



Subject: Consideration of Biodiesel and Renewable Diesel Incentives for HB2012

January 27, 2025

Representative Adam Smith
Chairman Kansas House Committee on Taxation
Kansas House of Representatives
SW 8th &, SW Van Buren St
Room 346-S
Topeka, KS 66612

Dear Honorable Smith,

The Clean Fuels Alliance America (Clean Fuels) appreciates the opportunity to provide comments on the importance of including incentives for renewable fuels, such as biodiesel and renewable diesel, in HB2012. Clean Fuels serves as the biodiesel and renewable diesel industry's central coordinating entity for technical, environmental, and quality assurance programs, and we are the leading voice for advocacy, communications, and market development for these fuels.

We also write in strong support of the Kansas Soybean Association's proposed legislation to include biodiesel and renewable diesel incentives in HB2012. The Kansas Soybean Association has long championed efforts to strengthen the agricultural economy and create opportunities for Kansas soybean farmers, and their leadership on this initiative aligns closely with these goals.

Across the Midwest, states like Missouri, Iowa, and Nebraska have successfully implemented incentive programs similar to those proposed in HB2012 to drive the adoption and market expansion of domestically produced renewable fuels. Indiana, Michigan, and Ohio are also working to establish similar programs. These states recognize the significant benefits renewable fuels bring to their agricultural sectors, rural economies, and energy independence.

Biodiesel and renewable diesel, derived from agricultural feedstocks like soybean oil, provide Kansas with a unique opportunity to enhance its agricultural economy. Biodiesel increases the value of soybean oil, supporting approximately 13% of the price per bushel of soybeans. This directly benefits Kansas farmers while also lowering the cost of soybean meal for livestock producers and the food supply. By leveraging these benefits, Kansas can provide farmers with additional markets for their commodities and stimulate rural economic development.

Currently, the renewable fuels industry contributes over \$800 million in economic activity to Kansas and supports more than 5,000 jobs, many in rural areas. The Kansas Soybean Association's proposed legislation would amplify this impact by creating additional demand for biodiesel and renewable diesel, supporting rural economies and helping major industries transition away from fossil fuels.

Missouri Headquarters
605 Clark Ave
PO Box 104898
Jefferson City, MO 65110

800.841.5849

Washington, D.C., Office
1331 Pennsylvania Ave, NW
Suite 505
Washington, D.C. 20004

888.246.3437

Biodiesel and renewable diesel are approved by all original equipment manufacturers and can be seamlessly integrated into existing diesel engines. These fuels offer superior lubricity and higher cetane value compared to petroleum-based diesel, which increases engine longevity. They also contribute to reducing carbon emissions, helping Kansas diversify its energy portfolio while addressing environmental challenges.

By supporting the Kansas Soybean Association's proposal to include biodiesel and renewable diesel incentives in HB2012, Kansas can take a proactive stance in promoting cleaner energy alternatives while strengthening its agricultural and economic foundation.

Kansas's rich agricultural heritage positions it to lead in renewable fuel production and utilization. Supporting biodiesel and renewable diesel aligns with the state's goals of economic growth, energy diversification, and sustainability.

We respectfully urge you to include provisions for biodiesel and renewable diesel incentives in HB2012, as proposed by the Kansas Soybean Association. By doing so, Kansas can establish itself as a leader in sustainable energy innovation, bringing economic, environmental, and agricultural benefits to its citizens.

Thank you for your consideration of this important matter.
Sincerely,

A handwritten signature in black ink that reads "Jeffrey Earl". The signature is written in a cursive, flowing style.

Jeffrey Earl
Director of State Governmental Affairs
Clean Fuels Alliance America
jearl@cleanfuels.org