



## Michigan Agri-Business Association

March 14, 2024

Members of the Michigan Senate Energy and Environment Committee,

I am writing on behalf of the Michigan Agri-Business Association (MABA), a nonprofit trade association representing nearly 300 businesses spanning the agricultural value chain. We strongly support Senate Bill (SB) 447, which will help drive long-term economic opportunity for Michigan farmers, rural businesses and rural communities.

Michigan agriculture has a strong entrepreneurial spirit and desire to remain at the “cutting edge” of global demand for food and fuel. The industry’s leadership on clean fuels goes back decades, and today’s agriculture sector is proud to leverage new innovation and technology to deliver a wide range of climate solutions. As we look to the future, it’s clear Michigan agriculture is positioned to help advance Sustainable Aviation Fuels (SAF). We also know this is an incredible new economic opportunity. These advanced, sustainable fuels are a top priority for aviation industry end users, with worldwide SAF demand on track to increase to \$26 billion by 2030, an increase of over 60% in this decade alone. For our Michigan agriculture industry, that increase in demand for SAF translates to new demand for Michigan-grown crops.

Michigan farmers and rural businesses are ready to meet the opportunity. By positioning Michigan to meet expanding market demand for SAF, SB 447 positions agriculture for future success as well. As written, SB 447 creates a common-sense credit structure to incent the purchase, production and blending of SAF. MABA supports this effort because SAF production and new demand for it will have a direct impact on our state’s agricultural economy, and our rural business members. Farmers’ economic success benefits businesses of all kinds that support them, including grain handlers; ag retailers that supply seed, crop nutrients and technology; logistics and professional services providers; and beyond.

New demand for Michigan-grown crops strengthens farms and rural businesses – and SB 447 will benefit Michigan agriculture in this regard. Several other states have already taken steps to incent SAF production and it’s critical Michigan not be left out of this rapidly-emerging economic opportunity. I appreciate members of the Committee for considering this important legislation. Please do not hesitate to contact me if you have questions.

Sincerely,

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