

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 3923

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**Version:** As introduced

**Authors:** Dorman and others

**Subject:** Ethanol producer payments

**Analyst:** Colbey Sullivan, 651-296-5047

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### Overview

This bill would restore the language authorizing the annual, open appropriation required to fully make the ethanol producer payments prescribed in statute.

*Background:* In 2003, the legislature repealed subdivision 1 of the ethanol development section (§41A.09). The repealed language provided for an annual appropriation sufficient to pay the 20¢/gallon producer payments currently required by law. After this subdivision was repealed, subsequent appropriation bills (2003-for 2004 and 2005; 2005-for 2006 and 2007), have set the producer payments at 13¢/gallon.

The House Fiscal Analysis Department defines an open appropriation as "A form of statutory appropriation where the level of funding necessary to fulfill the obligation is made available in the fiscal year."

### Section

- 1**      **Appropriation.** Restores the language repealed in 2003, adding the phrase "and grants" to account for the ethanol combustion efficiency grants added to this section in 2005.