

Subject Bioincentive Program
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Overview

This bill modifies the Bioincentive Program. Under this program, the Minnesota Department of Agriculture (MDA) pays eligible entities that produce qualifying advanced biofuels, renewable chemicals, or biomass thermal energy.

H.F. 3913 would retroactively change program eligibility criteria, authorize entities that received partial payment to reapply to MDA for deficiency payments, appropriate money to MDA to award these deficiency payments, and establish an ongoing annual appropriation of up to \$15 million/year for bioincentive payments in each of fiscal years 2022 through 2036.

Summary

Section	Description
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1	Eligibility.
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Retroactively modifies eligibility criteria for advanced biofuel producers. Provides that an eligible facility must begin production by December 31, 2022. Under current law, this date is June 30, 2025. Authorizes MDA to award deficiency payments to eligible producers until MDA has paid the full amount of the producer's original claim(s).

Effective date: Effective retroactive to January 1, 2020, and applicable to claims filed with MDA after that date.

2	Payment amounts; limits.
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Retroactively authorizes advanced biofuel producers to reapply to MDA for deficiency payments until MDA has paid the full amount of the producer's original claim(s), subject to the availability of funding appropriated by the legislature for unpaid claims.

Section	Description
	<p>Effective date: Effective retroactive to January 1, 2020, and applicable to claims filed with MDA after that date.</p>
3	<p>Eligibility.</p> <p>Retroactively modifies eligibility criteria for renewable chemical producers. Provides that an eligible facility must begin production by December 31, 2022. Under current law, this date is June 30, 2025. Authorizes MDA to award deficiency payments to eligible producers until MDA has paid the full amount of the producer’s original claim(s).</p> <p>Effective date: Effective retroactive to January 1, 2020, and applicable to claims filed with MDA after that date.</p>
4	<p>Payment amounts; bonus; limits.</p> <p>Retroactively authorizes renewable chemical producers to reapply to MDA for deficiency payments until MDA has paid the full amount of the producer’s original claim(s), subject to the availability of funding appropriated by the legislature for unpaid claims.</p> <p>Effective date: Effective retroactive to January 1, 2020, and applicable to claims filed with MDA after that date.</p>
5	<p>Eligibility.</p> <p>Retroactively modifies eligibility criteria for biomass thermal energy producers. Provides that an eligible facility must begin production by December 31, 2022. Under current law, this date is June 30, 2025. Authorizes MDA to award deficiency payments to eligible producers until MDA has paid the full amount of the producer’s original claim(s).</p> <p>Effective date: Effective retroactive to January 1, 2020, and applicable to claims filed with MDA after that date.</p>
6	<p>Payment amounts; bonus; limits; blending.</p> <p>Retroactively authorizes biomass thermal energy producers to reapply to MDA for deficiency payments until MDA has paid the full amount of the producer’s original claim(s), subject to the availability of funding appropriated by the legislature for unpaid claims.</p> <p>Effective date: Effective retroactive to January 1, 2020, and applicable to claims filed with MDA after that date.</p>

Section	Description
7	<p data-bbox="316 262 511 300">Appropriation.</p> <p data-bbox="316 310 1430 422">Appropriates \$7 million in the current fiscal year for unpaid claims, to be awarded by MDA no later than June 30, 2022. Appropriates up to \$15 million/year in fiscal years 2022 through 2036 for bioincentive producer payments.</p> <p data-bbox="316 457 1079 491">Effective date: Effective the day following final enactment.</p>



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