for the receipt and disbursal of federal money;

(d) Contract for or provide services as needed in the design or construction of park and ride facilities; and

(e) Establish rules and regulations necessary for implementation of the program.

The commissioner shall perform the duties and exercise the powers under this section in coordination with and in furtherance of statewide, regional, and local transportation plans and transportation development programs.

Subd. 4. [ELIGIBILITY; APPLICATIONS.] A statutory or home rule charter city, county, school district, independent board or agency is eligible to receive financial assistance through the park and ride grant program. Applications for grants shall be approved or denied by the commissioner within 120 days of receipt.

Subd. 5. [EVALUATION AND REPORTS.] The commissioner shall evaluate or contract for the evaluation of park and

ride programs developed under the preceding section and submit a report to the legislature by January 15, 1981, including the following information:

(a) The amounts of money spent or obligated for the park and ride program by the commissioner and the persons receiving those amounts;

(b) The number and type of public park and ride lots in use and a physical description of each;

(c) The types of lots in use, number of individuals served and areas covered;

(d) A comparison of the cost of providing different types of service;

(e) A review of the achievements or failures of the project, problems encountered in implementation and conclusions and recommendations concerning future action.

Sec. 15. [174.257] [RIDE SHARING PROGRAM.] The commissioner of transportation shall establish a ride sharing program in order to advise citizens of the available alternatives to travel by low occupancy vehicles and the benefits derived from sharing rides. The program shall provide citizens with necessary information and opportunities for sharing rides, encourage citizens to share rides, and assist citizens in obtaining access to shared rides. The program shall make use of existing services and agencies whenever possible. The program shall give priority to assisting employers who will implement employee ride sharing programs. The services provided by the program shall include, but not be limited to:

(a) Providing general information to potential ride sharing users;

(b) Establishing procedures for the implementation of ride sharing programs by individuals, groups, corporations or local agencies;

(c) Offering assistance to local governments and other political subdivisions in implementing ride sharing programs;

(d) Providing technical assistance to those individuals, groups, corporations or local agencies;

Sec. 16. Minnesota Statutes 1978, Section 216B.16, is amended by adding a subdivision to read:

Subd. 6b. All investments and expenses of a public utility as defined in section 18, subdivision (1)(c), incurred in connection with energy conservation improvements shall be recognized and included by the commission in the determination of just and reasonable rates as if the investments and expenses were directly made or incurred by the utility in furnishing utility service.

Sec. 17. Minnesota Statutes 1978, Chapter 216B, is amended by adding a section to read:

[216B.165.] [ENERGY AUDITS.] Subdivision 1. A customer who asks a public utility to perform an energy audit of his residence pursuant to 42 United States Code 8211 et seq. shall pay no more than $10 of the administrative and general expenses associated with the audit. The remainder of the administrative and general expenses of operating a program of energy audits pursuant to 42 United States Code 8211 et seq., including those associated with program audits, list distribution, customer billing services, arranging services and post-installation inspections shall be treated as current operating expenses of providing utility service and shall be charged to all ratepayers of the public utility in the same manner as other current operating expenses of providing utility service.

Subd. 2. All audits performed pursuant to 42 United States Code 8211 et seq. of residences which are required

by section 116H.129, subdivision 3 to comply with energy efficiency standards shall include a separate list of those improvements to the residence which are required to bring the residence into compliance with section 116H.129, subdivision 3, and a statement describing remedies available to tenants for violations.

Sec. 18. [216B.241] [ENERGY CONSERVATION IMPROVEMENTS.] Subdivision 1. [DEFINITIONS.] For purposes of this section, the terms defined in this subdivision shall have the meanings given them:

(a) "Commission" means the public service commission, department of public service;

(b) "Energy conservation improvement" means the purchase or installation of any device, method or material that increases the efficiency in the residential use of electricity or natural gas including, but not limited to:

(1) insulation and ventilation;

(2) storm or thermal doors or windows;

(3) caulking and weatherstripping;

(4) furnace efficiency modifications;

(5) thermostat or lighting controls;

(6) awnings; or

(7) systems to turn off or vary the delivery of energy.

