



AGRIBUSINESS ASSOCIATION OF IOWA

TAKE FIVE

A five-minute summary of industry activities for members of the largest state agribusiness association in the nation.

April 23, 2010

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Grassley, Conrad Work to Extend Ethanol Tax Incentives

Senators Chuck Grassley (R-IA) and Kent Conrad (D-ND) are urging the Senate to act on legislation they introduced this week to strengthen America's energy independence and create jobs through the production of domestically produced biofuels.

The bipartisan bill would extend, through 2015, the volumetric ethanol excise tax credit, or VEETC, which is also known as the blenders' credit; the small ethanol producers tax credit; the cellulosic producers tax credit; and the ethanol import tariff.

The senators said that extension of these policies is the right thing to do because biofuels offer an alternative to foreign oil and generate economic activity in the United States. Today, ethanol comprises nearly 10 percent of the U.S. fuel supply. Ethanol produced in the Midwest replaces oil from Saudi Arabia, Venezuela and Nigeria. Ethanol is good for rural economies, and a recent study found that the failure to extend the VEETC credit and the secondary tariff would result in the loss of 112,000 jobs nationwide and reduce ethanol production by nearly 40 percent. Iowa would lose the most jobs at nearly 30,000.

Grassley said the lapse of the separate tax credit for biodiesel, which expired at the end of 2009, has cost 29,000 clean-energy jobs and put 23,000 more at risk. "We can't risk a repeat performance with ethanol, where 112,000 jobs are at stake." Of the ethanol tariff, Grassley said, "the United States already pro-

vides generous duty-free access to imported ethanol under the Caribbean Basin Initiative, but the CBI cap has never once been fulfilled. In fact, last year, only 25 percent of it was even used by Brazil and other countries."

Grassley and Conrad are longtime advocates for tax incentives for biofuels such as ethanol and biodiesel.

The bill they introduced – the Grow Renewable Energy from Ethanol Naturally Jobs Act of 2010, or the GREEN Jobs Act of 2010, S.3231 -- is cosponsored by Senators Tom Harkin (D-IA), John Thune (R-SD), Ben Nelson (D-NE), Mike Johanns (R-NE) and Tim Johnson (D-SD). The bill would extend the current \$.45 per gallon VEETC and the \$.10 per gallon Small Ethanol Producers Tax Credit for five years, through the end of 2015. VEETC and the Small Ethanol Producers Tax Credit are currently set to expire on December 31, 2010. In addition, the bill extends the \$1.01 per gallon Cellulosic Biofuel Producer Tax Credit for three years, through the end of 2015. The Cellulosic Biofuel Producer Tax Credit is currently set to expire on December 31, 2012. In addition, the GREEN Jobs Act of 2010 would extend the ethanol tariff for 5 years, through the end of 2015. The tariff is currently set to expire on December 31, 2010.

Companion legislation was introduced in the House of Representatives by Rep. Earl Pomeroy (D-ND) and Rep. John Shimkus (R-IL).

Comprehensive Safety Assessment 2010 and the Impact on Shippers

This summer, the Federal Motor Carrier Safety Administration (FMCSA) will roll out its "Comprehensive Safety Assessment 2010" (CSA 2010) initiative to improve trucking safety on America's highways. With CSA 2010, the Federal Motor Carriers Safety Administration together with state partners and industry will work to further reduce commercial motor vehicle crashes, fatalities, and injuries on our Nation's highways.

On April 29th, at 2:00 p.m. EDT the Agricultural Retailers Association (ARA) will host a live, free webinar titled: "CSA 2010, The Impact on Shippers", exploring how CSA 2010 will affect the motor carrier industry and how this major safety initiative will impact shippers.

Ms. Annette Sandberg and Mr. Gary Woodford will

lead this important educational webinar. Ms. Sandberg served as the Administrator of the FMCSA during the previous Administration, having also served as the Deputy Administrator of both the FMCSA and the National Highway Traffic Safety Administration at the US Department of Transportation. Among other achievements in her career in safety and law enforcement, Ms. Sandberg was Chief of the Washington State Patrol for six years. Mr. Gary Woodford is the Program Manager at FMCSA for the CSA2010 initiative. Prior to leading this high priority initiative, Mr. Woodford led the FMCSA team that developed the Hours-of-Service rulemaking in 2005.

Register at:

<https://www2.gotomeeting.com/register/627426994> or go to <http://www.aradc.org>.

