

IOWA RENEWABLE FUELS ASSOCIATION,
November 25, 2009.

Hon. CHARLES E. GRASSLEY,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR GRASSLEY: First, thank you for taking the time to meet with Iowa Renewable Fuels Association members on November 17, 2009. At that meeting, we discussed the absolute necessity of extending the biodiesel blenders' tax credit prior to the end of this year. With this letter, we want to reinforce the economic and job ramifications of allowing the tax credit to expire—even for a couple of months.

As a longtime supporter of Iowa biodiesel, you know that the biodiesel tax incentive, which allows blenders to claim a \$1 excise tax credit for each gallon of biodiesel blended with diesel, is set to expire on December 31, 2009. Simply put, if the biodiesel tax incentive is allowed to expire—even for a brief period of time—the Iowa biodiesel industry will cease production and many plants will likely not reopen under current ownership.

With the tax credit, biodiesel blends are very competitive in today's marketplace. However, if the biodiesel tax incentive expires, biodiesel blends will be priced out of the marketplace and our customers—the oil companies—will stop purchasing biodiesel. In reality, we already cannot book any first quarter sales for next year. Therefore, biodiesel plants are unable to purchase feedstocks for the beginning of 2010 because there is no guarantee that a market for biodiesel will exist come January 1, 2010. As a result, many plants will likely begin to stop operations in mid-December.

No "retroactive" action on the tax credit sometime next year will undo the harm caused by the lost sales and shuttered plants over the holidays. Quite frankly, the biodiesel industry is facing shutdowns that would certainly lead to a much longer—and unpaid—Christmas break than anticipated for the hundreds of workers at Iowa biodiesel plants.

That is a prospect that any industry hopes to avoid. But there are long-term impacts potentially even more far-reaching. While 2009 has been a rough economic year for many industries, the biodiesel industry has been hit harder than most. In fact, of Iowa's fifteen biodiesel refineries, only nine are currently operating—and most of those at a severely reduced capacity. After more than a year of mainly breakeven or negative margins, most of Iowa's biodiesel plants simply do not have the cash reserves to withstand even a two or three month shutdown.

So even if the biodiesel blenders' tax credit is retroactively enacted, several of Iowa's biodiesel plants are unlikely to reopen under the current local-ownership. In fact, if recent history from the ethanol industry is any indication, Big Oil companies may swoop in, buy the closed plants for pennies on the dollar and then reopen them as part of their multi-national, vertically-integrated business plan. While this would be better than having the doors of these plants closed for good, keeping these plants in the hands of Iowa investors provides the most benefits to the local communities.

During our meeting, there was discussion of using a tax extenders package or estate tax bill as a vehicle to extend the biodiesel tax credit this year. That type of decision is best left to you—we just know the extension needs to happen this year. We have also increasingly heard of the need for a "jobs bill" this year in response to U.S. unemployment surpassing ten percent. We urge you to consider the extension of the tax credit as part of any "jobs bill" that Congress may consider. After all, extending the tax credit—something most people believe will happen

"eventually"—is an easy way to maintain hundreds of jobs in Iowa and thousands around the country. Failure to extend the biodiesel tax credit will undoubtedly add to the jobless rolls.

We thank you for your support of the Iowa biodiesel industry, and we encourage you to do all you can to ensure that the biodiesel tax incentive is extended as soon as possible. We are not trying to be alarmist. Rather, we want you to have a clear picture of the prospects facing the Iowa biodiesel industry as the tax credit expiration comes closer each day. Please do not let the Iowa-owned biodiesel industry disappear on your watch.

Sincerely,

MONTE SHAW,
Executive Director.

THANKING STAFF

Mr. NELSON of Nebraska. Mr. President, I want to take a few minutes in the midst of this debate to acknowledge some individuals who work for us here in the Senate. As chairman of the Legislative Branch Appropriations subcommittee that funds these agencies, I have had the opportunity to get to know these staffs and have a good understanding of the work they do for us here in the Senate. These folks work tirelessly behind the scenes at all times to keep this institution running safe and sound under any circumstances.

We have been in session every weekend since Thanksgiving, including during the largest December snowstorm in Washington's history, and we have worked uninterrupted thanks to the dedication and hard work of these individuals. It is easy to take for granted the hard work they perform on a daily basis—and we often do, but today, on behalf of the entire Senate I would like to say a heartfelt thank you to all of them.

I want to start by thanking the U.S. Capitol Police Force, led by Chief Philip Morse and Assistant Chief Dan Nichols. This force of 1800 officers put their lives on the line every day to protect us and this institution, and they have all worked a tremendous amount of overtime lately. I want to particularly mention the terrific work of Inspector Sandra Coffman and her staff in the Capitol Division for all the extra hours they have worked in securing and protecting the Capitol and the Chamber. They have gone above and beyond their normal duty, and we are extremely grateful for their dedication to our safety and protection.

Next I want to thank the staff of the Senate Sergeant at Arms, led by Sergeant at Arms Terry Gainer and Deputy Sergeant at Arms Drew Willison. The SAA staff of nearly 900 people includes the doorkeepers who have worked nonstop through the last month keeping access to the Senate available for staff and visitors who have traveled to Washington to witness this historic debate firsthand. They have kept our computer systems and overstretched telephone systems running, kept the mail moving, and the recording studio functioning, not to men-

tion the facilities staff who have kept the Capitol Building clean and warm, replenishing wood for the fireplaces nonstop.

I want to thank the staff of the Architect of the Capitol, led by Acting Architect Stephen Ayers, and the many, many folks who have worked around the clock from Ted Bechtel and the Capitol Grounds crew who have been removing snow from the road, sidewalks, and parking lots of the Capitol Complex, to Robin Morey and his staff who have kept the Senate buildings clean and warm throughout these long, long weeks. I truly appreciate the extra hours of work provided by these individuals.

I want to thank the Secretary of the Senate, Nancy Erickson, and her staff, including the legislative clerks, the bill clerks, the enrolling clerks, the executive clerks, Parliamentarians, official reporters of debates, captioning services, journal clerks, and the staff of the Daily Digest. These folks have been here around the clock, under some very tiring circumstances, to deliver the services that are needed to keep this institution running.

Last but not least, I want to thank Lula Davis and David Schiappa, our floor leaders, for their tireless guidance in keeping us—the Members—where we need to be when we need to be there. We are in your debt.

Mr. President, I have undoubtedly left out many people in the Senate who deserve to be thanked, and I hope they know who they are and how much we appreciate them.

ADDITIONAL STATEMENTS

100TH ANNIVERSARY OF THE HOUSE OF JACOB

• Mr. VOINOVICH. Mr. President, today I am pleased to extend my warmest congratulations to the Supreme Council of the House of Jacob of the United States of America as it celebrates its 100th anniversary with delegates from 41 locations from around the United States travelling to Coshocton, OH, for services in the church's newly constructed Mount Zion Tabernacle.

For 100 years, the Supreme Council of the House of Jacob of the United States of America has invited men and women of diverse backgrounds to worship God according to the teachings of Jesus Christ, advocating strong family ties, a high standard of moral values and civic participation.

I would like to recognize Supreme Bishop, Father J. Daniel Israel, J.O.G., and the Board of Directors of the House of Jacob of the United States of America, which make up the leadership of this church. I commend the ministries and the good works under their supervision within Ohio, and across our Nation.

I encourage my fellow Ohioans, my colleagues in the Senate and the entire