



**MICHIGAN SOYBEAN  
PROMOTION COMMITTEE**

**a new release**



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## **SOYBEAN GROWERS PLEASSED AS GOVERNOR SIGNS ALTERNATIVE FUEL LEGISLATION INTO LAW**

With rising fuel prices and no end in sight, Governor Jennifer Granholm took matters into her hands on Friday as she signed legislation that will benefit additional use of biodiesel and ethanol across Michigan. A package of seven bills was passed in both the House and Senate over the past month that create varying opportunities for more renewable fuels use right here in Michigan. Specifically, one of the laws will temporarily reduce the tax to the consumer on fuel containing at least 5% biodiesel by 3 cents down to 12 cents from 15 cents. Other legislation signed by the Governor includes the creation of ten renaissance zones aimed at boosting the number of renewable energy facilities in Michigan.

Under the bills signed into law, the state will install fueling infrastructure at its motor transport facilities so state vehicles able to use the fuels have easy access. All facilities selling alternative fuels will have to register with the state.

Granholm said, "The state that put the world on wheels will be the state that makes those wheels independent of foreign oil ... it is essential that we make biodiesel and ethanol products more widely available to encourage their use."

A Renewable Fuels Commission would also be created in the Department of Agriculture to recommend strategies for the promotion of biodiesel and other renewable fuels, as well as efforts to promote alternative fuel research. The Michigan Strategic Fund will administer matching grant programs to help encourage incentives to service stations and bulk fuel plants to stock and sell alternative fuels, including biodiesel.

Representative Neal Nitz, (R-Baroda), who led the alternative fuel package effort in the House, said the legislation will push Michigan into being a leader in the field. "Renewable fuels can make a difference for Michigan's economic recovery and will impact the expansion of our \$60 billion agriculture industry," he said. "This is the first step in providing renewable means to energy solutions and will decrease our dependence on foreign oil."

Michigan is looking forward to having at least two biodiesel refineries operating in Michigan yet this summer. These include Ag Solutions in Gladstone, located north of Escanaba in Michigan's Upper Peninsula, and Michigan Biodiesel, LLC at their new built refinery in Bangor, Michigan.

“Our producers of soybeans certainly look forward to the future that awaits them with the marketing and increased demand of soybeans for biodiesel across this state and the nation,” said Gail Frahm, Executive Director, Michigan Soybean Promotion Committee.

Michigan Soybean Promotion Committee is a farmer led organization representing farmers across the state on their investments into the soybean checkoff. Soybean promotion, research, and educational efforts are undertaken by this board to help create profit opportunities for Michigan’s soybean farmers. One such area of investment has been into the promotion and research of soy biodiesel. For more information on biodiesel or checkoff investments in Michigan, contact the Michigan Soybean Promotion Committee at [www.michigansoybean.org](http://www.michigansoybean.org).

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### **From Gongwer: GRANHOLM SIGNS ALTERNATIVE FUEL PACKAGE**

Alternative fuels in the state would temporarily be taxed 7 cents cheaper than regular fuel and 10 renaissance zones aimed at boosting the number of renewable energy facilities would be created under legislation signed by Governor Jennifer Granholm on Friday.

Signed were [SB 1074](#), PA 268; [SB 1075](#), PA 269; [SB 1078](#), PA 270; [SB 1079](#), PA 271; [HB 5181](#), PA 272; [HB 5752](#), PA 273 and [HB 5754](#), PA 274.

Under the signed legislation, the state would also install fueling infrastructure at its motor transport facilities so that state vehicles able to use the fuels have easy access. All facilities selling alternative fuels would also have to register with the state.

A Renewable Fuels Commission would also be created in the Department of Agriculture to recommend strategies in the promoted use of ethanol and other renewable fuels, as well as efforts to promote alternative fuel research. And the Michigan Strategic Fund would administer matching grant programs to help encourage incentives to service stations and bulk fuel plants to stock and sell alternative fuels.

"The state that put the world on wheels will be the state that makes those wheels independent of foreign oil," Granholm said. "As more E-85 and flex fuel vehicles are produced by the Big Three automakers, it is essential that we make biodiesel and ethanol products more widely available to encourage their use."

Rep. Neal Nitz (R-Baroda), who led the alternative fuel package effort in the House, said the legislation will push Michigan into being a leader in the field.

"Renewable fuels can make a difference for Michigan's economic recovery and will impact the expansion of our \$60 billion agriculture industry," he said. "This is the first step in providing renewable means to energy solutions and will decrease our dependence on foreign oil."

And Sue Cischke, vice president of Ford Environment and Sustainability, said the legislative package is an important step toward wider access of alternative fuels. "We are increasing our commitment to produce flexible fuel vehicles that can run on ethanol (E85) and this legislation will support development of retail fuel outlets for our customers."