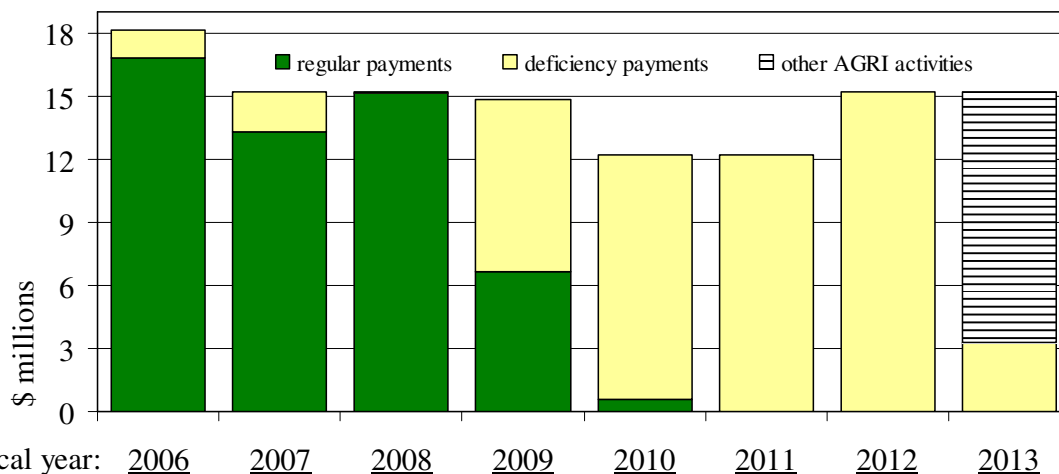


ETHANOL PRODUCER PAYMENT PROGRAM

Pursuant to Minnesota Statutes, Section 41A.09, payments are made to ethanol plants based on the amount of ethanol the plant produces. This program is no longer accepting new plants. Regular payments will end with ethanol produced on July 31, 2010.



dollars, in millions

state fiscal year:	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
appropriation ¹	18.145	15.168	15.168	14.858	12.168	12.168	15.168	15.168
regular payments ²	16.788	13.318	15.123	6.647	.549	0	0	0
deficiency pmts ³	1.357	1.850	0.045	8.211	11.619	12.168	15.168	3.316
other AGRI ⁴	0	0	0	0	0	0	0	11.852

¹ Laws of 2009, Chapter 94, reduced the 2010 and 2011 appropriations by \$3 million each year but indicated that funding for 2012 and 2013 would return to the "base" level of \$15.168 million. However, the 2012 and 2013 amounts must be passed by the Legislature and enacted by the Governor in 2011.

² M.S. 41A.09 sets ethanol producer payments at a rate of 20 cents per gallon, for production made through July 31, 2010. Separate laws temporarily set payments for fiscal years 2004 through 2007 at a rate of 13 cents per gallon but required the remaining 7 cents per gallon to be tracked as deficiencies.

³ M.S. 41A.09 requires the commissioner to reimburse ethanol producers for payment deficiencies "until the deficiencies for each producer are paid in full," as long as a plant continues to produce ethanol on a commercial scale. In fiscal years 2011 and 2012, it is estimated that the whole amount appropriated will be needed to make deficiency payments.

⁴ In fiscal year 2013, it is estimated that \$3.316 million will be needed to make the final deficiency payments and \$11.852 will be available for other activities, per Minnesota Statutes, Sections 41A.09 and 41A.12.

FOR MORE INFORMATION:

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