



March 29, 2022,

Dear Members of the House Climate and Energy Finance and Policy Committee,

We are writing today to share the results of Center of the American Experiment's latest research report, *Gas Station Inflation: How the Walz Administration's "Clean Fuel Standard" Would Increase Pain at the Pump*. This policy would be implemented by [House File 2083](#), which is being heard in committee.

American Experiment requested the opportunity to testify this morning and present the findings of our research during this hearing, but we were not allowed to do so. Members can read the entire study by [clicking here](#) or finding the attached report.

Gas Station Inflation details the high costs and immeasurably small benefits that a Clean Fuel Standard, which originated in California, would impose on Minnesota families and businesses. The California Fuel Standard (CFS) creates a government mandate to reduce greenhouse gas emissions from the fuel sector every year. These emissions reductions would come at a high cost.

Research from Stillwater Associates determined the CFS would cause the cost of gasoline and diesel fuel to increase by 20 cents per gallon in the near term and up to 54 cents per gallon by 2035. The CFS would force the average Minnesota household to spend an additional \$210 to \$570 per year, every single year at the pump.

These cost increases will harm rural families, single-parent households, and new arrivals to Minnesota the most because they already spend a higher portion of their budgets on energy costs than more affluent households. It is also important to note that none of the additional costs imposed on Minnesota families will pay for upgrading our roads and bridges.

Despite the high costs, the CFS will deliver zero measurable environmental benefits. The CFS seeks to reduce greenhouse gas emissions from Minnesota's transportation sector by 20 percent by 2035. However, this reduction would only decrease future global temperatures by 0.0002° C by 2100, an amount so small it is impossible to measure with even the most sophisticated scientific equipment.

In summary, our research finds that this policy is all pain and no gain for Minnesota.

Please do not hesitate to contact us if you have any questions.

Best regards,

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