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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 5171

03/25/2024 Authored by Carroll, Acomb and Kraft
The bill was read for the first time and referred to the Committee on Climate and Energy Finance and Policy

1.1 A bill for an act
1.2 relating to solar energy; establishing a program to award financial incentives to
1.3 permitting authorities that install an automated software system to review and
1.4 issue permits for residential solar energy projects; establishing an account;
1.5 appropriating money; proposing coding for new law in Minnesota Statutes, chapter
1.6 216C.

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

1.8 Section 1. [216C.48] STANDARDIZED SOLAR PLAN REVIEW SOFTWARE;
1.9 TECHNICAL ASSISTANCE; FINANCIAL INCENTIVE.

1.10 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
1.11 the meanings given.

1.12 (b) "Energy storage system" has the meaning given in section 216B.2422, subdivision
1.13 1.

1.14 (c) "Permitting authority" means a unit of local government in Minnesota that has
1.15 authority to review and issue permits to install residential solar projects and solar plus energy
1.16 storage system projects within the unit of local government's jurisdiction.

1.17 (d) "Photovoltaic device" has the meaning given in section 216C.06, subdivision 16.

1.18 (e) "Residential solar project" means the installation of a photovoltaic device at a
1.19 residence located in Minnesota.

1.20 (f) "SolarAPP+" means the most recent version of the Solar Automated Permit Processing
1.21 Plus software, developed by the National Renewable Energy Laboratory and available free
1.22 from the United States Department of Energy, that uses a web-based portal to automate the

2.1 solar project plan review process and issue permits to construct residential solar projects  
2.2 that are compliant with applicable building and electrical codes.

2.3 (g) "Solar plus energy storage system project" means a residential solar project installed  
2.4 in conjunction with an energy storage system at the same residence.

2.5 Subd. 2. **Program establishment.** A program is established in the department to provide  
2.6 technical assistance and financial incentives to local units of government that issue permits  
2.7 for residential solar projects and solar plus energy storage system projects in order to  
2.8 incentivize a permitting authority to adopt the SolarAPP+ software to standardize and  
2.9 streamline the review and permitting process.

2.10 Subd. 3. **Eligibility.** An incentive may be awarded under this section to a permitting  
2.11 authority that has installed SolarAPP+ and made SolarAPP+ available on the permitting  
2.12 authority's website.

2.13 Subd. 4. **Application.** (a) A permitting authority must submit an application for a financial  
2.14 incentive under this section to the commissioner on a form developed by the commissioner.

2.15 (b) An application may be submitted for a financial incentive under this section no earlier  
2.16 than ... months after SolarAPP+ has become operational in the permitting authority's  
2.17 jurisdiction.

2.18 Subd. 5. **Review and grant award process.** The commissioner must develop  
2.19 administrative procedures to govern the application review and incentive award process  
2.20 under this section.

2.21 Subd. 6. **Incentive awards.** Beginning no later than January 1, 2025, the commissioner  
2.22 may award a financial incentive to a permitting authority under this section only if the  
2.23 commissioner has determined that the permitting authority meets verification requirements  
2.24 established by the commissioner that ensure a permitting authority has made SolarAPP+  
2.25 operational within the permitting authority's jurisdiction and that SolarAPP+ is available  
2.26 on the permitting authority's website.

2.27 Subd. 7. **Incentive amount.** (a) An incentive awarded under this section must be no less  
2.28 than \$5,000 and no greater than \$20,000.

2.29 (b) The commissioner may vary the amount of an incentive awarded under this section  
2.30 by considering the following factors:

2.31 (1) the population of the permitting authority;

3.1 (2) the number of permits for solar projects issued by the permitting authority using  
 3.2 conventional review processes;

3.3 (3) whether the SolarAPP+ software has been adopted on a stand-alone basis or has been  
 3.4 integrated with other permit management software utilized by the permitting authority; and

3.5 (4) whether the permitting jurisdiction has participated in other sustainability programs,  
 3.6 including but not limited to GreenStep Cities and the United States Department of Energy's  
 3.7 SolSmart and Charging Smart programs.

3.8 Subd. 8. **Technical assistance.** The department must provide technical assistance to  
 3.9 eligible permitting authorities seeking to apply for an incentive under this section.

3.10 Subd. 9. **Program promotion.** The department must develop an education and outreach  
 3.11 program to make permitting authorities aware of the incentive offered under this section,  
 3.12 including the convening of workshops, the production of educational materials and videos,  
 3.13 and other mechanisms to promote the program, including utilizing the efforts of the League  
 3.14 of Minnesota Cities, the Association of Minnesota Counties, the Community Energy Resource  
 3.15 Teams established under section 216C.385, and similar organizations to reach permitting  
 3.16 authorities.

3.17 Subd. 10. **Account established.** (a) The SolarAPP+ program account is established in  
 3.18 the special revenue account in the state treasury. The commissioner must credit to the account  
 3.19 appropriations and transfers to the account. Earnings, including interest, dividends, and any  
 3.20 other earnings arising from assets of the account, must be credited to the account. Money  
 3.21 remaining in the account at the end of a fiscal year does not cancel to the general fund, but  
 3.22 remains in the account until July 1, 2027. The commissioner must manage the account.

3.23 (b) Money in the account is appropriated to the commissioner for the purposes of this  
 3.24 section and to reimburse the reasonable costs incurred by the department to administer this  
 3.25 section.

3.26 Sec. 2. **APPROPRIATION.**

3.27 (a) Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j),  
 3.28 \$...... in fiscal year 2025 is appropriated from the renewable development account established  
 3.29 in Minnesota Statutes, section 116C.779, subdivision 1, to the commissioner of commerce  
 3.30 to award grants and provide technical assistance to eligible permitting authorities seeking  
 3.31 an incentive under Minnesota Statutes, section 216C.48, and to reimburse the Department  
 3.32 of Commerce for costs incurred to administer Minnesota Statutes, section 216C.48.

4.1 (b) \$..... in fiscal year 2025 is appropriated from the general fund to the commissioner  
4.2 to award grants and provide technical assistance to eligible permitting authorities seeking  
4.3 an incentive under Minnesota Statutes, section 216C.48, and to reimburse the Department  
4.4 of Commerce for costs incurred to administer Minnesota Statutes, section 216C.48.

4.5 (c) Incentives funded from paragraph (a) may only be awarded to permitting authorities  
4.6 located within the electric service territory of the electric utility that owns a nuclear electric  
4.7 generation plant in Minnesota.

4.8 (d) Incentives funded from paragraph (b) may only be awarded to permitting authorities  
4.9 located outside the electric service territory of the electric utility that owns a nuclear electric  
4.10 generation plant in Minnesota.