The term "energy conservation improvement" does not include any device or method which creates, converts or actively uses energy from renewable sources such as solar, wind and biomass.

(c) "Investments and expenses of a public utility" includes the investments and expenses incurred by a public utility in connection with an energy conservation improvement including, but not limited to:

(1) the differential in interest cost between the market rate and the rate charged on a no interest or below

market interest loan made by a public utility to a customer for the purchase or installation of an energy conservation improvement;

(2) the difference between the utility's cost of purchase or installation of energy conservation improvements and any price charged by a public utility to a customer for such improvements.

(d) "Public utility" has the same meaning as given that term in section 216B.02, subdivision 4. For the purposes of this section, "public utility" shall not include cooperative electric associations that become subject to rate regulation after the effective date of this act.

Subd. 2. [PROGRAMS.] Prior to January 1, 1981, the commission, after consultation with the energy agency, shall initiate a pilot program designed to demonstrate the feasibility of investments and expenses of a public utility in energy conservation improvements. The commission, as part of the pilot program, shall order at least one public utility to make investments and expenditures in energy conservation improvements, explicitly setting forth the interest rates, prices, and terms under which the improvements shall be offered to the customers. The order of the commission shall provide to the extent practicable for a free choice of contractor, qualified under the residential conservation services program of the energy agency, for consumers participating in the pilot program. The commission shall not order a utility to make any energy conservation improvement investment or expenditure unless it first finds that the improvement will result in energy savings at a total cost to the utility less than the cost to the utility to produce or purchase an equivalent amount of new supply of energy. Investments and expenditures made

pursuant to an order shall be treated for ratemaking purposes in the manner prescribed in section 16. No utility shall make an energy conservation improvement pursuant to this section to a residential building envelope unless it is the primary supplier of energy used for either space heating or cooling in the building.

Subd. 3. [OWNERSHIP OF RESIDENTIAL ENERGY CONSERVATION IMPROVEMENTS.] Any energy conservation improvement made to or installed in any residential building pursuant to this section shall be the exclusive property of the owner of the building except insofar as it is subjected to a security interest in favor of the utility in case of a loan to the building owner. The utility shall have no liability for loss, damage or injury caused directly or indirectly by any energy conservation improvement except for negligence by the utility in purchase, installation, or modification of the product.

Subd. 4. [FEDERAL LAW PROHIBITIONS.] If investments by public utilities in energy conservation improvements are in any manner prohibited or restricted by federal law and there is a provision under which such prohibition or restriction may be waived, then the commission, the governor, or any other necessary state agency or officer shall take all necessary and appropriate steps to secure a waiver with respect to those public utility investments in energy conservation improvements included in this section.

Sec. 19. Minnesota Statutes, 1979 Supplement, Section 268.37, is amended to read:

268.37 [COORDINATION OF FEDERAL AND STATE RESIDENTIAL WEATHERIZATION PROGRAMS.] Subdivision 1. The department of economic security is the state agency to apply for, receive, and disburse ~~federal~~ money made available to the state by federal law ~~or rules promulgated thereunder~~ for

the purpose of weatherizing the residences of low-income persons. The commissioner of economic security shall coordinate available federal money with ~~any~~ state money appropriated for this purpose.

Subd. 2. The commissioner shall make grants of federal and state money to community action agencies and other public or private nonprofit agencies for the purpose of weatherizing the residences of low-income persons. Grant applications shall be submitted in accordance with rules developed pursuant to 42 U.S.C., Sections 6861 to 6872, any other relevant federal weatherization program, and rules promulgated by the commissioner.

