

The Honorable Kim Reynolds

Governor of the State of Iowa Office of the Governor 1007 East Grand Avenue Des Moines, IA 50319

Tuesday, May 13, 2025

RE: Veto Request for House File 639

Dear Governor Reynolds,

On behalf of the American Carbon Alliance and our members across the agricultural, energy, and rural development sectors, I respectfully urge you to veto House File 639.

This legislation threatens to derail one of the most promising economic opportunities available to rural Iowa: carbon capture and sequestration (CCS). While the bill's intentions may be debated, its effect is clear — it sends a chilling message to farmers, ethanol producers, and rural communities working hard to grow Iowa's economy and remain globally competitive.

Carbon capture is not just an advancement in technology — it is a gateway to new markets, new investments, and new hope for farmers struggling with stagnant demand and declining incomes. With CCS, Iowa's ethanol plants can access the rapidly growing market for sustainable aviation fuel — a potential 100-billion-gallon opportunity — and drive billions of bushels of new demand for Iowa corn. Without it, those opportunities will go elsewhere.

Farmers want markets, not mandates. Today, the majority of landowners along these projects have voluntarily signed on because they see the long-term benefits for their communities and their children. House File 639 would strip them of that opportunity.

Iowa is known as a national leader in agriculture and renewable energy. If we embrace CCS, we secure a brighter future for rural Iowa, protect and grow jobs, and unleash President Trump's energy agenda here at home. But if we turn away, we risk falling behind our global competitors and watching more ethanol plants shutter, more jobs disappear, more farmers struggling, and more rural main streets go dark.

At the same time, we recognize that Iowans deserve a fair, transparent permitting process. We would support a comprehensive review of Iowa's current permitting system — a "DOGE-style" review focused on modernizing outdated rules, expanding public input, and aligning state policy with today's economic and energy realities.

Governor Reynolds, you have long been a champion for agriculture, energy, and rural communities. We respectfully ask you to continue that leadership by vetoing House File 639 and keeping Iowa open for investment, innovation, and growth.

Sincerely,

Thomas Bris

Tom Buis

CEO, The American Carbon Alliance