

April 1, 2021

The Honorable Eric Holcomb
Governor
Statehouse
Indianapolis, Indiana 46204-2797

RE: Please veto SB 303, an attack on Indiana biofuels

Governor Holcomb:

As the managers of Indiana ethanol plants, job creators, and champions for Hoosier energy, we ask that you immediately veto SB 303, legislation engineered to destroy demand for homegrown biofuels, made with clean energy harvested on Indiana farms.

Over the last year, the coronavirus pandemic has devastated our agricultural sector, wiping out demand for the biofuels that create a vital market for our farm suppliers. Despite these headwinds, the men and women of our industry remain hard at work, and expanded markets for higher ethanol blends like E15 have been a bright spot for the rural recovery.

Unfortunately, SB 303 would stall that recovery and threaten the income of Hoosier farmers, jobs for rural workers, and savings at the pump for Indiana motorists. Specifically, the bill would slap a new, cigarette-style warning label on E15 dispensers, sowing consumer confusion with language that conflicts with federal labels already required on each pump. The bill also creates new regulatory ambiguity, designed to discourage more stations from offering E15.

U.S. consumers have driven more than 20 billion trouble-free miles on E15, which was approved in 2011 by the Environmental Protection Agency for all light-duty vehicles Model Year 2001 and newer and all Flex Fuel vehicles. A second, confusing and disingenuous warning label is not only an assault on farmers, it exposes retailers and the state of Indiana to a potentially long and costly legal conflict with federal regulators.

As you know, Indiana is long-time leader in ethanol production. Our industry supports 15,500 Hoosier jobs and adds \$3 billion annually to the state's economy. In fact, half of all Indiana-grown corn is used for ethanol and value-added coproducts. The expansion of E15 across Indiana holds the potential to drive demand for an additional 48 million bushels of corn annually – boosting incomes for family farmers and alleviating the need for undependable farm subsidies from the federal government.

These jobs cannot be shipped overseas, and our biofuels provide consumers a vital shield against foreign manipulation in the global oil markets. In fact, where it's available, E15 saves drivers an average of 3-10 cents per gallon. Ethanol also reduces greenhouse gas emissions and displaces harmful fuel additives linked to cancer, respiratory illness, and other health risks.

We cannot allow Indiana's leadership in biofuels to be derailed by this deeply flawed proposal, which was rammed through the legislature without considering any amendments from state leaders representing biofuel producers, and without any serious consideration of the consequences. That is why we ask that you move swiftly to veto SB 303, which would destroy demand for E15 and Indiana corn. Thank you for urgent attention to this important matter.

Sincerely,

Jeremy Frerichs
Plant Manager, Andersons Clymers Ethanol, Logansport

Jeff Painter
President and CEO, Cardinal Ethanol, Union City

Ryan Drook
President and CEO, CIE, Marion

Dan Labhart
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