Subd. 3. The commissioner shall promulgate temporary rules as necessary to administer the grants program ~~by July 1, 1979~~ and shall promulgate permanent rules by July 1, 1980. The rules shall describe: (a) procedures for the administration of grants, (b) data to be reported by grant recipients, and (c) other matters the commissioner finds necessary for the proper administration of the grant program including compliance with relevant federal regulations. Weatherization assistance shall be given to households where the total income does not exceed 125 percent of the poverty level as updated by the federal office of management and budget poverty guidelines.

Subd. 4. ~~[~~SUPPLEMENTARY STATE GRANTS.~~]~~ The commissioner shall distribute supplementary state grants in a manner consistent with the goal of producing the maximum number of weatherized units. Supplementary state grants are provided primarily for the payment of additional labor costs for the federal weatherization program, and as an incentive for the increased production of weatherized units.

Criteria for the allocation of state grants to local agencies include: (a) existing local agency production

levels, (b) availability of CETA resources in the area, (c) energency needs, and (d) the potential for maintaining or increasing acceptable levels of production in the area.

An eligible local agency may receive advance funding for 90 days' production, but thereafter shall receive grants solely on the basis of program criteria.

Subd. 5. The commissioner shall submit reports to the legislature by March 1 of each year, ~~1980, and March 1, 1981,~~ evaluating the weatherization program. The reports shall describe: (a) the number of households weatherized, (b) the average cost per household, (c) any change in energy consumption after weatherization, (d) outreach efforts, and (e) any other information the commissioner feels is relevant, including information routinely submitted to the federal government.

Sec. 20. Minnesota Statutes 1978, Section 462A.05, is amended by adding a subdivision to read:

Subd. 15b. It may make grants to assist in energy conservation rehabilitation measures for existing owner occupied housing including, but not limited to: insulation, storm windows and doors, furnace or space heater repair, cleaning or replacement, chimney construction or improvement, weatherstripping and caulking, and structural or other directly related repairs essential for energy conservation. The grant to any household shall not exceed $2,000.

To be eligible for an emergency energy conservation grant, a household must be certified as eligible to receive emergency residential heating assistance under either the federal or the state program, and either (1) have had a heating cost for the preceding heating season that exceeded 120 percent of the regional average for the preceding heating season for that energy source as determined by the

energy agency, or (2) be eligible to receive a federal energy conservation grant, but be precluded from receiving the grant because of a need for directly related repairs that cannot be paid for under the federal program. The housing finance agency shall make a reasonable effort to determine whether other state or federal loan and grant programs are available and adequate to finance the intended improvements. An emergency energy conservation grant may be made in conjunction with grants or loans from other state or federal programs that finance other needed rehabilitation work. The receipt of a grant pursuant to this section shall not affect the applicant's eligibility for other housing finance agency loan or grant programs.

Temporary rules to implement this subdivision may be promulgated and amended pursuant to chapter 15. The temporary rules may remain in effect until July 1, 1981.

Sec. 21. Minnesota Statutes 1973, Section 462A.21, is amended by adding a subdivision to read:

Subd. 4q. It may make emergency energy conservation grants as provided in section 20 and may pay the costs and expenses necessary and incidental to the development of the emergency energy conservation grant program.

Sec. 22. [EMERGENCY RESIDENTIAL HEATING GRANTS.] Subdivision 1. The commissioner of economic security shall make grants pursuant to the state plan to county boards, community action agencies, or other public or private nonprofit agencies for the purpose of providing emergency residential heating grants to low income households. These grants shall be made to the same agencies and in the same manner as provided for federal grants under the energy crisis assistance program of 42 United States Code, Section 2309, Paragraph (a), Clause (5), except as otherwise provided in sections 22 to 25.

Subd. 2. The commissioner of economic security shall promulgate rules that provide: (a) procedures for the administration of grants; (b) data to be reported by grant recipients and heating fuel suppliers; and (c) other matters the commissioner finds necessary for the proper administration of the state and federal grant programs. The rules may take effect as temporary rules upon approval by the attorney general and without the normal publication in the state register and 20 day wait for comments from the public, and may be amended in the same manner at a later date if comments from the public demonstrate that amendments are justified.