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"Nurturing Iowa Agriculture"

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AAI Membership Value

WHO-TV 13 and AAI are Working Together to Increase Agribusiness News Across the State

The Agribusiness Association of Iowa exists to advocate, communicate and educate on behalf of the professional agribusiness industry. The education component of AAI's mission statement is two-fold; inform our members of the latest regulations and industry happenings, and educate the public about the importance of Iowa's agriculture industry and clear their misconceptions. Reaching out the general public has proved to be a very difficult task, which is why AAI is very excited to announce an unprecedented opportunity.

The Agribusiness Association of Iowa is now producing two daily, three minute Agribusiness Report segments that air on WHO-TV 13. The report will cover markets, market analysis, agribusiness news, etc. and is anchored by Ken Root. The Iowa AgriBusiness reports air at 5:50 a.m. during Today in Iowa and at 12:50 p.m. during the Channel 13 News at Noon. The daily reports and additional agribusiness news can also be found on TV-13's website at: www.whotv.com/news/agriculture/.

"This isn't news just for farmers," explains WHO-TV President and General Manager Dale R. Woods. "This will be information that impacts a significant and important sector of Iowa's economy with tentacles to many others. We are fortunate to have the incredible agri-

cultural and broadcast experience of Ken Root to condense and make sense from the volume of information."

"This is an unprecedented opportunity for Iowa agriculture," said Mark Reisinger, AAI CEO. "Not only do we have the opportunity to inform the ag industry as a whole, but we also have the ability to clear misconceptions held by the general public."

Through the daily show, WHO-TV 13's DTV channel and their website, this new endeavor has the ability to reach people in Central Iowa, across the state and nation.

Critical analysis and feedback is important to tailor the TV segments to Iowa's agribusiness audience. Please email Ken Root (ken.root@agribiz.org) or Laura Sinnwell (laura@agribiz.org) with any input or programming ideas.

AAI also has the opportunity to place advertisers and sponsors following the Agribusiness Reports and on WHO-TV's website. If you would like additional information regarding advertising, please contact the AAI office at 515.262.8323 or email Laura Sinnwell at laura@agribiz.org.

Upcoming AAI Committee Meetings & Events

- Grain Committee Meeting: May 4, 2010, 10:00 am - 2:00 pm, AAI Office, Des Moines, IA
- Feed & Livestock Committee Meeting: May 18, 2010, 10:00 am - 2:00 pm, AAI Office, Des Moines, IA
- Legislative Committee Meeting: June 1, 2010, 10:00 am - 2:00 pm, AAI Office, Des Moines, IA

For additional information and to view more upcoming events, go to the AAI website at www.agribiz.org for.

Initial Notification Deadline Approaching for Feed Manufacturers Handling Materials Containing Chromium and Manganese

The Environmental Protection Agency (EPA) on Jan. 5 issued its final regulations under the Clean Air Act governing emissions of chromium and manganese from feed and feed ingredient manufacturers.

EPA issued the regulations to comply with the Clean Air Act (CAA), which requires EPA to identify at least 30 hazardous air pollutants that pose the greatest threat to public health in the largest number of urban areas. In response, EPA has identified chromium and manganese as hazardous air pollutants. Further, it has determined that feed and feed ingredient manufacturers, based upon the agency's reporting records, represent an industry source category that contributes to 90 percent of the emissions of chromium and manganese.

The final rule requires that covered facilities comply with notification, reporting and recordkeeping requirements. **Facilities are required by May 5, 2010 to provide initial notification** to EPA that they handle chromium and manganese at levels equal to or exceeding the threshold level, and hence are subject to

the regulations. The initial notification is to include: 1) the name, address, phone number and email address of the owner and operator; 2) the address (physical location) of the facility; 3) an identification of the air emission regulation for which notification is being provided; and 4) a brief description of the facility's operation.

If a facility ceases to use materials that contain manganese or chromium after Jan. 5, 2010, the facility is to submit a notification to EPA that includes: 1) the company's name and address; and 2) a statement by a responsible company official indicating that the facility no longer uses materials that contain chromium or manganese. This statement also should include the date when the facility ceased to use materials that contain chromium or manganese, and the responsible company official's name, title, phone number, email address and signature.

Attached are: 1) a recently issued EPA brochure on the rule; and 2) a sample EPA-issued form that may be used for the initial notification.