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State of Minnesota

# HOUSE OF REPRESENTATIVES

**NINETY-FOURTH SESSION**

**H. F. No. 3619**

02/23/2026 Authored by Hansen, R.; Jordan; Vang; Acomb; Gomez and others
The bill was read for the first time and referred to the Committee on Agriculture Finance and Policy

A bill for an act

relating to agriculture; requiring the Environmental Quality Board to order a generic environmental impact statement on sustainable aviation fuel; placing a temporary moratorium on sustainable aviation fuel tax credit and grants; amending Minnesota Statutes 2024, section 41A.30, subdivision 2.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2024, section 41A.30, subdivision 2, is amended to read:

Subd. 2. **Tax credit establishment.** (a) A qualifying taxpayer may claim a tax credit against the tax due under chapter 290 equal to $1.50 for each gallon of sustainable aviation fuel that is:

(1) produced in Minnesota or blended with aviation or gasoline or jet fuel in Minnesota; and

(2) sold in Minnesota to a purchaser who certifies that the sustainable aviation fuel is for use as fuel in an aircraft departing from an airport in Minnesota.

(b) A qualifying taxpayer must apply to the commissioner for the certification and allocation of a tax credit in a form and manner prescribed by the commissioner. The credit ~~may be claimed only after approval and certification by the commissioner and~~ is limited to the amount stated on the credit certificate issued under subdivision 3~~. A qualifying taxpayer must apply to the commissioner for certification and allocation of a credit in a form and manner prescribed by the commissioner.~~ and may be claimed only after:

(1) approval and certification by the commissioner; and

(2) the Environmental Quality Board completes a generic environmental impact statement on sustainable aviation fuel.

(c) A qualifying taxpayer may claim a credit for blending or producing sustainable aviation fuel, but not both. If sustainable aviation fuel is blended with aviation gasoline or jet fuel, the credit is allowed only for the portion of sustainable aviation fuel that is included in the blended fuel.

(d) If the amount of credit that the taxpayer is eligible to receive under this section exceeds the liability for tax under chapter 290, the commissioner of revenue must refund the excess to the taxpayer.

Sec. 2. **TEMPORARY MORATORIUM ON DEPARTMENT OF AGRICULTURE GRANTS TO SUSTAINABLE AVIATION FUEL PRODUCERS AND BLENDERS.**

The commissioner of agriculture must not award any grant to a producer or blender of sustainable aviation fuel before the Environmental Quality Board completes a generic environmental impact statement on sustainable aviation fuel.

Sec. 3. **GENERIC ENVIRONMENTAL IMPACT STATEMENT ON SUSTAINABLE AVIATION FUEL.**

The Environmental Quality Board must order a generic environmental impact statement to review the environmental impact of the production and use of sustainable aviation fuel as defined by Minnesota Statutes, section 41A.30, subdivision 1, paragraph (g).