

STATE OF MINNESOTA

Statement of Need and Reasonableness

In the Matter of Proposed Rules Relating to the Operation of the State of Minnesota's Weatherization Program for Low-Income People. 8MCAR § 4.0012.

Minn. Stat. § 268.37 authorizes the State of Minnesota to operate a weatherization program for low-income persons. It also directs the Commissioner of the Department of Economic Security to promulgate rules to facilitate the delivery of said program.

The rules as authorized by Minn. Stat. § 268.37 are necessary to provide and set limits for grantees in the delivery of the weatherization program.

The following is a sectional breakdown of need and reasonableness of rules under 8MCAR § 4.0012.

8MCAR § 4.0012. A

Purpose - to establish the objectives of the program under the enabling legislation.

8MCAR § 4.0012 B

Administration of Costs - this section indicates which Federal management circulars are to be followed for the management of the local grants by grantees. Federal management circulars are utilized because the State of Minnesota has not developed any comparable documents.

8MCAR § 4.0012 C

Definitions - the definitions contained in this rule pertain only to this program. The weatherization materials reference indicates what materials are allowable for grantees to install in dwellings to be weatherized. This definition also includes the specific test standard that the material must meet along with the approval date and the reference to the Residential Conservation Services (RCS) Act CFR 456.101 et. al. Section References.

8MCAR § 4.0012 D

Allocation of funds - provides for allocating the funds appropriated under this law to geographic areas for the delivery of the weatherization program.

8MCAR § 4.0012

Grant Applications - this section provides the basis for the Department to select grantees to deliver the weatherization program.

This section indicates what information a grantee must submit to the state before a grant is awarded. The Department feels it is better to have the grantees establish their priorities and goals within the framework of the given criteria thereby allowing for variances in local conditions. Also contained, is the priority list an agency must follow in weatherizing homes under this rule.

8MCAR § 4.0012 F

Allowable Expenditures - the Department feels that all of the items in this section are necessary for the effective delivery of the weatherization program. This section allows for the separation of funds into three main areas: administration, program support and materials. 8MCAR § 4.0012 F. 13 provides for more state control over equipment and vehicle purchases. This is necessary since all purchases under this rule are property of the state. 8MCAR § 4.0012 F. 13 sets criteria for weatherizing rental dwellings. The Department feels that this is necessary to protect the client and to provide proper weatherization for the entire dwelling.

8MCAR § 4.0012 G - agency staff feels that the items covered in this section are not allowable expenditures. This helps ensure that grantees will spend funds only on dwellings not previously weatherized by funds under this act or other programs funded by the State of Minnesota or the Department of Energy and administered by this department.

8MCAR § 4.0012 H

Oversight Responsibility - sets criteria that the Department feels is necessary to monitor and maintain effective control over the program.

8MCAR § 4.0012 I

Record Keeping - the Department feels it is necessary to require the grantees to maintain such records so that all costs can be tracked to weatherized dwellings.

8MCAR § 4.0012 J

Monthly Reports - the Department feels it is necessary to require monthly reports from grantees in order to maintain a semblance of fiscal control and to provide accountability in production performance.

8MCAR § 4.0012 K

Granting Process - the Department reserves the right to attach special conditions to grantee agreements. This would be done if the grantee's plan fails to meet the specifications required by the Department.

8MCAR § 4.0012 L

Variances - this section is necessary to set out procedures for granting variances in the rule. This is done primarily because of anticipated technical changes that would be reflected in the allowable material section of this rule.