

## BIODIESEL BASICS

- Iowa is the leading biodiesel-producing state, with 10 plants making 310 million gallons (est.) in 2019 (National Biodiesel Board).
- ABF Economics research shows in 2018:
  - 4,690 jobs (FT equivalent)
  - \$568 million GDP
  - \$307 million household income
- By increasing soybean oil value, biodiesel supports 13 percent of the price per bushel of soybeans (INTL FCStone 2019), while lowering the price of meal for livestock producers and the food supply.
- In Iowa in 2019, that equaled \$1.09 per bushel.



## IBB CONTACTS

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## IOWA BIODIESEL:

# SMART POLICY FOR OUR STATE

## IOWA'S POLICIES DELIVER

Iowa's comprehensive state policies foster biodiesel production and use, including the following:

- ✓ Fuel Tax Differential
- ✓ Production Credit
- ✓ Retailer Credit
- ✓ Renewable Fuels Infrastructure Program

These policies have worked as intended! Growth in both production and use shows the positive effect of these smart energy policies on Iowa's fuel supply, economy and environment.



V2020



## IOWA'S LEGISLATIVE PILLARS OF SUCCESS

### B11 Fuel Tax Differential

- A 3-cent differential in fuel tax for blends of 11 percent or higher (Sunset 2020).
- Played a key role in nearly tripling the number of retailers carrying biodiesel in Iowa, and in driving almost half of the state's on-road fuel to contain B11 or higher.

### Biodiesel Retailer Credits

- Retailers carrying 5 percent biodiesel (B5) = 3.5 cents-per-gallon incentive (Sunset 2025).
- Retailers carrying B11 or higher = 5.5 cents-per-gallon incentive (Sunset 2025).

### Biodiesel Production Credit

- Incentive of 2 cents-per-gallon for in-state production (Sunset 2025).

### A Fully Funded Renewable Fuels Infrastructure Program

- We support Gov. Kim Reynolds' request for \$5 million annually for biodiesel and ethanol, through the Rebuild Iowa Infrastructure Fund.
- Helps upgrade petroleum equipment to grow renewable fuel availability in Iowa.
- Provides funding to IDALS for fuel testing.

### Federal Policy Unknowns

State policy helps Iowa capture the economic benefits of successful federal policies – and it helps shield its industry from uncertainty on tax, Renewable Fuel Standard and fair-trade issues.

## BY THE NUMBERS

**310 million gallons:** The estimated biodiesel production in Iowa, which leads the nation.

**4,690:** The number of full-time equivalent jobs supported by biodiesel in Iowa (ABF Economics).

**276%:** The increase in the number of Iowa retailers (771 in 2018) carrying biodiesel since 2010 (Iowa Dept. of Revenue).

**47%:** The percentage of on-road diesel gallons sold in the state which contained B11 biodiesel or higher in 2018 (Iowa DOR).

**5-to-1:** The Return on Investment for Iowa taxpayers for the Iowa Renewable Infrastructure Program. (Since 2006, \$35 million in state funding and a \$5 million federal investment has helped spur an estimated \$200 million in private investment).

**\$568 million:** Biodiesel's estimated contribution in 2018 to Iowa's gross domestic product (ABF Economics).