

# Ethanol Helps Rural Economies



The ethanol industry has had a substantial impact on the economic vitality of rural communities, especially in America's heartland, where the majority of the nation's corn ethanol plants are located. Short transportation distances and local investment have led to most ethanol facilities being centrally located in the United States, providing more economic independence and energy security to our country while supporting local jobs. But the local economic benefits that result from the presence of an ethanol plant aren't limited just to the Corn Belt—in the past several years ethanol plants have been built in California, Texas, New York, Oregon, Arizona and other places outside of the Midwest.



*An ethanol plant sits among rows of corn in Iowa. At the end of 2008, the U.S. ethanol industry comprised 200 operating plants in 26 states with production capacity of 13.1 billion gallons.*

Economic impact reports look at how an industry helps create new jobs or support existing ones. They look at how much the industry invested in capital infrastructure or goods and services. And they look at how much the industry paid in taxes. Here's a summary of the ethanol industry's economic impact for 2009, as calculated by consulting firm LECG and reported by the Renewable Fuels Association:

<b>\$53.3 billion</b>	How much the combination of spending for annual operations, ethanol transportation, and capital spending for new plants under construction added to the nation's Gross Domestic Product (GDP) in 2009.
<b>400,000</b>	How many jobs were created or supported due to the economic activity resulting from ongoing production and construction of new capacity in 2009.
<b>\$16 billion</b>	How much money the production of ethanol put into the pockets of American consumers in 2009. Increased economic activity and new jobs result in higher levels of income for American households.
<b>\$15.9 billion</b>	How much was paid in local, state and federal taxes as a result of increased GDP and higher household income. The federal contribution was above and beyond tax credits provided to the ethanol industry.