

MSSA Minnesota Service Station & Convenience Store Association

Proudly serving our members since 1966...

Service Stations Towing Operators Car Washes Convenience Stores Automotive Repair Businesses Body Shops

To: Senators on the Environment and Natural Resources Policy and Legacy Finance Committee
From: Lance Klatt
Date: March 7, 2022
Re: S.F. 3065

Dear Senators on the Environment and Natural Resources Policy and Legacy Finance Committee:

Given the very serious concerns of many, including members of the Minnesota Service Station and Convenience Store Association, about the potential negative effects of the state's "Zero Emissions Vehicle" mandate, I am encouraged that your committee will address this topic on March 9th as part its consideration of S.F.3065, the Consumer Choice of Fuel Act. I applaud the committee for giving this legislation the consideration it deserves, especially considering the compelling facts that show such a mandate not only represents poor public policy for Minnesota, but was rushed through by the Walz Administration based on false pretense and a series of miscalculations.

The passage of S.F.3065 would be an important step to rolling back the electric vehicle mandate push through by Governor Walz through the Minnesota Pollution Control Agency. Members of the Minnesota Service Station & Convenience Store Association are open to placing EV Level 3 charges at their facilities letting the free-market dictate what Minnesota drivers would like to drive. As a side note, a year ago, sixteen of my retail members applied for the MNDOT grant program through an RFP to later find out they didn't qualify as they are private and "for profit". Market research shows Minnesotans don't particularly want electric vehicles, preferring pickups and SUVs, vehicle types that would be limited under Governor Walz's rule. With an EV mandate, an estimated 18,000 electric vehicles would be forced into the Minnesota vehicle sales market, a move that would cost Minnesotans an estimated \$1,139 more per vehicle, whether they buy electric or not; the Minnesota Pollution Control Agency acknowledges this increased cost for all vehicles in the very rule the agency proposed and adopted.

Not only would this hurt auto dealers, whose sales are already down over 40% according to Minnesota Auto Dealers Association Chair Steve Whitaker, but it could also potentially affect the Minnesota farming community and local ethanol producers depending heavily on combustion vehicles. S.F.3065 helps prevent this by restricting state agencies from limiting customer choice based on fuel type. Among other stipulations, the bill protects our agriculture sector by ensuring all farm equipment dealers have the right to sale the equipment their customers want, regardless of fuel type. The bill also includes provisions for off-road engines, generators, lawn mowers, pressure washers, snowmobiles, golf carts, motorcycles, and watercraft. In general, this good legislation ensuring Minnesota is not forced to follow the lead of California's emissions standards.

We urge the committee to pass S.F.3065 repealing the electric vehicle mandate as the electric vehicle mandates places a burden on Minnesota families, businesses and our farming economy. By doing so, lawmakers can ensure that consumers have the choice they deserve when it comes to vehicle purchases, farm equipment, and other products.

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Many members of the Minnesota Service Station & Convenience Store Association were the first to bring E15 to the market. Many of my members also see sales of E85 representing 15-20 % of their fuel sales. We are very proud of our accomplishments supporting our local farming communities and ethanol producers. Proud to say, we offer "Homegrown fuels from our Hometown Retailers".

My members are thoroughly confused in the moment. "Should they be investing in biofuels infrastructure or charging stations?"

If I or my organization can be a resource to your committee or the State Senate on this issue, please let me know.

Thank you in advance for this opportunity.



Lance Klatt
Executive Director
Minnesota Service Station and Convenience Store Association