

**Fiscal Note**

**2023-2024 Legislative Session**

**HF4322 - 0 - Sustainable Aviation Fuel Definition Modified**

Chief Author: **Samantha Vang**  
 Committee: **Agriculture Finance And Policy**  
 Date Completed: **3/7/2024 9:05:12 AM**  
 Agency: **Agriculture Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

<b>State Cost (Savings)</b>	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

<b>Full Time Equivalent Positions (FTE)</b>	Biennium			Biennium		
		FY2023	FY2024	FY2025	FY2026	FY2027
<b>Total</b>	-	-	-	-	-	-

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Chloe Burns    **Date:** 3/7/2024 9:05:12 AM  
**Phone:** 651-297-1423    **Email:** chloe.burns@lbo.mn.gov

**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		Biennium			Biennium	
Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027	
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-
<b>2 - Revenues, Transfers In*</b>						
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

**Bill Description**

This bill is a technical correction modifying the definition of Sustainable Aviation Fuel (SAF) in Minnesota Statutes 41A.30. This technical correction adds gaseous carbon oxides derived from biomass or direct air capture, and green electrolytic hydrogen as SAF feedstocks.

**Assumptions**

MDA assumes there will not be additional costs to the agency to administer the Sustainable Aviation Fuel Tax Credit because of the technical correction. In 2023, the Legislature appropriated \$7.4 million in fiscal year 2025, \$2.1 million in fiscal year 2026 and \$2.1 million in fiscal year 2027 for SAF tax credits. The Commissioner of Agriculture must allocate tax credit certificates on a first-come, first-served basis. MDA assumes that there will be no change to the total dollar value of SAF tax credit certificates issued as a result of the technical correction.

**Expenditure and/or Revenue Formula**

NA

**Long-Term Fiscal Considerations**

NA

**Local Fiscal Impact**

NA

**References/Sources**

NA

**Agency Contact:** Megan Lennon 651-201-6238

**Agency Fiscal Note Coordinator Signature:** Julie Sis

**Phone:** 651-201-6412

**Date:** 3/7/2024 8:24:02 AM

**Email:** julie.sis@state.mn.us