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Title: Substitute resolution expressing City of Milwaukee support for efforts to discontinue federal corn ethanol mandates, cease incentives for corn ethanol production and end tariffs on imported biofuels.

Sponsors: ALD. BOHL

Indexes: ENERGY CONSERVATION, FEDERAL LEGISLATION, SOCIAL CONCERNS

Attachments: 1. Fiscal Note, 2. Article - BusinessWeek - Criticism Mounts Against Biofuels, 3. Article - USA TODAY - Ethanol comes with environmental impact, despite green image, 4. Article - Wall Street Journal - Ethanol Craze Cools As Doubts Multiply, 5. Article - Knowledge Wharton - An Earful on Ethanol: Rising Food Prices, Inefficient Production and Other Problems, 6. Article - Milwaukee Journal - Ethanol blends may increase auto emissions, 7. Letter of Support from Oscar Mayer President, 8. E-Mail of Support from Kraft Employee, 9. Letter of Support from the Wisconsin Restaurant Association, 10. Ethanol Facts, 11. Wisconsin Pipe Trades Association, 12. Memorandum regarding Ethanol Talking Points, 13. Notice List

Date	Ver.	Action By	Action	Result	Tally
5/20/2008	0	COMMON COUNCIL	ASSIGNED TO		
5/22/2008	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
5/22/2008	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
5/22/2008	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
5/27/2008	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
6/2/2008	0	JUDICIARY & LEGISLATION COMMITTEE	HELD TO CALL OF THE CHAIR	Pass	3:0
6/16/2008	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
6/16/2008	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
6/20/2008	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
6/20/2008	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
6/20/2008	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
6/23/2008	0	JUDICIARY & LEGISLATION COMMITTEE	SUBSTITUTED	Pass	5:0
6/23/2008	1	JUDICIARY & LEGISLATION COMMITTEE	HELD TO CALL OF THE CHAIR	Pass	5:0
6/24/2008	1	CITY CLERK	DRAFT SUBMITTED		

7/10/2008	1	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
7/10/2008	1	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
7/10/2008	1	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
7/21/2008	1	JUDICIARY & LEGISLATION COMMITTEE	HELD TO CALL OF THE CHAIR	Pass	4:0
4/29/2014	1	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
4/29/2014	1	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
5/5/2014	1	JUDICIARY & LEGISLATION COMMITTEE	RECOMMENDED FOR PLACING ON FILE	Pass	4:0
5/13/2014	1	COMMON COUNCIL	PLACED ON FILE	Pass	15:0

080077 SUBSTITUTE 1

ALD. BOHL

Substitute resolution expressing City of Milwaukee support for efforts to discontinue federal corn ethanol mandates, cease incentives for corn ethanol production and end tariffs on imported biofuels. The federal Energy Independence and Security Act of 2007 mandates the production of 15 billion gallons of corn ethanol by 2015 and 36 billion gallons of renewable fuels by 2022. The 2007 U.S. Farm Bill under consideration includes \$5.2 billion in direct payments to farmers and sets aside over \$400 million for the production, research and use of ethanol and other biofuels. Federal policy also grants a 51-cent per gallon ethanol blender tax credit and imposes a 54-cent per gallon tariff on imported biofuels.

This resolution expresses City of Milwaukee support for efforts to end federal corn ethanol mandates, end incentives for corn-based ethanol production and end tariffs on imported biofuels. The resolution further states that federal emphasis on ethanol production has not decreased dependence on foreign oil, has been attributed to an increase in food prices and a decrease in the food supply, and has had little discernible financial benefit to most farmers. Corn-based ethanol production is energy and water intensive, while effectively counteracting well-established conservation programs, all negating purported environmental benefits of the biofuel.

Whereas, Domestic corn ethanol production is encouraged, subsidized and protected in the U.S. by:

1. The Energy Independence and Security Act of 2007, which mandates the production of 15 billion gallons of corn ethanol by 2015 and 36 billion gallons of renewable fuels by 2022.
2. The proposed 2007 U.S. Farm Bill, which includes \$5.2 billion in direct payments to farmers based on crop acreage and allots over \$400 million for the production, research and use of ethanol and other biofuels.
3. A 51-cent per gallon tax credit to the registered blender.
4. A 54-cent per gallon tariff imposed on all imported biofuels.

; and

Whereas, These government mandates and incentives were the impetus for a record 2007 corn crop, resulting in fewer acres devoted to soybeans, wheat, alfalfa, fruits and vegetables and the conversion of lands previously devoted to conservation efforts; and

Whereas, The 7 billion gallons of ethanol produced in 2007 required the commitment of over 20% of the U.S. corn crop; and

Whereas, Mandates set forth in the Energy Independence and Security Act of 2007 necessitate increasingly greater percentages of the corn crop be committed to ethanol production and more lands diverted to growing corn; and

Whereas, More corn used for the production of fuel effectively means less corn available as a food source; and

Whereas, Corn is the primary feed for livestock, and grain is a major ingredient in food products; and

Whereas, Current ethanol production, the new government mandates and greater commodity speculation have resulted in corn prices reaching record levels which, in turn, has resulted in significant increases in food prices; and

Whereas, Rising costs of food disproportionately hurt low and moderate income Americans who can least afford the burden of inflationary increases in their household budgets, and worldwide particularly impacts those countries that are net food importers or experience regular food shortages; and

Whereas, Corn ethanol has been promoted as a fuel that is environmentally friendly, reducing greenhouse gas emissions, especially carbon dioxide; and

Whereas, The large doses of fertilizer and heavy use of farm machinery required to grow corn, the burning of natural gas or coal to create the steam that drives corn distillation, the yeasts used in the conversion-to-ethanol process, and the transfer to corn production of environmentally sensitive lands currently held fallow in the Conservation Reserve Program all increase the emission of carbon dioxide; and

Whereas, Incentives to grow corn lead to less crop rotation, necessitating the use of more fertilizer, increasing the amount of nitrate runoff, which is absorbed into aquifers, compromising the drinking water supply; and

Whereas, The corn conversion process is water-intensive, requiring between 4 and 6 gallons of municipal or well water to generate 1 gallon of ethanol; and

Whereas, The significant amount of energy required in the corn-to-fuel process makes corn ethanol, with an energy input/output ratio of little more than 1:1, by far the least energy efficient of all biofuel alternatives; and

Whereas, Ethanol mandates and producer subsidies discourage investment in other biofuels; and

Whereas, Tariffs imposed on imported biofuels stymie importation of more efficient alternatives such as sugarcane ethanol, and exist to primarily protect corn ethanol producers; and

Whereas, While discussion surrounding ethanol production focuses on supporting the tradition of

farming in rural America, economies-of-scale in the ethanol chain primarily benefit agribusiness, with a vast majority of farmers realizing no tangible benefits from ethanol mandates and subsidies; and

Whereas, The 7 billion gallons of ethanol produced in 2007 had minimal impact on overall gasoline usage or dependence on foreign oil; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Common Council supports efforts to discontinue federal corn ethanol mandates, cease incentives for corn ethanol production and end tariffs on imported biofuels; and, be it

Further Resolved, That the City Clerk send a copy of this resolution to each member of Wisconsin's U.S. Congressional delegation.

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5/27/08