



March 15, 2022

RE: Support for Senate File 3065/House File 3206

Dear Members of the Senate State Government Finance and Policy and Elections Committee:

We write to you as a coalition of Minnesota manufacturers, dealers, truckers, businesses, and consumers who are opposed to California bureaucrats making decisions about the products we make, sell, and purchase. That's why we support Senate File 3065/House File 3206.

Through the adoption of "[Clean Cars Minnesota](#)," beginning in 2024, the types of light-and medium-duty vehicles for sale in Minnesota will be determined by California laws made in response to that state's unique environmental, economic, and demographic challenges. And as [California updates its law](#) to incorporate a complete ban on the sale of gas-powered passenger vehicles by model year 2035, Minnesotans will also be subject to significantly stricter limits on what vehicles are available in the marketplace. For example, in 2025, Minnesota dealers will be required to stock [~26% electric vehicles](#) on their lots. That's equivalent to over 65,000 vehicles – which is three times as many [electric vehicles as have been registered in the state since 2011](#).

Mandating more electric vehicles than are expected to sell will increase costs and mean consumers will be severely limited in the choices of vehicles they have to purchase. The Minnesota Pollution Control Agency (MPCA) estimated the costs of vehicles would [add \\$1,139](#) under the less strict California rule. The modifications California is making could increase upfront vehicle prices by as much as [\\$2,100](#) – at a time when supply chain issues are creating inflation that has already [increased the price of new vehicles by 12% and used by 37% in 2021](#).

Moreover, forcing a decrease in combustion engines will strike a blow to Minnesota's biodiesel and ethanol industry. Minnesota is not only home to three biodiesel plants, but 18 ethanol plants that rank our state [fourth](#) nationally in ethanol production. Drastically removing fuel-powered vehicles from the state's fleet, as California's new rules mandate, will distort the marketplace against biodiesel and ethanol-based vehicles and negatively affect the livelihoods of corn and soybean farmers who produce the crops for these fuels.

These are major policy decisions – all of which have been determined unilaterally by the MPCA without a vote of our voice, our Minnesota legislators. The MPCA points to language in [M.S. §116.07](#), predating the Clean Air Act, as the reason it can make these decisions without legislative approval. If the agency is willing to use this “authority” to adopt California’s motor vehicle emission standards, what’s to prevent it from also using it to adopt California’s other rules regulating heavy-duty trucks, boats, tractors, off-road equipment, and lawnmowers?

Senate File 3065/House File 3206 gives the power back to the people of Minnesota and stops the MPCA from deferring to California to dictate what products can be bought and sold in Minnesota. The bill specifically prohibits mandated inventory for vehicle and equipment retailers in Minnesota, giving farmers and other consumers the freedom to choose vehicles that best suit their needs. Whether it’s farm equipment, off-highway vehicles, snowmobiles, watercraft, or the passenger automobiles many of us use daily, consumers won’t be forced to choose from limited inventory by a rule tied to California standards.

We urge you to support Senate File 3065/House File 3206 and restore the voices of Minnesotans on these issues.

Sincerely,

Minnesota Automobile Dealers Association
Minnesota Chamber of Commerce
Minnesota Grocers Association
Minnesota Petroleum Marketers Association
Minnesota Propane Association
Minnesota Service Station & Convenience Store Association
Minnesota Trucking Association
NFIB
National Marine Manufacturers Association