



Press Release

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Ethanol Board Releases Study of Nebraska Ethanol Industry

Ethanol Board Chairman Tim Else says Nebraskans will be pleased with the results of a newly completed study of the state's ethanol industry and its economic impact. "Nebraskans in rural, as well as urban areas of the state benefit daily from the economic success of the ethanol industry. Farmers see increased grain prices; thousands of Nebraskans work in ethanol industry related jobs and all citizens benefit from increased tax revenues and cleaner air. A billion dollar capital investment by the private sector in this industry is paying big dividends to the state," said Else of Belvidere.

A recent ethanol industry assessment completed by the Nebraska Ethanol Board confirms that Nebraska is a national leader in ethanol production. Nebraska ethanol production will top five-hundred twenty million gallons in 2005. Only Iowa and Illinois produce more. Eleven ethanol plants currently operating in Nebraska will purchase and process more than two hundred million bushels of grain in 2005. The operating plants are located in York, Columbus, Hastings (2 plants), Blair, Plainview, Axtell, Sutherland, Aurora, Central City, & Trenton. A dozen more potential projects are in various stages of development. The combined annual out put of the current plants is valued at one billion two hundred million dollars.

The study concludes this constant, on-going, demand for corn increases farm income by adding ninety-three million dollars to the value of each year's crop. In addition, processing a bushel of the raw commodity into ethanol and co-products adds three dollars and ten cents to its value.

"The employment sector receives a significant boost from ethanol," according to Else. The study found four thousand jobs have been created at ethanol plants and related businesses. Average salaries at the plants are forty-two thousand dollars. The combined annual payrolls at Nebraska plants exceed thirty-six million dollars.

State income tax receipts increase by nineteen million dollars each year and the existing plants pay three million four hundred thousand dollars in local property taxes as well. Two million five hundred thousand dollars in payroll taxes are paid each year.

"Ethanol production is a great fit for Nebraska," Else said. "We believe there will continue to be dramatic growth in this industry and Nebraska has an opportunity to be a part of that growth. With a dozen new and developing projects in the state, the demand for Nebraska grain can double and allow us to add even more value to our most abundant resource," concluded Else.

Established in 1971, the Nebraska Ethanol Board assists ethanol producers with programs and strategies for marketing ethanol and related co-products. The Board supports organizations and policies that advocate the increased use of ethanol fuels—and administers public information, education and ethanol-focused research projects. The Nebraska Ethanol Board also assists companies and organizations in the development of ethanol production facilities in Nebraska.