



**Ohio House Ways & Means Committee
Proponent Testimony | House Bill 324
Michael Walz Representing the Ohio Ethanol Producers Association
December 12, 2023**

Chairman and distinguished committee members, thank you for the opportunity to testify in support of House Bill 324. I'm Michael Walz, vice president of public affairs for POET, the world's largest biofuel company and largest member of the Ohio Ethanol Producers Association.

Each year, Ohio grows over 200 million bushels of corn to produce nearly 600 million gallons of ethanol – adding more than \$2 billion of value to Ohio's economy. We also produce animal feed, corn oil, CO₂, dry ice, industrial-grade alcohol, hand sanitizer, and a growing number of renewable co-products.

Generally, each gallon of gasoline sold in Ohio includes at least 10% ethanol, or E10. In 2011, the EPA approved E15 – with 15% ethanol – for use in all cars, trucks, and SUVs model year 2001 and newer and all flex-fuel vehicles. This represents more than 96% of all light-duty vehicles, and 98% of all vehicle miles traveled. Since it was introduced, Americans have traveled more than 90 billion miles on E15 without a single reported case of engine damage or misfueling. And almost every car manufacturer, including Honda in Ohio, now warrants their new liquid-fueled vehicles for E15.

Ohio is one of the largest corn and ethanol-producing states but ranks eleventh in retail access to E15, with just 87 locations statewide. States like Minnesota, Wisconsin, and Iowa have hundreds more. House Bill 324 can help change that.

House Bill 324 provides a five-cent per gallon tax credit to Ohio fuel retailers on each gallon of E15 sold. The incentive is temporary, non-refundable, non-transferable, and capped at \$10 million. It's targeted to retail businesses, not ethanol producers, and does not impact state revenue from fuel taxes.

Last summer, Americans saved an average of 15 cents per gallon with E15 compared to E10, with savings reaching 40 cents per gallon at some stations here in Ohio. Unfortunately, Ohioans can only access these savings at a limited number of retailers where E15 is sold. House Bill 324 will expand E15 offerings and opportunities for Ohioans to save money each time they fill up.

House Bill 324 will also ensure more of the money we spend getting where we need to go stays in Ohio. Increasing access to E15 will lift farm incomes, generate more state and local tax revenues, and grow capital investments across the state.

With rising gasoline prices, higher inflation, and mounting conflicts overseas, harnessing more homegrown biofuels makes sense. E15 will save families from unpredictable gas price spikes, expand dependable domestic markets for our farmers, and strengthen Ohio's energy security.

E15 can also reduce emissions and improve public health by displacing harmful fuel additives, like BTEX, linked to cancer, respiratory illness, and numerous health risks.

With your support, more Ohioans will have the opportunity to choose the right fuel for them and, at the same time, save money and grow our economy. The Ohio Ethanol Producers Association respectfully requests your support of House Bill 324.