

**Subject** Payments to bioindustrial facilities

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## Summary

This bill makes a onetime appropriation of \$18,000,000 in fiscal year 2027 to make payments to businesses that made investments in bioindustrial facilities beginning before June 30, 2025. To be eligible, the bioindustrial facilities must produce advanced biofuels, renewable chemicals, and biomass thermal energy or production. To be considered an “advanced biofuel” the biofuel must have 50 percent less greenhouse gas emissions than petroleum-based fuel and cannot be derived from corn starch (the most common source of ethanol). It directs the commissioner of employment and economic development to begin accepting applications for these payments on September 1, 2026, from existing bioindustrial facilities and to make payments to those that received funding under specific statutes prior to January 31, 2026. The amount of the payment is tied to the amount claimed on or before July 31, 2026, and unpaid as of August 15, 2026. The money for this appropriation comes from canceling part of a prior appropriation from the Minnesota forward fund that provided matching funds for projects funded under the federal Chips and Science Act. The appropriation is kept available until the end of fiscal year 2027.