



Congressman Jim Jordan (R-OH), RSC Chairman
Congressman Connie Mack (R-FL), RSC Repeal Task Force Chairman

Repeal the Renewable Fuel Program

March 7, 2012

Background: On October 5, 2011, Rep. Bob Goodlatte (R-VA) introduced H.R. 3098, the Renewable Fuel Standard Elimination Act.

- **What The Bill Will Do:** This bill repeals the Environmental Protection Agency's renewable fuel standard (RFS) program.
- **Why This Is Necessary:** The RFS program was created under the Energy Policy Act of 2005, and established the first renewable fuel volume mandate in the United States. The RFS mandates that 36 billion gallons of renewable fuels be in our nation's fuel supply. This mandate is being fulfilled by grain ethanol that comes from corn. This means that an ever increasing amount of corn, which could be used for food and feed for livestock, is being diverted into fuel. The federal government's creation of an artificial market for the ethanol industry has created a domino effect that is hurting consumers.
- **Government Gone Wild:** The EPA's renewable fuel program causes an unnecessary intervention in the free market, and is having a significant negative effect on the market. Last year 40% of the U.S. corn crop was used for ethanol production. With increasing food and feed stocks being diverted into fuel, there are diminished supplies for livestock and food producers. This has resulted in consumers seeing higher food prices on grocery store shelves. Americans should not be put into a position of choosing between fuel and food.

Conclusion: There is nothing wrong with renewable fuels competing fairly in the marketplace. However, the current EPA policy is causing unfair and unintended consequences for American consumers and food manufacturers.

MEMBER ACTION ITEM: All RSC Members are encouraged to support and cosponsor H.R. 3098. This EPA program is creating an artificial market and unnecessarily reallocating resources to the detriment of the taxpayer. For more information or to cosponsor, please contact Carrie Meadows at Carrie.Meadows@mail.house.gov.

If you would like to participate in the RSC Repeal Task Force, please email Rick.Eberstadt@mail.house.gov.

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"The RSC Repeal Task Force's mission is to put our nation onto a path of greater economic freedom by eliminating U.S. federal laws and regulations that impede or inhibit economic growth, prosperity and opportunity."