



I am Brian Posler, and I represent Fuel True Independent Energy and Convenience. We are the nonprofit statewide trade association representing the independent Kansas energy distribution companies, and we serve as the voice of over 2000 fuel retailers throughout Kansas.

Chairman Rahjes and members of the committee, thank you for the opportunity to testify in support of HB 2012.

The state of Kansas has a vested interest in supporting ethanol production. Increased ethanol helps us continue to avoid the dark days of our dependence on foreign oil. It is renewable and sustainable, and even though we have a very healthy, crucially important oil and gas industry in our state, ethanol is welcome in our "all of the above" strategies for energy independence.

Many Kansans are feeling the pinch of higher prices for energy costs. Kansans would benefit from additional higher-ethanol blends, for those are less expensive fuels at the pump. Unfortunately, it is incredibly expensive for retailers to add the higher blends, with capital costs for new tanks, lines and pumps only the beginning. Incentivizing retailers to have higher-blend fuels at competitive prices will serve to increase the availability of higher blends and increase the odds that retailers will be able to invest in upgrading their capacity.

Additionally, our network of retailers is one of the largest collectors of motor fuel and sales tax revenues in the state, providing a valuable service to the Kansas Department of Revenue. This bill creates an incentive for more retailers to offer the higher blends, and our retailers will be able to pass some savings directly to the consumers.

Being a gasoline retailer is a tough business. It is already difficult for many C-Stores to make ends meet, with rising labor costs and inflation for inventory, and thanks to EVs, fewer drivers than otherwise are filling up at our pumps. Many of our members operate convenience stores in small towns throughout Kansas. Often, our businesses serve as the only grocery stores in their community, and without them, swaths of rural Kansas would become food deserts. This small additional incentive will allow more of them to add higher ethanol blends, serving that market demand and helping them to survive.

For these reasons, my members support this bill, and we ask you to recommend it favorably.

Brian Posler
Executive Director of Fuel True