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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 3719

03/12/2018 Authored by Hamilton; Anderson, P.; Metsa; Sundin; Fabian and others  
The bill was read for the first time and referred to the Committee on Agriculture Policy  
03/21/2018 Adoption of Report: Re-referred to the Committee on Agriculture Finance

1.1 A bill for an act  
1.2 relating to agriculture; modifying eligibility requirements for the renewable  
1.3 chemical production incentive program; amending Minnesota Statutes 2016, section  
1.4 41A.17, subdivision 1.

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

1.6 Section 1. Minnesota Statutes 2016, section 41A.17, subdivision 1, is amended to read:

1.7 Subdivision 1. **Eligibility.** (a) A facility eligible for payment under this program must  
1.8 source at least 80 percent of the biobased content used to produce a renewable chemical  
1.9 from the state of Minnesota. If a facility is sited 50 miles or less from the state border, the  
1.10 facility must source at least 80 percent of the biobased content ~~must be sourced~~ used to  
1.11 produce a renewable chemical from within a 100-mile radius of the facility. Biobased content  
1.12 must be from agricultural or forestry sources or from solid waste. The facility must be  
1.13 located in Minnesota, must begin production at a specific location by June 30, 2025, and  
1.14 must not begin production of 750,000 pounds of chemicals quarterly before January 1, ~~2015~~  
1.15 2013. Eligible facilities include existing companies and facilities that are adding production  
1.16 capacity, or retrofitting existing capacity, as well as new companies and facilities. Eligible  
1.17 renewable chemical facilities must produce at least 750,000 pounds of renewable chemicals  
1.18 quarterly. Renewable chemicals produced through processes that are fully commercial  
1.19 before January 1, 2000, are not eligible.

1.20 (b) No payments shall be made for renewable chemical production that occurs after June  
1.21 30, 2035, for those eligible renewable chemical producers under paragraph (a).

1.22 (c) An eligible producer of renewable chemicals shall not transfer the producer's eligibility  
1.23 for payments under this section to a renewable chemical facility at a different location.

2.1 (d) A producer that ceases production for any reason is ineligible to receive payments  
2.2 under this section until the producer resumes production.

2.3 (e) Advanced biofuel production for which payment has been received under section  
2.4 41A.16, and biomass thermal production for which payment has been received under section  
2.5 41A.18, are not eligible for payment under this section.

2.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.