

408 Saint Peter Street, Suite 350 Saint Paul, MN 55102

PHONE 651 225 0878

EMAIL info@fresh-energy.org

WEBSITE fresh-energy.org

April 29, 2025

The Honorable Ann Rest Chair, Taxes Committee Minnesota Senate 75 Rev. Martin Luther King Jr. Blvd., Room 328 Saint Paul, MN 55155

Chair Rest and Committee Members,

Fresh Energy is a non-partisan, not-for-profit organization with over 30 years of experience developing practical clean energy policies that benefit all Minnesotans and help us achieve an equitable net-zero carbon economy by 2050. We are writing today in support of the modifications to the e-bike rebate program proposed in the first engrossment of Senate File 219.

Electric-assisted bicycles have significant potential to help Minnesota achieve its carbon emissions reduction goals. Studies have shown that electric-assisted bicycles offset the emissions of their production by replacing just 100 miles driven in a conventional internal combustion engine automobile. This sustainable mode of transportation can also help certain segments of the population save money by avoiding the costs associated with car ownership, and electric-assisted bicycles often help families save money by replacing their second cars.

The 2024 rebate program unveiled strong demand for electric-assisted bicycles in Minnesota, but the policy design can be improved to ensure that funds are disbursed equitably and that the program maximizes its carbon emissions reduction potential. In particular, the lottery allocation structure proposed in Senate File 219 should improve the rebate program's disbursement and ensure that Minnesotans working while the rebate application is opening are still able to apply and receive equal consideration.

The 2024 electric-assisted bicycle rebate program had over 14,000 applicants of whom only about 1,500 were awarded a rebate.² This strong interest indicates that the rebate would be able to generate even greater carbon emissions reductions by offering a smaller rebate to more individuals. Fresh Energy therefore also supports the proposed reduction of the rebate amount to \$750.

Electric-assisted bicycles are helping us achieve a more equitable and sustainable transportation system in Minnesota. Fresh Energy appreciates that the legislature is learning from the results of last year's rebate program and is proposing sensible modifications to ensure that the program runs smoothly and equitably in 2025. For these reasons, we urge lawmakers to support Senate File 219.

¹ https://www.gazellebikes.com/en-gb/blog/are-e-bikes-really-eco-friendly

 $^{^2\, \}underline{\text{https://minnesotareformer.com/2024/12/09/e-bike-rebate-recipients-poorest-and-richest-minnesotans-were-the-winners/}$

Sincerely,

Nick Haeg Senior Associate, Electric Vehicles Fresh Energy