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March 7, 2022

Dear Members of the Senate Environment and Natural Resources Policy and Legacy Finance Committee:

I write to express my interest and support for the work currently underway to repeal and withdraw the Minnesota Zero Emissions Vehicle mandate otherwise known as "Clean Cars Minnesota." My family are soybean and corn farmers in Minnesota and I have previously served as President of Minnesota Agri-Women and am currently 2nd VP of Minnesota Agri-Women. I support the bill introduced by Minnesota State Senator Andrew Mathews known as the "Minnesota Consumer Choice for Fuel Act." I am hopeful state senators of both parties can rally behind support for this important legislation for a variety of reasons. I am unable to participate in the committee's virtual March 9 hearing, but I wish to submit the following written testimony.

First, the decision for what vehicle Minnesota residents decide to purchase should be solely up for the consumer. Government mandates such as Clean Cars Minnesota are fundamentally a restriction on consumer choice. The way the mandate was written, auto dealers in Minnesota must purchase a select number of electric vehicles from automakers to have on their dealership lots and meet a quota for the sales each year. This market distortion will lead to a potential decrease in conventional internal combustion engine-powered vehicles to have on the auto dealers' lots. The fewer options of conventional vehicles at dealerships throughout the state will mean fewer purchasing options for consumers like me. Ultimately, I can only conclude that Clean Cars Minnesota is a blatant attempt by government to dictate consumer behavior. That outcome is an abuse of the role of government. Even worse, the research by Governor Tim Walz's administration has revealed that Minnesotans will be expected to pay approximately \$1,139 more per any new vehicle we purchase. Governor Walz owes it to his constituents to explain why this mandate is fair to every day residents like me.

Second, and closest to home for me personally, are the mandate's discriminatory implications on Minnesota's agricultural community. I authored an op-ed in January in the Fargo Forum titled, "The realities of a discriminatory electric vehicle mandate in Minnesota." I've enclosed this op-ed below, which I hope will be instructive for your committee. My family and many other farmers throughout the state are heavily involved in soybean farming. This natural resource can help meet energy and fuel demands since it is harvested to produce biodiesel fuel. Biodiesel is proven to be an environmentally favorable form of fuel. The Environmental Protection Agency has found that biodiesel is the only biofuel that has the ability to reduce greenhouse gas emissions by more than 50%. A large portion of the biodiesel used in Minnesota is grown from Minnesota's own soybeans, and the biodiesel plants in the state produce around 85 million gallons of biodiesel every year. I am concerned Clean Cars Minnesota will artificially prop up electric vehicle sales at the expense of biodiesel-fueled vehicles, and efforts to reduce greenhouse gas emissions in Minnesota will similarly suffer. Even more concerning are the cascade effects of this new mandate. In light of other states taking aggressive moves in this direction, an even worse consequence would be a ban on all internal combustion engine vehicles which would be significantly more troublesome for our agricultural community. The Agricultural Retailers Association released a study in 2020, which found that U.S. net farm income would decrease by up to \$27 billion due to a proposed ban all internal combustion vehicles.

Third, Minnesota legislators I would think should not be happy with how this mandate went down last year. The Clean Cars Minnesota mandate was proposed and finalized by the Minnesota Pollution Control Agency, a government body under Governor Walz's administration. This body bypassed the state legislature, without the input and deliberation of our state's lawmakers elected by the voters of Minnesota, to adopt this mandate. Essentially this process advanced in a wholly undemocratic fashion whereby an unelected bureaucracy passed a major policy initiative that will affect all residents of our state. On that very basis alone, this mandate should be repealed and withdrawn.

Fourth, with the Biden Administration cancelling the leases with Twin Metals mining in northeast Minnesota, we will continue to have to import the minerals needed to make the electric components. Minnesota has one of the largest undeveloped copper-nickel-platinum-cobalt deposits in the world. Forcing Electric Vehicles on the citizens of Minnesota and then not being able to access our own resources to make those vehicles is not in the best interest of Minnesota's citizens nor energy security, economic security, and national security.

I hope the committee finds this testimony useful as it deliberates on a potential legislative fix for this very troubling government-directed electric vehicle mandate.