Subd. 3. Data on individuals collected, maintained, used, or disseminated pursuant to sections 22 to 25 are private data on individuals and shall not be disclosed except as provided for data in the welfare system under Minnesota Statutes, 1979 Supplement, Section 15.1691.

Sec. 23. [ALLOCATIONS.] Money appropriated for emergency residential heating grants shall be allocated among local administrative agencies on the basis of the number of households in the area served by the agency whose income falls within the limits specified for grant eligibility in relation to the total of those households in the state.

Sec. 24. [ELIGIBILITY; AMOUNT OF GRANT.] Subdivision 1. [INCOME LIMITS.] Emergency residential heating grants under this section shall be paid only to households not eligible for the federal energy crisis assistance program and whose total household income does not exceed the following limits:

Size of Household	Not More Than
1	$ 5,100

2	6,750
3	8,400
4	10,050
5	11,700
6	13,350
	(For each additional household member add $1,650.)

In determining total household income, a household with earned income may deduct from earned income state and federal income taxes and social security contributions. In addition, a household may deduct medical expenses that are not reimbursed by insurance or other sources and that exceed three percent of the household income.

Subd. 2. [AMOUNT OF GRANT.] The amount of a grant under this section, in combination with the special grant paid by the federal government directly to recipients of supplemental security income and money available to the state under the HEW block grant program shall be the lesser of:

(a) Fifty percent of the cost of residential heating energy paid or reasonably anticipated to be paid by the household during the winter heating season beginning in September and ending in May; or

(b) The appropriate table of maximum grant amounts as follows:

(1) If the maximum grant for fuel oil under the current state plan for the federal energy assistance program at the highest eligible income level is between $400 and $600, the following amounts graduated by size of household, income of household, and source of energy:

Household Income	Fuel Oil, Wood and

Household Size	More Than	but Not More than	Canadian Natural Gas and Propane	Other Energy Sources
1		$ 4,250	$400	$267
	$ 4,250	$ 4,675	$283	$189
	$ 4,675	$ 5,100	$157	$111
2		$ 5,625	$400	$267
	$ 5,625	$ 6,188	$283	$189
	$ 6,188	$ 6,750	$157	$111
3		$ 7,000	$400	$267
	$ 7,000	$ 7,700	$283	$189
	$ 7,700	$ 8,400	$157	$111
4		$ 8,375	$400	$267
	$ 8,375	$ 9,212	$283	$189
	$ 9,212	$10,050	$157	$111
5		$ 9,750	$400	$267
	$ 9,750	$10,725	$283	$189
	$10,725	$11,700	$157	$111
6		$11,125	$400	$267
	$11,125	$12,238	$283	$189
	$12,238	$13,350	$157	$111

or

(2) If the maximum grant for fuel oil under the current state plan for the federal energy assistance program at the highest eligible income level is $600 or more, the following amounts graduated by size of household, income of household, and source of energy:

Household Size	Household Income More Than	but Not More Than	Fuel Oil, Wood Canadian and Natural Gas and Propane	Other Energy Sources

1	1	$ 4,250	$600	$400
2	$ 4,250	$ 4,675	$425	$283
3	$ 4,675	$ 5,100	$250	$167
4	2	$ 5,625	$600	$400
5	$ 5,625	$ 6,188	$425	$283
6	$ 6,188	$ 6,750	$250	$167
7	3	$ 7,000	$600	$400
8	$ 7,000	$ 7,700	$425	$283
9	$ 7,700	$ 8,400	$250	$167

For households of more than six members, the amount of the grant is scaled downward as income goes upward in the same manner as provided in tables 1 and 2 above.

Grants for recipients who use two or more types of fuel shall be based on the household's primary energy source.

Users of wood as the primary heating source, whether the wood is purchased or not, are eligible for assistance under this section.

Grants shall not be considered as income or resources under any other public or publicly assisted income tested program.

