

1.1 ..... moves to amend H.F. No. 3442 as follows:

1.2 Page 2, after line 4, insert:

1.3 "Sec. 2. Minnesota Statutes 2016, section 41A.16, subdivision 2, is amended to read:

1.4 Subd. 2. **Payment amounts; limits.** (a) The commissioner shall make payments to  
1.5 eligible producers of advanced biofuel. The amount of the payment for each eligible  
1.6 producer's annual production is \$2.1053 per MMbtu for advanced biofuel production from  
1.7 cellulosic biomass, and \$1.053 per MMbtu for advanced biofuel production from sugar  $\alpha_2$   
1.8 starch, oil, or animal fat at a specific location for ten years after the start of production.

1.9 (b) Total payments under this section to an eligible biofuel producer in a fiscal year may  
1.10 not exceed the amount necessary for 2,850,000 MMbtu of biofuel production. Total payments  
1.11 under this section to all eligible biofuel producers in a fiscal year may not exceed the amount  
1.12 necessary for 17,100,000 MMbtu of biofuel production. The commissioner shall award  
1.13 payments on a first-come, first-served basis within the limits of available funding.

1.14 (c) For purposes of this section, an entity that holds a controlling interest in more than  
1.15 one advanced biofuel facility is considered a single eligible producer.

1.16 Sec. 3. Minnesota Statutes 2016, section 41A.17, subdivision 1, is amended to read:

1.17 Subdivision 1. **Eligibility.** (a) A facility eligible for payment under this program must  
1.18 source at least 80 percent biobased content from Minnesota. If a facility is sited 50 miles  
1.19 or less from the state border, biobased content must be sourced from within a 100-mile  
1.20 radius. Biobased content must be from agricultural or forestry sources or from solid waste.  
1.21 The facility must be located in Minnesota, must begin production at a specific location by  
1.22 June 30, 2025, and must not begin production of ~~750,000~~ 250,000 pounds of chemicals  
1.23 quarterly before January 1, 2015. Eligible facilities include existing companies and facilities  
1.24 that are adding production capacity, or retrofitting existing capacity, as well as new

2.1 companies and facilities. Eligible renewable chemical facilities must produce at least ~~750,000~~  
2.2 250,000 pounds of renewable chemicals quarterly. Renewable chemicals produced through  
2.3 processes that are fully commercial before January 1, 2000, are not eligible.

2.4 (b) No payments shall be made for renewable chemical production that occurs after June  
2.5 30, 2035, for those eligible renewable chemical producers under paragraph (a).

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

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

2.10 (e) Advanced biofuel production for which payment has been received under section  
2.11 41A.16, and biomass thermal production for which payment has been received under section  
2.12 41A.18, are not eligible for payment under this section."

2.13 Amend the title accordingly