



## MISSOURI SENATE

JEFFERSON CITY

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# THE CAUTHORN REPORT

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### ***New Study Proves Ethanol Makes Dollars and Cents for Missouri***

Today I joined University of Missouri researchers to report a new study that confirms what most of us know – ethanol is good for Missouri's economy. Putting facts and numbers behind our beliefs of how ethanol plants create jobs and enhance our economy is exciting news.

#### **Ethanol Benefits Us Today**

Currently our state has three ethanol plants in Macon, Malta Bend and Craig. One more is under construction in Laddonia. These four plants will produce 156 million gallons of ethanol annually. That is 156 million gallons more than the amount of oil we produce in our state.

Operating these plants will maintain 2,784 jobs providing \$92 million in wages. These are jobs that will not flee our state. These are jobs that have great security, because we are all aware of our country's need for new energy solutions. We all know the need for jobs in rural Missouri and ethanol is the answer.

These plants will annually create \$178 million in value added income to Missouri's economy. Nearly \$400 million in economic activity will be generated in our state. Additionally, the four plants bring in \$31 million in tax revenues per year.

#### **Ethanol Impacts Us Tomorrow**

By the end of 2008 Missouri will produce 350 million gallons of ethanol. Expanding facilities and building new plants will achieve this goal.

This production will enable us to meet the 10 percent ethanol standard I am proposing this legislative session. We will also benefit from more economic impacts.

Jobs and income will double. We can see 5,613 jobs providing \$182 million in income.

Corn growers win with these ethanol plants. Producing 350 million gallons will consume 124 million bushels of corn. Corn crop values boom by \$73 million at the farm level.

Dairy farmers and cattle ranchers will have 1,030,742 tons of distillers grains (dry matter basis) yearly. This will feed over 400,000 dairy cows or 750,000 beef cattle. For a vibrant and robust agriculture community, where we eat Missouri beef and drink Missouri milk, our farmers and ranchers will utilize Missouri grain.

### **What This Means for Missouri**

The numbers listed may look like a bunch of dollar signs and figures. But these are not just numbers on a spreadsheet. They transcend a report from the university. These are impacts and benefits for rural Missouri.

When we are talking about jobs and wages, we are talking about keeping folks in our communities. Ethanol plants are helping us rebuild our depleted work force. Money in a person's wallet enables them to spend money at local businesses. Keeping two great resources – our people and our dollars - in our communities is vital to economic development.

We are talking about helping our farmers. Corn is used for more than just a side at dinner. It's feed. It's ethanol. And we are producing large amounts of corn and exporting to other states. Missouri's corn supply is better than ever. We must ensure prices are good so farmers benefit.

Corn will always be affordable for consumers. Ethanol lowers the price of gas. Our pocketbooks win with ethanol plants in our state.

In the coming weeks I will continue my call for the Missouri Renewable Fuels Standard requiring all gas sold in Missouri to contain at least 10 percent ethanol. When tankers drop oil off for America, our dollars go right onto that tank and overseas out of our nation. This bold measure will ensure Missouri dollars are kept in Missouri.

The University's new economic study is exciting. Ethanol's impacts are fact, not myth. The benefits are real, not imaginary. We truly are embarking on economically viable, renewable, clean-burning energy sources for the 21<sup>st</sup> Century right here in Missouri.

Sen. Cauthorn represents Missouri's 18<sup>th</sup> Senate District. He can be reached at his capitol office at (573) 751-6858. You can also visit his web page by going to [www.senate.mo.gov/cauthorn](http://www.senate.mo.gov/cauthorn).