Sincerely,

Deb Whalen Past President Minnesota Agri-Women Enclosure:

https://www.inforum.com/opinion/letters/letter-the-realities-of-a-discriminatory-electric-vehiclemandate-in-minnesota

The realities of a discriminatory electric vehicle mandate in Minnesota

Whalen writes, "Minnesota's soybean sector is a booming industry that needs to be supported. Once the EV mandate comes into effect, it will diminish the need for the soybean-based biodiesel industry." By Deb Whalen

January 13, 2022 12:25 PM

As of this past summer, Minnesota is now officially the <u>first</u> Midwestern state to adopt California's Zero-Emission Vehicle Program, a mandate spearheaded by Gov. Tim Walz. The intended goal of this program is to increase the sale and consumption of electric vehicles in Minnesota to reduce greenhouse gas emissions. This government-directed mandate will put a requirement on the amount of electric vehicles bought and sold on Minnesota car lots. Unfortunately, a little known consequence of this mandate will be the discrimination, and ultimately, elimination of ethanol and biofuel-based vehicles in Minnesota. The effects will be economically disastrous for our state's soybean and corn farmers.

First, there are financial and practical challenges with the new electric vehicle mandate. Some officials in Minnesota, <u>including Walz</u>, are claiming electric vehicles will save consumers money. Unfortunately, the opposite will happen. EVs are estimated to cost up to \$16,000 more compared to the typical internal combustion engine-powered vehicle. However, it isn't just the vehicles themselves that will cost more. With the influx of electric vehicles comes the increased need for electricity infrastructure. To generate the electricity needed to charge all of these new cars, countless charging stations will have to be built and placed throughout the state. Minnesota's leadership is claiming consumers won't have to pay for this infrastructure, but that is not the case. The costs associated with new EV infrastructure will inevitably hit consumers, as taxpayer money will be needed for new charging stations.

Closer to home for me personally, Minnesota's farming community will be adversely affected by the new mandate. Minnesota is a leader in both soybean and corn farming. In order to keep our farms running, we need ample access to vehicles that can carry our crops from point A to point B, under any condition. If Minnesotans now have to increase the use of electric vehicles, our crop production could end up decreasing. To maintain productivity, we won't have time to stop and charge a vehicle instead of quickly fueling up as usual. While this might work for the people of California, who do not rely on farming like we do, it will not work in a state like Minnesota.

The electric grid that will power these new electric vehicles is not as clean as you would think. The Atlantic Council's Dr. Ellen Wald <u>pointed out</u> that "according to the U.S. Energy Information Administration's <u>Hourly Electric Grid Monitor</u>, electricity generation in Minnesota can actually result in significant air pollution. Take one recent day for example: Feb. 21, 2021. On that day, 50% of all

Minnesota electricity needs were met by burning coal. A Minnesota resident might thus be powering her electric vehicle largely on coal, a much dirtier fuel than gasoline." Having to revert to using coal for recharging batteries is directly counterproductive to the point of switching to electric vehicles in the first place.

Fortunately for Minnesotans, we have a natural resource at our disposal that can help meet energy, electricity, and fuel demands. That resource is soybeans. Soybeans are one of the main crops in Minnesota, and can be harvested to produce biodiesel fuel. Biodiesel is proven to be an environmentally favorable form of fuel. The Environmental Protection Agency has <u>found</u> that biodiesel is the only biofuel that has the ability to reduce greenhouse gas emissions by more than 50%. A large portion of the biodiesel used in Minnesota is grown from Minnesota's own soybeans, and the biodiesel plants in the state produce around <u>85 million</u> gallons of biodiesel every year.

Minnesota's soybean sector is a booming industry that needs to be supported. Once the EV mandate comes into effect, it will diminish the need for the soybean-based biodiesel industry. To make matters worse, leading government officials in our state are pushing for the electric vehicle mandate, although some of their past stances on biofuels are contradicting their current actions.

The governor claims that he is supportive of our ethanol and biofuel industry. He even went so far as to write a recent <u>letter</u> to President Biden on behalf of the Governors' Biofuels Coalition expressing his support. In the letter, Walz asks Biden to make "biofuels a key component of addressing transportation sector emissions," further stating they are necessary for a transition into carbon-neutral vehicles, as well as provide economic benefits across America. Why then, is he pushing this electric vehicle mandate that would undercut the deployment of biofuels and ethanol for transportation? With his advocacy for a transition to 100% electric vehicles to be sold by Minnesota's auto dealers, our state's biofuel industry will ultimately be eliminated. A countless number of jobs will be lost and the revenue that it brings in will drastically decrease.

Walz needs to be more in touch with the realities and needs of our state and agricultural community before inflicting further harm on Minnesota's soybean growers.

Deb Whalen is the past president of Minnesota Agri-Women.