



BOB ZIEGELBAUER

STATE REPRESENTATIVE • TWENTY FIFTH ASSEMBLY DISTRICT

2005-06 Issue Summary #2
January 27, 2006

“Statewide Ethanol Mandate”

Background Information:

The “Statewide Ethanol Mandate”, AB 15, was introduced on January 18, 2005. The Assembly passed AB 15 on December 15th on a 54 – 38 vote. The proposal is now before the Senate Committee on Agriculture and Insurance where a public hearing was held on January 18, 2006.

Under the current proposal, AB 15 would require the Department of Commerce to set standards for automotive gasoline, beginning on October 1, 2006, to require that gasoline with an octane rating of 87 must contain not less than 9.2% more than 10% ethanol. Details of the bill can be found in the non-partisan Wisconsin Legislative Council Amendment Memo: http://www.legis.state.wi.us/2005/data/lc_amdt/ab015.pdf

Rep. Ziegelbauer’s View:

The market for gasoline in Wisconsin is very competitive. Ethanol blended gas is widely available and heavily subsidized by the federal government. AB 15, with its mandate that **all** gasoline sold in Wisconsin have a 10% Ethanol blend, would seriously disrupt that market and insulate the producers of Ethanol from the forces of supply and demand.

There is no scientific or economic justification for this mandate. Creating a monopoly for Ethanol suppliers can only be bad for consumers and horrible for Wisconsin. I hope that the majority party, the party of Ronald Reagan, has enough confidence in free markets and the good sense not to advance this bad bill that would push gas prices in our State higher by eliminating competition.

As always, I appreciate hearing from you and the opportunity to exchange views on issues of importance to you.

###

STATE CAPITOL: P.O. BOX 8953, MADISON, WI 53708-8953 • (608) 266-0315
TOLL FREE: 1-888-529-0025 • FAX (608)-266-0316 or (608) 282-3625 • E-MAIL: bob.ziegelbauer@legis.state.wi.us
DISTRICT: 1213 S. 8TH STREET, P.O. BOX 325, MANITOWOC, WI 54221-0325
MANITOWOC OFFICE: (920) 684-6783 • HOME: (920) 684-4362

PRINTED ON RECYCLED PAPER