State of Kansas House of Representatibes

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Good afternoon, Chairman Smith and members of the committee, thank you for the opportunity to discuss the benefits of passage of HB 2012. I am Ken Rahjes, Representative of the 110th District in west central Kansas and home to the Amber Wave wheat protein and ethanol plant in Phillipsburg. I also serve as chairman of the House Agriculture and Natural Resources Committee.

Renewable fuel production has a long history in this state and now is the time to move forward and increase access to E15 to our citizens and those traveling through our great state. HB 2012 will provide an incentive for fuel retailers to offer E15 and higher blends of ethanol at their facilities. An income tax credit of 5 cents per gallon of these higher blends sold by a dealer could be claimed in tax years 2026 to 2031. While it would be good to offer this credit at a larger amount, the credit would be capped at \$5 million each year.

Renewable fuels continue to make gains in efficiency and clean air and one of the great benefits to Kansans is the use of two of our key crops: corn and sorghum. This helps the cash or contracted price farmers receive for their efforts and helps with the local economies as farmers are consumers too and buy all the inputs and household items that non farmers' purchase.

Today, you will hear from experts in industry and representatives from agriculture and fuel organizations on the merits of this legislation. This bill promotes biofuels, expands markets for Kansas agriculture producers and is a good investment for Kansas.

I stand in strong support of HB 2012 and ask you pass it favorably out of this committee.

Thank you for your time, I will stand for questions at the appropriate time.

Representative Ken Rahjes