Sec. 25. [LEGISLATIVE AUDITOR REPORT.] The legislative auditor shall submit to the legislature by January 1 of each year an audit report of the department of economic security concerning their administration of the emergency residential heating grant program. This report shall also contain a summary of the audit results of the local agencies involved in the administration of the program.

These financial and compliance audits of the local agencies shall be initiated, monitored, and approved by the commissioner of economic security. The legislative auditor must approve the selection of the auditors and scope of the audit.

Sec. 26. [STATE PLAN FOR SPENDING FEDERAL MONEY.]

Subdivision 1. The governor shall submit to the appropriate federal agency a state delivery plan for money the state receives under the Federal Home Energy Assistance Act of 1980 that includes the following elements:

(a) Those households in which one or more individuals are eligible for (a) aid to families with dependent children, (b) supplemental security income payments, (c) food stamps, or (d) certain veteran's benefits as limited by the Home Energy Assistance Act of 1980 shall be categorically eligible for assistance under the state plan, and procedures for simplified application shall be developed.

(b) Users of wood as a primary heating source, whether the wood is purchased or not, shall be eligible for assistance if otherwise eligible under federal law.

(c) Grants under the state plan may be in the form of a direct payment to an eligible household or as a line of credit to an energy supplier. The plan shall describe the conditions under which direct payment is permitted.

(d) Eligible households that have medically necessary cooling costs, as limited by federal law, shall be eligible for assistance.

(e) The state plan shall provide that three percent of the federal money shall be set aside for the emergency uses specified in federal law.

(f) The state plan shall specify the local entity to receive federal funds.

Subd. 2. Before the state plan is submitted to the appropriate federal agency, the governor shall deliver the plan to the appropriate committees of the legislature for review and comment. Thereafter, the governor shall notify the committees of any changes made in the plan.

Sec. 27. [AVAILABILITY OF MATCHING FUNDS; POSITIONS.] Money appropriated by Extra Session Laws 1979, Chapter 2, Section 45, Subdivision 2, Clause (i) is available to match federal, local or private money for district heating systems when the federal or local government or private sources, or a combination thereof, issues a letter of intent to finance the project at the rate of at least $3 for each $1 of state money. Positions authorized by Extra Session Laws 1979, Chapter 2, Section 45, Subdivision 2, may be in the classified or unclassified service.

Sec. 28. [ENERGY EFFICIENT BUILDING EDUCATION.] The energy agency shall develop a program to provide information and training to contractors, engineers and architects on techniques and standards for the design and construction of buildings which maximize energy efficiency. The program may include the production of printed materials and the development of training courses.

Sec. 29. [MINNESOTA BIOMASS CENTER.] Subdivision 1. The director of the energy agency, in consultation with the commissioner of agriculture, and the commissioner of economic development, shall prepare a plan for the creation and organization of a Minnesota biomass center, to be delivered to the legislature by January 1, 1981.

The center shall be the focus of biomass energy activities for the state. To the maximum extent possible, the center shall coordinate its activities and the use of its staff and facilities with those of other entities involved in biomass energy projects.

Subd. 2. [RESPONSIBILITIES.] The center shall:

(1) Coordinate existing education and training programs for biomass energy production and use within the state and develop new programs where necessary. Educational programs shall cover all types of biomass energy production

use, including but not limited to production from grain, biowaste, and cellulosic materials;

(2) Serve as a central information resource in conjunction with existing agencies and academic institutions in order to provide information to the public on the production and use of biomass energy. The center shall obtain and analyze available information on biomass energy topics and prepare it for distribution to ensure that the public receives the most accurate and up-to-date information available;

(3) Participate in necessary research projects to assist in technological advancement in areas of biomass energy production, distribution, and use. The center shall also study the environmental and safety aspects of biomass energy use;

(4) Support and coordinate financing activities for biomass energy production, including providing technical assistance and manuals to individuals and groups seeking private, local, state or federal funding. The center shall be responsible for evaluating projects for any state assistance that may become available;

(5) Develop consumer information and protection programs for all aspects of biomass energy production and use;

(6) Investigate marketing and distribution needs within the state;

(7) Review state and federal laws and regulations affecting biomass energy production and use, and evaluate regulatory incentives in order to provide the legislature with legislative proposals for the encouragement of biomass energy production and use within the state.

