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

I am writing to you regarding my concerns surrounding the Minnesota Zero Emissions Vehicle (ZEV) mandate, and to voice my support for the Minnesota Consumer Choice for Fuel Act that was recently introduced in the State Senate and State House. I am a lifelong resident of Minnesota and have been a corn and soybean farmer for many years. As a farmer for these crops, these issues affect me personally, and I want to express the need for support of consumer choice for the vehicles we wish to buy.

The fact of the matter is, the MN ZEV mandate never was and never will be a good thing for Minnesota. Based in part on the air quality standards in California, the MN ZEV mandate will negatively impact many aspects of life, especially energy and agriculture. The mandate will regulate a certain percentage of vehicles bought and sold in Minnesota to be electric vehicles, adhering to California requirements. Minnesota is a Midwestern state and does not have the same environment and needs as states such as California.

The agriculture industry in Minnesota is very important and a leading contributor to the economy. Not only that, both biodiesel and ethanol, the fuels produced from soybeans and corn, are low-emission energy sources. Minnesota produces over 1.3 billion gallons of ethanol annually, and has become the fourth largest ethanol producer in the U.S. Aside from the fact that the industry supports approximately 19,000 jobs in the state, it generates over \$1.5 billion worth of income. The MN ZEV mandate stands to take these benefits away and will undercut the use of ethanol and biofuels.

These sources of energy have been proven to reduce emissions already, making the ZEV mandate all the more unnecessary and further substantiating the need for this Choice for Fuel Act. This act will protect our citizens from mandates that determine for us what kind of vehicle fuel we can use. It will rightly allow farmers to choose what is best for them and continue with practices that have worked for decades. All farm equipment dealers will have the freedom to sell equipment that uses any kind of fuel, and prohibits any state entity from changing that. The Minnesota Pollution Control Agency already has regulations in place, and the Choice for Fuel Act will make sure that no new air quality requirements are stricter than those currently existing.

Our farms run on these affordable and reliable sources of energy that we create from our crops. Unfortunately, research from the Agricultural Retailers Association has found that a potential ban on internal combustion engine vehicles has to potential to decrease up to \$27 billion in net farm income nationwide. If Minnesota eventually goes furthers an imposes such a ban, the consequences will be even worse for Minnesota's farmers. I have enclosed both <u>blog post</u> I wrote for my website, and a Mankato Press Free column I authored last February, which further details what our industry could stand to lose with the ZEV mandate. What we need is consumer choice.

I want to thank the Committee for taking the time to hear my testimony and consider the benefits of the Minnesota Consumer Choice for Fuel Act.

Best wishes.

Wanda Patsche Corn and Soybean Farmer Editor of MNFarmLiving.com Fairmont, Minnesota https://www.mnfarmliving.com/2021/08/electric-vehicles-mandate.html

Vehicle Mandates Crafted in California Weren't Made for Minnesota's Farmers

August 14, 2021 By WANDA PATSCHE

As a rooster and a bull have completely different needs, so do the constituents of states across our country. Here in Minnesota, a place far different than California, we are fighting against a "one-size-fits-all" policy that will serve, when implemented, as a detriment to our agricultural community for decades to come. Electric vehicle mandates adversely affect the farming communities in Minnesota and I, as a lifelong Minnesota farmer, urge the state to reconsider this harmful mandate. At the upcoming annual Minnesota FarmFest in Redwood Falls, fellow farmers should raise awareness about this electric car mandate's negative consequences on our community.

Government leaders at all levels have put an emphasis on our nation's transition to electric vehicles. These politicians are positioning these policies as crucial, immediate steps that need to be taken to reduce carbon emissions from the transportation sector. From President Biden's \$170 billion dollar earmark in his infrastructure bill, to states like Minnesota and others across the country proposing mandates and additional subsidies for these vehicles and their infrastructure, the momentum is building. And while we all can agree a clean environment and less greenhouse gas emissions should be prioritized, government electric vehicle mandates are not the best path forward. The push to fully transition to EVs comes with serious drawbacks that would inherently limit consumer choice and burden consumers with higher costs — especially here in Minnesota.

If Governor Tim Walz's administration gets its way, unelected officials in California will control the future of automotive emissions policies in our state – not Minnesota's elected leaders. The result? A stringent electric vehicle mandate that will harm our state's farmers, automakers and dealers, consumers, energy suppliers, among other constituencies. Starting in 2024, Minnesota would be forced to require an ever-growing percentage of EVs and vehicle retailers would have to stock an arbitrary number of non-combustion vehicles whether consumers want them or not. This would not only raise the cost of vehicles for Minnesota families and businesses, it would hamstring farmers and rural populations by forcing vehicle choices that make little sense for them. As written, the proposal falls far short of sound policy and common sense.

As for the agricultural community and the biofuels industry in Minnesota, instituting California's combustion engine vehicle ban would disproportionately harm these sectors. Minnesota is currently the fourth largest ethanol producer in the United States with over 1.3 billion gallons of ethanol produced annually from 18 ethanol plants. In Minnesota, here are roughly 19,000 full-time jobs, and millions in tax revenue that is supported by the ethanol industry alone. An <u>Agricultural Retailers Association study</u> found that if Minnesota puts a ban on combustion-powered vehicles, total U.S. net farm income could

decrease up to \$27 billion, and both corn and soybean prices would be nearly cut in half. These numbers speak louder than any environmental opinion; Minnesota's agricultural community must be prioritized for the sake of our entire nation.

