In addition to this, SB 2222 is likely UNCONSTITUTIONAL.

Article X, Sec. 18 of the ND state constitution reads: "...neither the state nor any political subdivision thereof shall otherwise loan or give its credit or make donations to or in aid of any individual, association or corporation except for reasonable support of the poor, nor subscribe to or become the owner of capital stock in any association or corporation."

SHOULD NORTH DAKOTA FARMERS AND TAXPAYERS BE FORCED TO SUBSIDIZE HUGE, FOR-PROFIT CORPORATIONS?

Read the TRUTH on our website: www.stopthief-nd.org

NO to SB2222!

Please help our effort. We need people to circulate petitions, write letters to the editor, call talk shows, and contribute. Download and distribute our flyer, or download and circulate our petition. We will also be happy to mail you copies of the petition, flyer, and fact sheet. Please contact:

> Stop Thief c/o Norman C. (Clint) Cooper 4848 Highway 85, Lot 119 Williston, ND 58801-8612 701-572-1432 <u>coop1@nccray.net</u>

Quotes:

Ethanol subsidy is "a cautionary tale about what happens to quote-unquote temporary subsidies. They never go away." – Sen. John McCain (R-AZ)

The ethanol tax break is "highway robbery." – Bill Archer (R-TX), Chairman, House Ways and Means Committee

"A program so bereft of public benefit as the ethanol subsidy exists only because is has powerful friends." – Doug Bandow, The Politics of Plunder: Misgovernment in Washington

"If the principal argument for subsidizing ethanol is to boost farm income, it would be more economical to burn straight gasoline in our automobiles and pay corn growers a direct subsidy." -USDA report

"Ethanol's critics have been no match for the big money contributions and the contrivances of leaders of both political parties to keep corporate welfare flowing." - Ann McBride, President, Common Cause

The ethanol tax break is "an egregious exemple of corporate welfare that should be allowed to die." – Investors Business Daily

NO to SB2222!

Stop Fueling Corporate Welfare!

"Corporate Welfare" is government handouts to large corporations and their wealthy investors – it's money taken from the average taxpayer, even those who can barely make ends meet. It's WRONG.

Senate Bill 2222 funds corporate welfare. It takes money from every farmer, every taxpayer in North Dakota, and gives it to huge corporations and their wealthy investors, in this case those building ethanol plants. We ALL pay for it.

How SB2222 Robs Us All

Ethanol subsidies rob:

- North Dakota taxpayers. SB2222 will cost us indefinitely up to \$1,600,000 per year for the new plant or plants alone, with a total of up to **\$10 million** per plant. Existing plants will get 40 cents per gallon produced. The mandate to use ethanol in the state fleet will cost additional millions over the years. Thus, we taxpayers suffer TWICE: once when it is subsidized, and again when the state BUYS it from the corporation – when we taxpayers paid for its production in the first place. This is in addition to the 54 cents per gallon we are already giving to ethanol companies through our federal taxes.

- Farmers. *All* farmers and ranchers must pay for the subsidy in the form of decreased fuel rebates, including those who do not grow corn, and 40% of farm vehicle registration fees would go to ethanol. Only a few might gain, at the expense of other farmers, and those few would not gain much. This is unfair and wrong! And it comes at a time when farmers can least afford it.

- Highways and motorists. Money for the ethanol corporations will also be taken from the highway fund – the money we need to keep our roads safe and in decent repair. Vehicle registration fees were raised by \$3 this year – supposedly for the highway fund. Every vehicle owner is being forced to contribute this additional money to corporate welfare. This will not stop.

-Workers: subsidies cost jobs. Increased taxes, such as those imposed by SB 2222, cost more jobs in retail than ethanol manufacture creates. The Program Evaluation Division. Office of the Legislative Auditor, Minnesota, reports: "The sectors that gain employment directly from increased ethanol production are mostly manufacturing sectors. In general, these sectors are highly mechanized and levels of output per worker are high. Hence, a given change in output supports a relatively small number of jobs. In contrast, decreases in household spending due to the cost of ethanol programs (emphasis ours) affect workers mainly in the retail sectors, where output per worker is lower. Thus for a given transfer of income from households to the ethanol industry, more retail jobs are lost than there are jobs created in manufacturing." This is how much taxes for ethanol will affect us

- Families. Welfare given to huge corporations ultimately means less money for all families. The state has a budget shortfall and is running a deficit. Moreover, ethanol subsidies would increase food prices for everyone.

Ethanol subsidies also rob our environment:

- America's energy – and energy independence. It takes 71% MORE energy, most of it in the form of high-grade fossil fuels, to produce a gallon of ethanol than that gallon contains. There is a net loss of 53,600 BTU per gallon of ethanol produced. *Study by David Pimental, Cornell University*. We could avoid importing 40 million barrels of oil a year if we simply dropped the ethanol program. Moreover, lower gas mileage cause by the use of ethanol requires 46 million additional gallons of gasoline to be used each year in Minnesota alone.

- The family farm. Ethanol greatly accelerates the trend away from "agriculture" towards "agribusiness" – instead of family farms producing food for people, we will have huge concerns growing corn for fuel. Ethanol programs do NOT benefit the average farmer; they cost him.

- **Our water.** Each gallon of ethanol produces 160 gallons of waste water, with a biological oxygen demand (BOD) of 18,000-37,000 mg/liter. A plant the size of the proposed new plant uses 750,000 to 1 million gallons of water a DAY.

- Our air. The 129,600 BTU of fossil fuel, including coal, oil, and natural gas, which are expended to create a gallon of ethanol, release significant amounts of pollutants into the atmosphere. Ethanol plants emit formaldehyde and other carcinogens. People living two miles from a plant have difficulty breathing. *News article from Minnesota* - **People's health.** Hazardous emissions include methanol, acetic acid, and formaldehyde. Depletion of water by ethanol plants causes arsenic to leach into wells. *"Water Rich, Water Poor," from Wisconsin Public Television, does an excellent job of presenting this issue.*

- The environment. Ethanol additives in gasoline INCREASE smog, especially in summer. The Sierra Club is suing for ethanol plant violations and is opposed to ethanol production and use. The State of California, along with the Clean Air Trust and other environmental groups, is suing the EPA to keep ethanol OUT because of its pollution. They will not buy our ethanol, as its boosters tell us. ------*Recent statement by Sen. Dianne Feinstein, CA.* (and other sources)

SB2222 IS NOT FOR THE FAMILY FARM. IT IS FOR GIANT "AGRIBUSINESS" CORPORATIONS THAT ARE TAKING OVER OUR STATE.

Who is getting YOUR tax dollars? Big corporations!

SB2222 is being used to increase the profits of **huge corporations**. Archer Daniels Midland, a corporate giant, is among the biggest contributors of "soft money" to both the Democrats and the Republicans – ensuring that they will get what they want, whoever is in power. That is why ethanol continues to be subsidized, when it benefits NO ONE but these corporations and their investors.