

Corn Farmers Value Governor's Leadership

JEFFERSON CITY, MO.

Facing tough decisions with a shrinking state budget, Gov. Jay Nixon reaffirmed his strong support for agriculture and Missouri's farmer-owned ethanol cooperatives during his State of the State address. A testament of his commitment to rural farm families, the newly elected governor called for full funding of the Missouri Qualified Fuel Ethanol Producer Incentive Fund.

"We appreciate the wisdom shown by Gov. Nixon in recognizing the farmer's role in rebuilding today's grim economy," said Missouri Corn Growers Association (MCGA) President Mike Geske, a corn producer from Matthews, Mo. "Now is not the time to cut a program that generates additional state revenue, creates jobs and stimulates the state's economy."

According to information recently provided to the Joint Committee on Legislative Research, the economic returns provided to the state from ethanol cooperatives are sizable and significant. Based on the amount of capital invested and employment estimates for Missouri's six established ethanol facilities, the University of Missouri's Economic and Policy Analysis Research Center estimates "the cumulative, present value impact" of Missouri's ethanol industry to be \$2.057 billion over 25 years.

This positive return on investment hinges on

whether or not ethanol plants can survive today's challenging economic environment. Like the banking and auto industries, many of today's newest biorefineries are struggling to stay in production. Limited access to capital, speculator-driven corn markets in 2008 and dramatically deflating oil prices converged to create a difficult business climate for ethanol plants across the country.

"Fully funding the ethanol producer incentive fund fulfills a promise made to thousands of farm families who willingly assumed the risk to build our state's only refining capacity," said Geske. "The governor's recommendation for full funding of incentive funds is the first step in the budget process. These recommendations will now be brought before members of the House and Senate for consideration, debate and final decision. We anticipate strong support from the General Assembly and look forward to working with them as they move through this process."

Incentive funds are only available to majority farmer-owned ethanol plants for the first five years of production. Four of the six Missouri ethanol plants currently qualify for funding through this economic development program.

Visit www.mocorn.org to learn more about the many benefits of Missouri's growing corn and ethanol industries. Δ



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