Beyond the economic harm, this bill could cause in the future, there have been further injurious effects that have already come from this issue. Governor Walz bypassed the State Senate by forcing through the mandate administrative sanction. Governor Walz neglected his own state legislature's input and is holding Minnesotans to standards set by the legislators of other, vastly different states. The democratic rights of Minnesota constituents have been not only ignored but completely circumvented in what is supposed to be a well-represented, legislative system.

While electric vehicles are more popular than ever, they still only makeup roughly 1.8% of the market and are far less cost-effective than traditional, gas-powered vehicles. The mandate would force automakers to ship more zero-emissions vehicles to Minnesota, regardless of actual demand. Minnesota currently sees 2,000 electric vehicles sold per year, and under the new mandate, dealers would have more than 18,000 electric vehicles dropped annually onto their lots. Demand and infrastructure limitations in Minnesota currently cannot support such an artificially high supply. While the mandate's benefit to the environment is not clear, the harm caused to everyday Minnesotans will be heavily consequential.

The electricity used to power electric vehicles is a source for increased carbon emissions. In Minnesota about 31% of utility-scale electricity generation still came from coal-fired electric power plants in 2019. Additionally, until batteries can be recycled, battery disposal will remain an issue similar to nuclear waste storage. This fact underscores the larger concerns surrounding electric vehicles and how they are not a silver bullet for addressing environmental challenges.

I have spent my entire life in southern Minnesota. If this mandate were to culminate in full effect, I would see our state undergo a change that will hurt my fellow farmers for decades to come. Government policies should work for all Minnesotans, while supporting consumer choice, instead of picking winners and losers. This mandate is not the answer to becoming more climate-friendly. Please rethink this mandate and its impact on the farming community. The Minnesota legislature should repeal the rule. To put it simply: please don't impose California values on my Minnesota.

NOTE: Blog post was published in Redwood Falls Gazette on August 2

https://www.mankatofreepress.com/opinion/electric-vehicle-mandates-will-hurt-farmers/article 233ad7ea-6d4e-11eb-97c1-4b34fbe48293.html

Electric vehicle mandates will hurt farmers

- WANDA PATSCHE My View
- Feb 13, 2021

Right here in our home state of Minnesota, Gov. Tim Walz is attempting to mandate electric-powered vehicles, using California's standards as a guide to limit consumer choice and adversely impact our farming communities.

For several reasons, this is not a sound, nor practical, policy to enforce. The mandate would be extremely detrimental to the agriculture community, which is a large driver of Minnesota's economy.

As the fourth largest ethanol producer in the country, Minnesota supports nearly 19,000 full-time jobs in the state and generates \$1.5 billion worth of income for households. If California's mandate is enforced in other states, the U.S. net farm income would decrease an estimate \$27 billion, according to an Agricultural Retailers Association study released in October 2020.

Confronting our country's climate needs is not a one-size-fits-all solution, and what is practical in one state, may not apply in another. California and Minnesota are vastly different states and have different priorities from an environmental standpoint.

Climate change is a real threat and should be addressed on a global level, as opposed to enforcing a short-term action that will harm many American families, especially the farmers in our state.

As the United States rebounds from a global pandemic, we should not be applauding policies that alienate an entire business sector, and mandate people to buy cars that are more expensive during an already fragile economy.

In a poll conducted by the Minnesota Auto Dealers Association, only 5% of Minnesotans say they are very likely to purchase an electric vehicle when they make their next purchase, citing concerns about the higher cost, performance in the cold and a lack of charging stations.

If there is not a current demand for electric-powered vehicles, it should not be forced upon Minnesota's residents. Under the new mandate, dealerships would have more than 18,000 electric vehicles dropped annually onto their lots, while they are currently only selling an estimated 2,000 electric-vehicles a year.

To be clear, I am not discouraging the purchase of electric vehicles; I simply believe it should be a choice or even incentive, rather than a government-directed mandate.

Mandating the consumption of electric vehicles will place further burdens on farmers who rely on other forms of transportation. The pickup trucks that farmers use to haul crops to the market will be end up being more expensive. In fact, the Minnesota Pollution Control Agency (MCPA) — the governor's body leading the charge on this rule — acknowledges that costs will go up, anywhere between \$800 and \$2,500 more per vehicle for consumers. Why is it fair for Minnesota farmers to pay the price for market-distorted more expensive cars?

As for the politics of this scheme, our governor has unfortunately manipulated the political process to drive through this agenda (pun intended). Gov. Walz is currently attempting to bypass the Legislature and force through the mandate by administrative rulemaking.

By going through administrative processes, the MPCA can circumvent the Legislature's input and hold Minnesotans to standards set by California. This procedure will deny our state's elected officials the opportunity to represent constituents like me through the democratic process.

As the comment period is currently underway, our state needs to come together and urge the governor and others in power to rethink forcing this mandate upon the people of Minnesota. Alternatively, the details of the policy should be fleshed out through the proper legislative process where the Minnesota Legislature is included.

Over the years, agriculture has made changes to be more efficient and climate friendly, and this will continue in the years to come. However, this mandate is not the answer for Minnesotans, and I believe I speak for many fellow farmers by asking to please rethink this mandate and its impact on the farming community, because we cannot afford another setback.

Wanda Patsche is a corn, soybean and hog farmer and the Editor of <u>MNFarmLiving.com</u>. She lives in Fairmont.