



## **Bioeconomy Coalition of Minnesota's 2025 Policy Platform**

The Bioeconomy Coalition of Minnesota's Policy Committee works together to advocate for policies that help the bioeconomy grow, with an emphasis on supporting Minnesota's Bioeconomy Production Incentive Program. The policy positions outlined below reflect the direction of the coalition for the 2025 legislative session, and are supported by the following members:

Amp Americas  
Clean Energy Economy Minnesota  
Conservation Minnesota  
Dovetail Partners, Inc.  
Gevo  
Highwater Ethanol, LLC  
Koda Energy  
Minnesota Bio-Fuels Association  
Minnesota Forestry Association  
Natural Resources Research Institute  
Oberon Fuels  
Partnership on Waste and Energy  
Rahr Corporation  
Sappi North America

**The Bioeconomy Coalition of Minnesota supports a fully funded Bioincentive Program so that Minnesota can fulfill its commitment to companies that have made investments in the state and so the program can continue to attract additional projects.** The Minnesota Legislature created the performance-based [Bioincentive Program](#) to encourage commercial-scale production of advanced biofuels, renewable chemicals, and biomass thermal energy. Rather than providing upfront dollars in the form of grants or loans, the program requires companies to begin producing eligible products before receiving incentive payments. Despite the program's demonstrated success at spurring investment and creating economic benefits across the state, it remains underfunded.

**The Bioeconomy Coalition of Minnesota supports sustainable aviation fuel production and use in Minnesota.** Minnesota is set to become a leader in the sustainable aviation fuel (SAF) industry. In 2023, the Minnesota Legislature created a SAF tax credit to support the production and blending of sustainable aviation fuel in the state. Later that year, Delta Air Lines, Greater MSP Partnership, Bank of America, Ecolab, and Xcel Energy launched the Minnesota SAF Hub, including plans for the first SAF blending facility in Minnesota and only the third in the United States. The state can do more to support this industry and the economic and environmental benefits it will bring to Minnesota through legislation and additional funding.

**The Bioeconomy Coalition of Minnesota supports the implementation of the recommendations from the Governor's Council on Biofuels, including implementing a clean fuel standard, supporting E-15 blending year-round, and investing in biofuel blending infrastructure.** In September 2019, Governor Walz signed Executive Order 19-35, establishing the Governor's Council on Biofuels. In November 2020, the council released



[recommendations](#) to the governor and agency leaders regarding how to foster the growth of Minnesota's biofuels industry.

**The Bioeconomy Coalition of Minnesota supports markets for wood residuals, bug-infested waste wood, and other underutilized wood.** Multiple trends are creating challenges for Minnesota's wood industries. Insect infestations like the emerald ash borer (EAB) are increasing wood waste and imposing costs on Minnesota communities. Meanwhile, faced with declining markets, mills are stockpiling wood residuals. It is critical to develop sustainable markets for waste wood to ensure the long-term health of Minnesota's forested lands and wood industries. Opportunities to increase wood utilization in the state include adopting mass timber building code provisions, converting wood waste to biochar, and creating incentives for clean fuel production.

**The Bioeconomy Coalition of Minnesota supports the development of anaerobic digestion projects in the state.** Anaerobic digestion technologies have been successful in other parts of the United States and Europe to convert organic materials into biogas. Biogas can be used on-site for electricity generation, upgraded partially for use in compressed natural gas vehicles, or upgraded to pipeline-quality renewable natural gas for sale into low-carbon fuels markets or the Renewable Fuels Standard. In each case, biogas displaces the use of conventional fuels, resulting in greenhouse gas emissions reductions.

**The Bioeconomy Coalition of Minnesota supports legislation and funding to bolster biogenic carbon reduction, reuse, and storage.** Capturing, storing, and utilizing biogenic carbon—or carbon already pulled from the atmosphere through photosynthesis and stored in plant material—presents an opportunity for not just zero-carbon but net-negative carbon energy, fuels, and products. With federal incentives supporting innovative carbon removal projects, many states will be competing for industry investments. Creating more state-level incentives would make Minnesota more attractive for investments in this innovative area. This presents an opportunity to maximize the carbon removal benefits for use of state biomass resources while promoting economic development.

**The Bioeconomy Coalition of Minnesota supports on-site biomass waste utilization for heat and electricity generation.** On-site generation of heat and electricity from biomass increases waste utilization and results in lower costs through reduced reliance on transmission infrastructure. The state can support energy production from biomass waste by providing incentives for distributed generation. This would also fill a gap left by federal incentives, which do not provide sufficient support for distributed generation.