STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Adoption of Rules of the Minnesota Housing Finance Agency Amending the Solar Energy and Energy Conservation Bank Programs

Statement of Need and Reasonableness

4900.1630

Subp. 1 B.

Paragarph B of subpart 1 limits assistance to families which have not received and are not seeking assistance for the same improvements from other specified programs which finance energy conservation improvements. The change excludes the agency home improvement loan program and energy conservation assistance available from local entities from this limitation. This exclusion is reasonable since these programs are more stringent in the terms and requirements of the available assistance. Such requirement was preventing otherwise eligible applicants from applying for any energy conservation assistance, resulting in a decrease of energy conservation measures performed and energy saving effected.

The fedeal Weatherization Program continues to be included in accordance with federal rules and regulations governing this program; agency home improvement grant and rehabilitation loan programs continue to be included because the assistance is similar to the assistance available through this program and the original intent of the rule is maintained.

The agency is cognizant of the provisions of Section 14.115 of the Minnesota Statutes, entitled Small Business Considerations in Rulemaking, however, since the recipients of the funds under the Solar Energy and Energy Conservation Programs must be individuals who will use the funds to finance energy conservation measures the proposed rules do not affect small businesses directly, and the said law, by its terms, is inapplicable to this proposed rules. In addition, the proposed rules do not establish any compliance or reporting requirements, design or operational standards, or directly affect the way any business must operate. Further, to the extent the proposed rules may have an indirect effect on small businesses, the effect is to make such funds more readily available and, as a result, the proposed rule has no negative effect on small businesses. Therefore, the provisions contained in Minn. Stat. § 14.115 (1983) Supp. do not apply to the proposed rules discussed herein.