

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 2342

(SENATE AUTHORS: OSMEK)

DATE
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Introduction and first reading
Referred to Energy and Utilities Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to energy; establishing an electric vehicle charging station revolving loan
1.3 program; requiring a report; appropriating money; proposing coding for new law
1.4 in Minnesota Statutes, chapter 216C.

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

1.6 Section 1. **[216C.45] ELECTRIC VEHICLE CHARGING STATION REVOLVING**
1.7 **LOAN PROGRAM.**

1.8 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms defined in this
1.9 subdivision have the meanings given them.

1.10 (b) "Borrower" means the state, counties, cities, other governmental entities, nonprofit
1.11 organizations, and private businesses eligible under this section to apply for and receive
1.12 loans from the electric vehicle charging station revolving loan fund.

1.13 (c) "Commissioner" means the commissioner of commerce.

1.14 (d) "Electric vehicle" has the meaning given in section 169.011, subdivision 26a.

1.15 (e) "Electric vehicle charging station" means an electric component assembly or cluster
1.16 of component assemblies designed specifically to charge an electric vehicle battery by
1.17 transferring electric energy to a battery or a storage device in the electric vehicle.

1.18 (f) "Loan" means financial assistance provided for all or part of the cost of an electric
1.19 vehicle charging station project, including money for design, development, purchase, or
1.20 installation.

2.1 Subd. 2. **Revolving loan fund.** The commissioner must establish an electric vehicle
2.2 charging station revolving loan fund to make loans for all or part of the cost of an electric
2.3 vehicle charging station project installed in Minnesota.

2.4 Subd. 3. **Administration.** (a) The commissioner must establish a minimum interest rate
2.5 for loans to ensure that necessary loan administration costs are covered. The minimum
2.6 interest rate must not exceed:

2.7 (1) one percent interest for a loan to a borrower that is the state, other governmental
2.8 entity, or a nonprofit organization; or

2.9 (2) three percent interest for a loan to a borrower that is a private business.

2.10 (b) Loan repayment of principal and loan interest payments must be paid to the department
2.11 for deposit in the revolving loan fund for subsequent distribution or use consistent with the
2.12 requirements under this section.

2.13 Subd. 4. **Applications.** (a) A loan applicant must submit an application to the
2.14 commissioner on forms prescribed by the commissioner.

2.15 (b) The applicant must provide the following information:

2.16 (1) the estimated cost of the project and the amount of the loan sought;

2.17 (2) other possible sources of funding in addition to loans sought from the electric vehicle
2.18 charging station revolving loan fund;

2.19 (3) the proposed methods and sources of funds to repay loans received; and

2.20 (4) information demonstrating the financial status and ability of the borrower to repay
2.21 loans.

2.22 Subd. 5. **Use of loan funds.** (a) Loans made with funds from the electric vehicle charging
2.23 station revolving loan fund may be used to design, develop, purchase, and install electric
2.24 vehicle charging stations at locations in Minnesota.

2.25 (b) An electric vehicle charging station project receiving loan funds under this section
2.26 must be available for public use.

2.27 Subd. 6. **Evaluation of projects.** (a) The commissioner must consider the following
2.28 information when evaluating a project:

2.29 (1) a description of the nature and purpose of the proposed project, including an
2.30 explanation of the need for the project and the reasons why the project is in the public
2.31 interest;

3.1 (2) the relationship of the project to the local area's needs;

3.2 (3) the estimated project cost and the loan amount sought;

3.3 (4) proposed sources of funding in addition to the loan sought from the electric vehicle
3.4 charging station revolving loan fund;

3.5 (5) the need for the project as part of the overall transportation system; and

3.6 (6) the overall economic impact of the project.

3.7 (b) When evaluating projects, the commissioner may consult with the commissioner of
3.8 transportation regarding the electric vehicle charging needs throughout the state.

3.9 Subd. 7. **Maximum loan amount.** The maximum loan amount under this section is
3.10 \$...... per electric vehicle charging station project.

3.11 Subd. 8. **User fees.** As a condition of accepting a loan under this section, a borrower
3.12 must agree to charge a per hour user fee for use of an electric vehicle charging station funded
3.13 by the loan. A borrower must use at least 25 percent of the fees collected to repay the loan
3.14 and pay for expenses associated with operating and maintaining the electric vehicle charging
3.15 station funded by the loan.

3.16 Subd. 9. **Report to legislature.** On or before March 15, 2020, and each March 15
3.17 thereafter, the commissioner must report to the chairs and ranking minority members of the
3.18 house of representatives and senate committees with jurisdiction over energy and
3.19 transportation policy and finance regarding the revolving loan program. The report must
3.20 include (1) a description of the projects and an account of loans made from the revolving
3.21 loan fund during the preceding calendar year, (2) the revolving loan fund balance, and (3)
3.22 an explanation of administrative expenses.

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

3.24 Sec. 2. **APPROPRIATION; ELECTRIC VEHICLE CHARGING STATION**
3.25 **REVOLVING LOAN PROGRAM.**

3.26 Notwithstanding Minnesota Statutes, section 116C.779, subdivision 1, paragraph (j),
3.27 \$1,500,000 in fiscal year 2020 is appropriated from the renewable development account
3.28 under Minnesota Statutes, section 116C.779, to the commissioner of commerce for the
3.29 electric vehicle charging station revolving loan program under Minnesota Statutes, section
3.30 216C.45. This appropriation must be used only for loans made for electric vehicle charging
3.31 station projects in the service area of a public utility that owns a nuclear electric generating

- 4.1 plant in Minnesota. The commissioner may use up to three percent of this amount to
- 4.2 administer the program. This is a onetime appropriation and is available until expended.