

Proponent Testimony in Support of HB2012: Providing an income tax credit for the sale and distribution of ethanol blends for motor vehicle fuels.

House Taxation Committee, January 27, 2025

Brett Grauerholz, Farmer, Republic, KS

Good afternoon, Chairman Smith and members of the committee, my name is Brett Grauerholz, a 5th generation farmer from Republic County in North-Central Kansas. Thank you for the opportunity to provide testimony today in support of the ethanol industry and all Kansas corn farmers.

House Bill 2012 would directly benefit the Kansas corn farmer and I would like to take a moment to explain the significant benefits that I see possible for our family operation. We take pride in being the best stewards of the land, as I believe every Kansas farmer does, the corn we produce is a valuable sustainable product. When a fuel retailer has a chance to promote a sustainable Kansas grown product with benefits, we will see an increase in demand that will come back to the Kansas corn grower. That demand allows us another market for our product and in turn increases our financial opportunities out of the field. With more market opportunities, my fellow Kansas farmers have greater chances to see an increase in the value of the products we grow.

I have read numerous studies that show that if it weren't for ethanol, corn prices would be up to \$1.00 per bushel lower than current levels. With the passage of House Bill 2012 we have even greater chances to see our local demand for ethanol drive the markets even higher than current trends. With even a small increase in the current markets of say only \$0.25 a bushel, a producer that grows 100,000 bushels of corn could see a \$25,000 market premium. That extra income gets spent in our rural communities, restaurants and supports the next generation in our Kansas schools.

HB2012 will serve as a catalyst to expand offerings of higher-level blends of ethanol across the state, benefiting our fuel retailers, agriculture producers and most importantly, the Kansas consumer. I ask you to favorably pass this legislation for all Kansans.

Thank you for letting me tell a small part of my story while providing this testimony and I will be happy to stand for questions or explanations at the appropriate time.

Brett Grauerholz

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