



March 9, 2023

To: House Economic Matters Committee

From: Horizon Farm Credit

Bill: **HB 718 Renewable Energy Portfolio Standards - Eligible Sources**

Position: **OPPOSED**

Horizon Farm Credit is a member-owned cooperative supporting rural communities and agriculture with reliable, consistent credit and financial services throughout our five-state lending territory in good times and bad. With over \$6 billion dollars in loans outstanding to nearly 23,000 member-owners representing the full range of agriculture, we are one of the largest agricultural lenders on the East Coast.

HB718 would prohibit poultry litter, animal manure, and biomass materials from being considered Tier I renewable energy sources and remove them altogether from the State's Renewable Energy Portfolio Standards (RPS). If adopted, this could significantly curtail the efficient and beneficial use of such agricultural and silvicultural by-products.

Although applied to the land according an approved nutrient management plan remains the most efficient and ideal use of poultry litter and most animal manures, some farms utilize anaerobic digesters to create another valuable use of these materials – energy generation. Others continue to collaborate with scientists and universities to find viable and innovative methods to create energy from poultry litter.

In an ideal setup, farmers can generate renewable electricity from the manure or litter and the material resulting from the process can still be used as a soil amendment for crop uptake or animal bedding. Recycling at its finest.

HB 718 will reduce the ability for agriculture and forestry operations to utilize their by-products in a beneficial manner by eliminating the demand spurred in part by the RPS.

Horizon Farm Credit OPPOSES HB 718.

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