

## ASA Pursues Biodiesel Priorities

The American Soybean Association (ASA) has long advocated that soybean farmers can help the United States meet its energy needs through the production of soy biodiesel. In keeping with that, ASA has outlined its biodiesel legislative priorities for Congress to consider as it develops another energy bill.

"Biodiesel is an environmentally sound alternative to petroleum diesel that is made here in the United States using soybeans grown on American soil," said ASA Chairman Bob Metz, a soybean producer from West Browns Valley, S.D. "Biodiesel is a top-notch product that lessens our dependence on foreign oil, improves the quality of the air we breathe and stimulates rural economies where it's produced."

The domestic biodiesel industry is expanding at an exponential rate. Production of biodiesel fuel has grown from 2 million gallons in 2000, to more than 150 million gallons projected in 2006. Today, there are 65 operational biodiesel plants, while 50 more are under construction.

"ASA and its farmer leaders put in a lot of hard work on two key government programs that have fueled biodiesel's growth," Metz said. "They are the biodiesel tax incentive and the Commodity Credit Corporation (CCC) Bioenergy Program. The small biodiesel producer tax credit that was included in last summer's energy bill is also beginning to contribute."

The importance of these programs cannot be overemphasized. Nevertheless, both the biodiesel tax incentive and the small producer credit will expire at the end 2008. And the CCC Bioenergy Program terminates at the end of this fiscal year.

Because biodiesel needs these programs to recognize its potential as a renewable fuel, ASA has offered its three-point plan designed to enable biodiesel producers to manufacture greater quantities of the fuel. Specifically, ASA is asking Congress to include the following in any energy package legislation:

- Extension of the volumetric biodiesel tax incentive
- Extension of the small agri-biodiesel producer credit
- Authoring and funding of a CCC biodiesel program

"By taking these actions, we estimate on-road diesel supplies could be increased by 2 percent by 2015," Metz said. "Each gallon of domestically produced biodiesel represents an expansion of distillate supplies, additional refinery capacity and is a direct replacement for imported refined diesel fuel. Boosting available fuel supplies will also have a positive impact on fuel prices to consumers."

The first two priorities outlined by ASA are being addressed through legislation that has been introduced in the Senate and House. Senate Finance Committee Chairman Chuck Grassley (R-IA) and Ranking Member Max Baucus (D-MT) introduced a measure that would extend the biodiesel excise and income tax credit for biodiesel and biodiesel blends to December 31, 2010, and extend for one-year a tax credit for the cost of installing clean-fuel vehicle refueling property. In the House, U.S. Representatives Kenny Hulshof (R-MO) and Earl Pomeroy (D-ND) have introduced a bill would make permanent the biodiesel tax incentive and the small agri-biodiesel producer credit.



### The Advocate for Soybean Growers

The American Soybean Association (ASA) is the policy advocate for U.S. soybean growers. ASA is a voluntary membership organization with dues-paying members. ASA is not the checkoff. Become an ASA member online at [www.SoyGrowers.com](http://www.SoyGrowers.com) or call 1-800-688-7692, extension 1294.

The American Soybean Association is a national commodity organization with 25,000 members and affiliation with 25 states. For membership details, call 1-800-688-7692.

<http://www.soygrowers.com>



# Face the challenge with confidence.

## soybeanrust.com



©2005 Syngenta Crop Protection, Inc., P.O. Box 18300, Greensboro, NC 27419. Important: Always read and follow label instructions before buying or using Syngenta products. The Syngenta logo is a trademark of a Syngenta Group Company. [www.syngentacropprotection.com](http://www.syngentacropprotection.com)