



## **Testimony of Dallas Gerber, Director of State Government Affairs, Growth Energy**

Chairman Aylesworth, Vice Chair Baird, Ranking Member Bauer, and members of the committee:

Thank you for the opportunity to testify in support of House Bill 1315 today. My name is Dallas Gerber, Director of State Government Affairs for Growth Energy. We are the world's largest association of biofuel producers, representing 96 American plants that each year produce more than 9 billion gallons of cleaner-burning renewable fuel – including 8 biorefineries right here in Indiana.

We also represent 115 businesses associated with the production process and tens of thousands of biofuels supporters around the country. Growth Energy is committed to bringing better and more affordable choices to the fuel pump for consumers, helping our country to responsibly diversify our energy portfolio, grow more energy jobs, sustain family farms, and drive down the costs of transportation fuels.

House Bill 1315 provides an important tax credit for the sale of fuel with higher ethanol blends. Specifically, the bill will provide a non-refundable tax credit of five cent per gallon sold to fuel retailers who offer E15, E85, and all other ethanol blends in between. This credit is important as retailers in Indiana continue to build out the market and invest in additional infrastructure to offer these ethanol blends.

House Bill 1315 empowers Indiana fuel retailers, farmers, and consumers to benefit from increased ethanol production and blending in fuel that can be used in more than 96% of all vehicles on the road.

Providing a tax incentive for the sale of E15 provides a needed boost for Indiana corn farmers, who would see stronger sales and increased farm incomes because of higher demand for an Indiana-grown-and-produced product.

For example, Iowa enacted a biofuels tax incentive for fuel retailers in 2014. In June of 2013, the per bushel price of corn was \$4.49 according to Iowa State University. In the decade since Iowa's tax incentive was enacted, the per bushel price increased more than 46% to \$6.57. This is compared to the national average increase of only 35% in that same time frame.

Corn farmers are not the only ones to benefit from increased ethanol production. An important co-product of the ethanol production process is distillers' grains, a nutrient-rich animal feed for livestock. With more ethanol and E15, livestock farmers will have access to more distiller's grains for feed.

Incentivizing the sale of E15 and higher ethanol blends enables Indiana farmers to sell more corn, increasing the size of their domestic market and raising their farm incomes while helping provide Indiana drivers with a more affordable fuel choice.

During the summer of 2022, drivers in the United States saved on average 16 cents per gallon by filling up with E15 instead of E10, with Indiana drivers saving more than 31 cents per gallon. Additionally, increasing access to E15 and higher blends through this tax credit will expand capital investments in Indiana and help ensure Indiana farmers and fuel retailers are contributing to American energy security.

HB 1315 is a win for farmers in the state, for drivers seeking lower gas prices, and for fuel retailers wishing to provide customers with more choices. I thank Representatives Snow and Heine for introducing House 1315 and respectfully request the committee's support.