

SENATE RESOLUTION NO. 9

BY BARTZ, BOETTGER, BLACK of Kossuth, RENSINK,
KIBBIE, JUDGE, BEHN, FINK, HEDGE, and BORLAUG

A Concurrent Resolution to request that the Congress of
the United States maintain and renew its commitment
to America's corn growers and this nation's ethanol
industry by supporting a tax exemption and by taking
other actions to increase this nation's commitment to
the production and use of ethanol.

WHEREAS, this nation is dependent upon the
consumption of ever-diminishing domestic crude oil
reserves with the United States annually importing
foreign petroleum which accounts for 54 percent of the
nation's petroleum consumption and contributes to the
nation's serious trade deficit; and

WHEREAS, a significant amount of this nation's air
pollution is caused by vehicles, emitting a variety of
petroleum-based pollutants, including benzene and
other aromatics, nitrous oxides, particulate matter in
the form of smoke and soot, carbon monoxide, and
carbon dioxide; and

WHEREAS, the state of Iowa ranks as a preeminent
agricultural state, leading the nation in the
production of corn; and

WHEREAS, the processing of corn into ethanol adds
value to this nation's abundant corn crop, increasing
net farm income, creating employment opportunities,
increasing state and federal tax receipts, reducing
this nation's dependence upon foreign nations, and
reducing the federal trade deficit; and

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1 WHEREAS, in 1996 ethanol production contributed
2 \$1.9 billion to Iowa's economy, affected the
3 employment of 13,250 Iowans, and increased the value
4 of Iowa's corn crop by \$335 million; and

5 WHEREAS, ethanol provides competition in fuel
6 markets and expands consumers' choice of motor fuels
7 which has resulted in a 45 percent market share in the
8 state of Iowa; and

9 WHEREAS, motor fuel that includes only a 10 percent
10 blend of ethanol contains 3.5 percent oxygen, which
11 enhances octane levels and provides more oxygen for
12 fuel combustion resulting in reduced levels of
13 hazardous emissions such as carbon monoxide and which
14 provides Americans with healthier air to breathe; and

15 WHEREAS, the United States Congress in supporting
16 the need to reduce this nation's dependence upon
17 foreign petroleum, to provide additional markets for
18 domestic corn, to protect the public health, and to
19 preserve the nation's environment, has traditionally
20 encouraged ethanol production and consumption; and

21 WHEREAS, long-standing bipartisan congressional
22 support for the ethanol industry is reflected by the
23 5.4 cent federal tax exemption applicable to gasoline
24 formulated using clean burning ethanol; and

25 WHEREAS, the federal tax exemption, currently
26 scheduled to expire on December 31, 2000, is subject
27 to attack by certain members of the current session of
28 the 105th Congress of the United States, as manifested
29 by H.R. 161 introduced by United States Representative
30 Phil English and H.R. 587 introduced by United States

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1 Representative Ken Bentsen, both supported by United
2 States Representative Bill Archer serving as the
3 Chairman of the House Ways and Means Committee; NOW
4 THEREFORE,

5 BE IT RESOLVED BY THE SENATE, THE HOUSE OF
6 REPRESENTATIVES CONCURRING, That the general assembly
7 encourage the Congress of the United States to resist
8 all efforts to diminish its traditional support of
9 corn growers and the ethanol industry.

10 BE IT FURTHER RESOLVED, That the Congress of the
11 United States renew this nation's commitment to the
12 ethanol industry, including by continuing its support
13 of the federal ethanol tax exemption, increasing its
14 commitment to this environmentally benevolent
15 renewable fuel, and taking other actions to increase
16 this nation's commitment to the production and use of
17 ethanol.

18 BE IT FURTHER RESOLVED, That copies of this
19 Resolution be sent by the Secretary of the Senate to
20 the President of the United States.

21 BE IT FURTHER RESOLVED, That copies of this
22 Resolution be sent by the Secretary of the Senate to
23 the President of the Senate of the United States; the
24 Speaker of the House of Representatives of the United
25 States; the majority and minority leaders of the
26 United States Senate; and the majority and minority
27 leaders of the United States House of Representatives.

28 BE IT FURTHER RESOLVED, That copies of this
29 Resolution be sent by the Secretary of the Senate to
30 the chairmen and ranking members of the United States

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1 Senate Committee on Agriculture, Nutrition, and
2 Forestry; the United States Senate Committee on
3 Commerce, Science, and Transportation; the United
4 States Senate Committee on Finance; the United States
5 Senate Committee on Energy and Natural Resources; the
6 United States House of Representatives Committee on
7 Agriculture; the United States House of
8 Representatives Committee on Ways and Means; the
9 United States House of Representatives Committee on
10 Transportation and Infrastructure; and the United
11 States House of Representatives Committee on
12 Resources.

13 BE IT FURTHER RESOLVED, That copies of this
14 Resolution be sent by the Secretary of the Senate to
15 Iowa's congressional delegation.

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