Sec. 30. [ETHANOL DEMONSTRATION PLANT.] The University of Minnesota shall construct and operate a small

scale plant for the production of ethanol at the west central experimental station, Morris. The plant shall produce ethanol from more than one resource. The plant shall operate for at least two years and shall be instrumented and monitored. The university shall determine the feasibility of utilization of byproducts produced by the plant. The plant shall be designed for easy replication by farmers. The university shall develop and print at least 5,000 copies of easily understandable plans that demonstrate the construction of a small scale ethanol plant by February 28, 1982. The plans shall be available at no cost from the agricultural extension service.

Sec. 31. [PUBLIC UTILITY DELINQUENCY CHARGES.] A public utility as defined by section 216B.02, a municipality or cooperative electric association, or telephone company as defined by section 237.01 shall, if that utility adopts a policy of imposing a charge or fee upon delinquent residential and farm accounts, provide that each billing shall clearly state the terms and conditions of any penalty in the form of the monthly percentage rate.

Sec. 32. [APPROPRIATIONS.] Subdivision 1. The sum of $19,930,500 is appropriated from the general fund to the agencies and for the purposes indicated in this section, to be available for the fiscal year ending June 30 in the years indicated. Appropriations for fiscal year 1980 do not cancel but are available until June 30, 1981. Approved complement positions shall be in the unclassified service and for the balance of the biennium ending June 30, 1981 only.

	1980	1981
Subd. 2. LEGISLATIVE COORDINATING COMMISSION	$ 25,000	
To pay the expenses incurred by the		

legislative commission on energy created in section 1. Subd. 3. ADMINISTRATION $ 200,000

This appropriation is for purchase or lease of commuter vans pursuant to section 16.756.

Subd. 4. ENERGY AGENCY $ 2,175,500

This appropriation is available for the following purposes:

(a) Expansion of the energy conservation information center and energy conservation publicity $ 123,000

(b) For the purposes specified in section 29 $ 50,000

It is a condition of acceptance of the appropriation made in clause (b) that the agency shall submit a work program and progress reports in the form determined by the legislative commission on Minnesota resources. None of the moneys provided in this subdivision may be expended unless the commission has approved the pertinent work program.

(c) Development of state plan for energy audits for residential and commercial buildings pursuant to section 12. $ 70,000

(d) Energy supply emergency plan development $5,000

(e) Renewable energy resource research and development grant rulemaking $7,500

(f) Wetlands plant biomass research	$225,000		
(g) Energy efficient building education pursuant to section 28	$35,000		
(h) To administer the grant program established by section 7 and to develop model community energy plans and ordinances of statewide applicability	$ 40,000		
Approved complement - 1			
(i) For the community energy program grants established by section 7	$ 1,250,000		
This appropriation is available until expended.			
(j) Energy conservation materials.	$230,000		
(k) Continued operation of fuel allocation program	$ 140,000		
Approved complement - 5			
Total complement - 11			
Subd. 5. TRANSPORTATION	$ 400,000		
This appropriation is available for the following purposes:			
(a) Park and Ride Program	$ 200,000		
(b) Ride Sharing Program	$ 200,000		
Subd. 6. ECONOMIC SECURITY.	$12,000,000	$2,000,000	
This appropriation is available for the following purposes:			
(a) For emergency residential heating assistance	$3,000,000		
(b) For emergency residential heating assistance for fiscal year 1981		$2,000,000	

(1) If for any reason federal money is not available, the appropriation in clause (b) may be used for grants to be made pursuant to the current state plan. (2) If federal money is available to pay energy grants to persons eligible under section 24, the money appropriated in clause (b) is available for any state matching requirement required by a federal energy assistance program. (3) If a household's income does not exceed 163 percent of office of management and budget nonfarm poverty guidelines and the household is not eligible for assistance under the federal program for fiscal year 1981, the money appropriated in clause (b) is available for grants in the same manner and form as is specified in the state plan for the federal energy assistance program for fiscal year 1981. (4) If grants are paid from the appropriation of state money in clause (b) to persons eligible to receive grants for the same purpose from federal money, the apporpriations shall be reimbursed for those grants from federal money when the federal money becomes available if reimbursement is permitted under federal law.

