

March 27, 2023

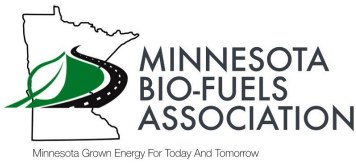
Chair Aric Putnam  
Senate Agriculture, Broadband and Rural Development Committee  
1150 Minnesota Senate Building  
Saint Paul, Minnesota 55155

Dear Chair Putnam, Ranking Member Westrom and members of the committee:

On behalf of the Minnesota Bio-Fuels Association, I appreciate the opportunity to submit written testimony for S.F. 1955, the committee's omnibus finance bill for Fiscal Years 2024 and 2025.

The Minnesota Bio-Fuels Association supports the following funding provisions in the bill:

- **Biofuel Infrastructure Grants:** The largest barrier to increasing consumer access to more affordable and environmentally-friendly biofuel blends is a stable funding source for updating fuel infrastructure. The proposed grant funding of \$4.5 million per year (lines 9.15 – 10.21) will enable the replacement or upgrade of current petroleum dispensers, fuel storage tanks, and other equipment to dispense biofuel blends of E25 or higher and help the state get closer to the statutory petroleum replacement goal of 30 percent by 2025. We appreciate the committee's inclusion of biofuel infrastructure funding at an amount reflective of the Governor's budget, which represents a \$2.5 million increase from last biennium.
- **Bioincentive Program:** Minnesota ethanol plants have increasingly been making the capital investments necessary to develop and produce next-generation, advanced biofuels made from cellulosic biomass. The proposed funding of \$6 million per year (lines 9.1 – 9.14) for the Minnesota Department of Agriculture's bioincentive program will continue to encourage the commercial-scale production of these types of advanced biofuels, which have been shown to reduce lifecycle greenhouse gas (GHG) emissions by over 70 percent as compared to baseline gasoline. While we appreciate the committee's inclusion of robust bioincentive program funding to reduce the current backlog of claims, we are mindful that the funding amounts proposed will not eliminate the shortfall.
- **Broadband:** Many of the counties where Minnesota ethanol production facilities are located still struggle with access to high-speed broadband. Beyond production challenges and rising energy costs, ethanol plants also face wage pressures and a tight labor market. Ensuring quality and consistent access to high-speed broadband coverage across the state will make it easier for businesses in Greater Minnesota to attract and retain workers. We appreciate the inclusion of robust funding for the Office of Broadband Development and the border-to-border broadband fund account, and for build-out in unserved and underserved areas of the state.



Thank you again for the opportunity to provide written testimony. We look forward to working with the committee to continue supporting the agricultural economy, reducing greenhouse gas emissions, driving down gas prices, and strengthening our national energy security.

If you or your staff have questions, please contact the Minnesota Bio-Fuels Association's Executive Director Brian Werner at 651-356-4330 or at [bwerner@mnbiofuels.org](mailto:bwerner@mnbiofuels.org).

Sincerely,

A handwritten signature in blue ink that reads "Brian Werner". The signature is fluid and cursive, with a long horizontal line extending from the end of the name.

Brian Werner  
Executive Director  
Minnesota Bio-Fuels Association