

January 26, 2022

Secretary James Kenney New Mexico Environment Department PO Box 5469 Santa Fe, NM 87502

Dear Secretary Kenney,

I write on behalf of the Biotechnology Innovation Organization (BIO) – the world's largest biotechnology focused trade group with members that produce agricultural, environmental, industrial, and health care products - to express strong support for the New Mexico Senate Bill 14, the Clean Fuel Standard (CFS) Act.

SB 14 will spur investments in clean fuel technology in the state, generating new businesses, creating jobs, and growing the state's economy. Specifically, a New Mexico CFS will reinvigorate investment in the state's agriculture sector – especially dairy producers – and the forest product industry. The wood products sector has experienced declines in overall investment and revenue, but the CFS will increase demand for woody biomass to use in biofuels, including sustainable aviation fuels.

A New Mexico CFS will reduce the environmental impact of the state's transportation sector by reducing greenhouse gas emissions. In 2018, 14% of New Mexico's greenhouse gas emissions were attributed to transportation. Reducing emissions from the transportation sector is achievable by focusing on fuels. It is estimated that SB14 will protect both public health and the environment, by reducing an estimated 65 million metric tons of greenhouse gases by 2040. In the first three years of the Oregon CFS, approximately 3.1 million tons of greenhouse gases were reduced at a compliance cost of less than 3 cents per gallon of fuel.

SB 14 is an important piece of legislation that can invigorate New Mexico's energy economy, protect the environment, combat climate change, and establish New Mexico's leadership in a national transition to clean fuels. For the above and many other reasons BIO applauds your leadership and that of Governor Michelle Lujan Grisham for spearheading SB 14 and we look forward to working with you to implement this groundbreaking legislation.

I appreciate your time and urge you to contact me at <u>gharrington@bio.org</u> or 202-365-6436 if you have any questions.

Sincerely,

Gene Harrington Director, State Government Affairs, Agriculture & Environment