

February 13, 2023

Minnesota Senate
Committee on Agriculture, Broadband, and Rural Development
Minnesota Senate Building
Saint Paul, MN 55155

RE: Senate File 1178, Funding for the AGRI Bioincentive Program

Dear Chair Putnam, Senator Hauschild, and Committee Members,

On behalf of Clean Energy Economy MN (CEEM), I write today in support of SF1178, which would bring additional funding to Minnesota's successful Bioincentive Program. This funding is critical to the partnership between Minnesota and private sector companies investing in the state's economy. Increased state investment in this program will attract more private sector investment and spur greater economic activity for local communities.

CEEM is an industry-led, nonpartisan, non-profit organization representing the business voice of energy efficiency and clean energy in Minnesota. We work to educate Minnesotans about the economic benefits of transitioning to a clean energy economy and are committed to delivering a 100% clean energy future where all Minnesota businesses and citizens will thrive. Our business membership is comprised of nearly 50 clean energy companies ranging from start-up businesses to Fortune 100 and 500 corporations that employ tens of thousands of Minnesotans across the state.

We thank Senator Hauschild for authoring this bill and Chair Putnam for hearing it in committee. Production incentive payments through the Bioincentive Program have encouraged commercial-scale production of advanced biofuels, renewable chemicals, and biomass thermal energy since it was established by the Minnesota State Legislature in 2015. The incentives help private sector companies and facilities to increase the utilization of local biomass resources, spur economic growth, and supply good-paying jobs across Greater Minnesota.

CEEM supports adequately funding the Bioincentive Program because it continues to put Minnesota at the forefront of the bioeconomy industry. The Bioincentive Program increases the competitive attractiveness of investing in projects and brings jobs to rural Minnesota. The additional funding will help meet the demand for this program, which has always outpaced the available funds.

Thank you for this opportunity to share our thoughts on this proposal. If you have any questions, please let us know.

Sincerely,



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