

March 12, 2024

Education Finance Committee Minnesota Senate Minnesota Senate Building, Room 3209 95 University Ave. W. St. Paul, MN 55155

RE: Bill to Modify the Maximum Effort School Aid Law & Update the Long-Term Facilities Maintenance Revenue Qualifications: SUPPORT

Dear Chair Kuneshand Committee Members:

We write to urge your leadership and support for legislation to empower Minnesota's public school districts to upgrade their protection for students' health and learning by improving indoor air quality and reducing the carbon pollution emitted at their facilities. These actions will advance Minnesota's Climate Action Framework and create a massive opportunity for Minnesota schools to leverage federal funding through the Inflation Reduction Act (IRA).

UndauntedK12 is a national nonprofit organization committed to supporting America's schools through an equitable transition to zero carbon emissions while preparing youth to build sustainable futures in a rapidly changing climate. As a partner in building knowledge and developing policy around cost-effective, evidence-based solutions, we are active in 20 states and in national networks.

At present, our focus is the IRA, which presents America's K-12 schools with <u>unprecedented</u> <u>financial leverage</u> to modernize their facilities. Through the IRA, investment tax credits – a centerpiece of federal energy policy over the past decade – are now available to public schools, offering noncompetitive and uncapped funding to adopt clean energy technologies, including electric HVAC systems employing ground-source heat pumps. When all qualifying conditions are met, federal payments can reduce the bottom-line cost of implementation by 50 percent or more. And once installed, these systems are both higher-performing and more cost-effective than equipment that relies on fossil fuel combustion to produce heat. Through the proposed bill, Minnesota can unlock this opportunity for its schools by making two specific adjustments to state statutes: (1) allowing heating system improvements to qualify for a capital grant or loan under the Maximum Effort School Aid Law; and (2) allowing energy efficiency projects within the Long-Term Facilities Maintenance Revenue Qualifications. As these adjustments would provide districts with greater flexibility, the proposed bill seems like an outstanding example of pragmatic state policy that supports local leaders to meet the challenges of climate change.

We urge you to support these proposals.

Respectfully,

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Jonathan Klein CEO and Co-Founder UndauntedK12

Climate-resilient schools. Future-ready students. www.UndauntedK12.org