(c) Local administrative agencies may retain up to five percent of the

appropriations in clauses (a) and (b) for administrative costs. The state administrative agency may retain up to two percent of the appropriation for administrative costs.

(d) Weatherization of residences pursuant to section 19. $9,000,000

Local administrative agencies may retain up to 7-1/2 percent of the appropriation in this clause for administrative costs. The state administrative agency may retain up to two percent of the appropriation in this clause for administrative costs.

Subd. 7. UNIVERSITY OF MINNESOTA $ 200,000

For construction and operation of a small scale ethanol plant at the west central experimental station at Morris and the production of plans pursuant to section 30.

Subd. 8. HOUSING FINANCE AGENCY

(a) For the purpose $150,000

of subsidizing the loan origination fee on a rehabilitation loan of $2,000 or less if the loan is made in accordance with Minnesota Statutes, Section 462A.05, Subdivision 14, to enable the recipient to accomplish energy conservation related improvements. The appropriation in this section may be used only to subsidize that part of a loan origination fee which is equal to

the difference between the initiation fee for the loan and two percent of the face value of the loan. The appropriation shall be available until expended. Before January 15, 1981, the Minnesota housing finance agency shall report to the legislature on the effectiveness of the loan origination fee subsidization program.

(b) To the housing development fund created by section 462A.20, for the purpose of the emergency energy conservation grant program specified in sections 20 and 21, and for the payment of related costs and expenses. $2,000,000

Approved complement - 2.

Subd. 9. COMMERCE For development of energy audit program for commercial and residential buildings $30,000

Subd. 10. PUBLIC WELFARE To reimburse counties for the county portion of expenses incurred by them in providing residential heating assistance under the emergency assistance and special needs allowance programs during fiscal year 1980. No county match is required for this money. $500,000

Subd. 11. NATURAL RESOURCES

For the fuelwood management program $250,000

The commissioner of natural resources shall develop and implement a fuelwood management program to increase the availability of fuelwood on public

lands by the application of sound forest management techniques including timber stand improvements and utilization of wood residues resulting from timber harvesting and site conversion. Notwithstanding any law to the contrary, the department may make contracts for professional, technical or consulting services to implement this program.

It is a condition of acceptance of the appropriation made in this subdivision that the agency shall submit a work program and progress reports in the form determined by the legislative commission on Minnesota resources. None of the moneys provided in this subdivision may be expended unless the commission has approved the pertinent work program.

Sec. 33. [REPEALER.] Minnesota Statutes 1978, Sections 116H.125; and 325.986, Subdivisions 1 and 2, are repealed.

Sec. 34. [EFFECTIVE DATE.] This act is effective the day following final enactment. The provisions of section 1 shall expire on July 1, 1987. The provisions of sections 22 to 25 shall expire January 2, 1982.

H. F. No. 1710

Fred C. Norton
Speaker of the House of Representatives.

Edward J. Gearty
President of the Senate.

Passed the House of Representatives this 3rd day of April in the year of Our Lord one thousand nine hundred and eighty.

Edward A. Burdick
Chief Clerk, House of Representatives.

Passed the Senate this 8th day of April in the year of Our Lord one thousand nine hundred and eighty.

Patrick E. Flahaven
Secretary of the Senate.

Approved April 15, 1980

Albert H. Quie
Governor of the State of Minnesota.

Filed 4-15-80

Joan Anderson Growe
Secretary of State.