



BIOECONOMY

COALITION OF MINNESOTA

March 10, 2025

Dear Chair Anderson, Vice Chair Harder, DFL Lead Hansen, and members of the House Agriculture Finance and Policy Committee,

Thank you for the opportunity to provide written testimony on House File 1704 as amended by the DE3 amendment. The Bioeconomy Coalition of Minnesota appreciates this committee's continued support for the Minnesota Bioincentive Program. However, the funding included in this bill is insufficient to fulfill Minnesota's commitment to companies that have invested in the state.

The Bioeconomy Coalition of Minnesota brings together everyone involved in the bioeconomy value chain for collective decision making and action to educate, evaluate environmental impacts and benefits, and incentivize sustainable products to benefit our environment and grow our economy. We envision a thriving Minnesota economy based on biobased products that benefit the environment, support communities, and reduce greenhouse gas emissions.

The Minnesota Bioincentive Program has a track record of boosting Minnesota's economy and creating value across the bioeconomy supply chain. Based on a [report](#) by the University of Minnesota Extension Center for Community Vitality, the economic benefit of the Bioincentive Program far exceeds its cost: Each tax dollar spent on this program has generated \$407.10 for the state's economy and \$8.90 in new tax collections. This program is actively boosting Minnesota's economy and creating value across the bioeconomy supply chain. Additionally, the program only makes payments to participating companies after production has started, making it a low-risk, high-reward investment for the state.

Despite the Bioincentive Program's successful track record, it remains significantly underfunded. The Bioeconomy Coalition of Minnesota urges this committee to increase funding to the levels needed to maximize the program's benefits for Minnesota's economy and fulfill the state's commitments to companies that have invested in projects in the state.

Thank you for your consideration of this legislation, and for the opportunity to submit written testimony.

Sincerely,

Carolyn Berninger
Public Policy Manager, Transportation & Fuels
Great Plains Institute (facilitator of the Bioeconomy Coalition of Minnesota)