Corn & Biomanufacturing

NATIONAL CORN GROWERS ASSOCIATION

Corn as an Industrial Feedstock Increases Demand and Expands Domestic Markets

From renewable plastics to novel chemicals, corn is competitively positioned as the commercial feedstock of choice thanks to corn's sustainability, abundance, and affordability. NCGA is increasing its pursuit of new market opportunities, with a renewed focus on corn's role in the bioeconomy, where renewable corn-based solutions can replace fossil fuels in everyday products. We are committed to removing policy barriers and increasing incentives to scale up production of biobased products.

Impacts of Ag Biomanufacturing

- Biomanufacturing uses agricultural feedstocks to produce renewable products such as biochemicals, bioplastics, fibers, and other industrial materials
- The USDA Economic Impact Analysis of the U.S. Biobased Products Industry data from 2021 shows that the ag bioeconomy:
  - **Contributed $470B** to the U.S. economy
  - Supported a total of **4.6 million American jobs**

Why does this matter to farmers?

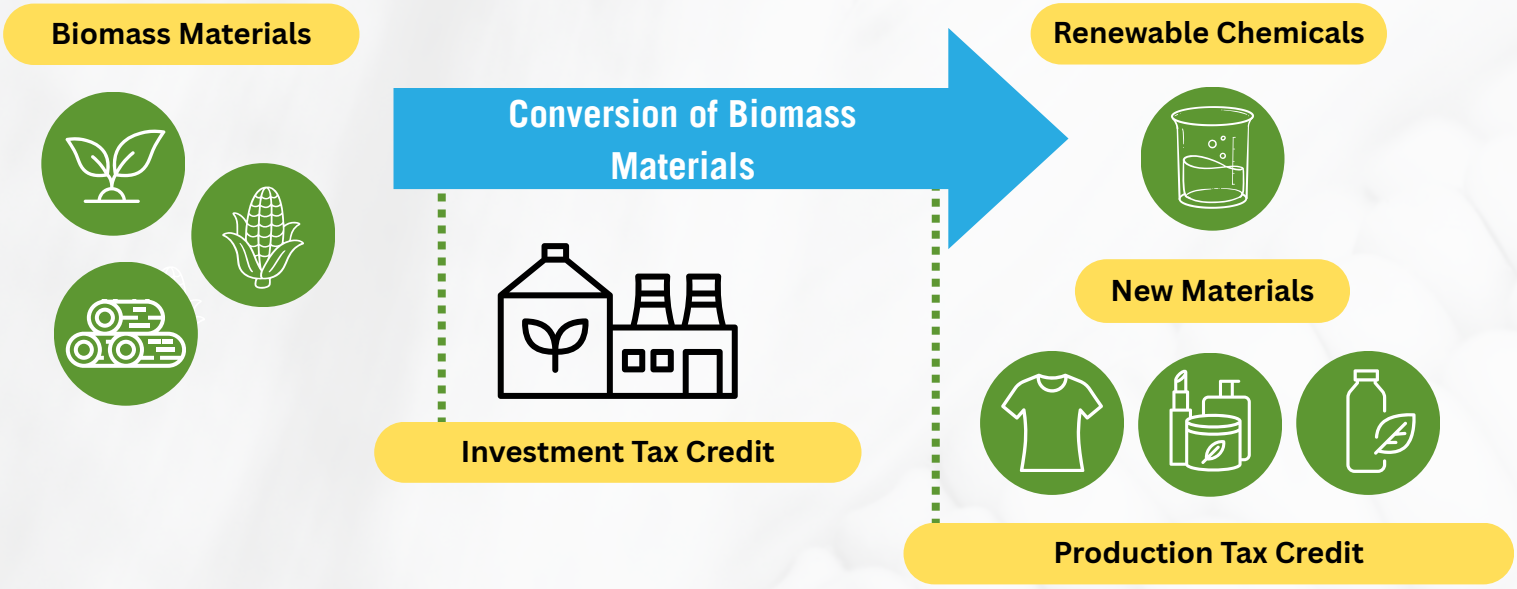
- **Farmers need expanded domestic markets.** NCGA is concerned about the rural economy and is focused on driving additional sources of demand
  - The total cost to grow corn, including both operating costs and overhead costs, has roughly doubled since 2007
- 2026 is year four of negative profit margins for U.S. corn and numerous other crops. **Critical solutions are needed now and expanding domestic markets generates more demand for corn and ethanol**
- Capturing just 10% of the global plastics market would represent 6.6 billion bushels of corn demand

Examples of Corn Biproducts:

- **Clothing:** Lycra's new corn based spandex material reduces carbon emissions by 44% and is being used by companies like Lululemon
- **Cosmetics:** corn starch, corn oil, and xantham gum are all corn bioproducts found in many cosmetic items
- **Bioplastics:** created from a polymer which is created using starches found in corn
- **Plant-based Acrylic Acid:** converted from corn-based lactic acid and is used in diapers, paints, and adhesives

Support the Biobased Materials Investment and Production Act (H.R. 8137)

Corn growers support legislation that would incentivize the conversion of U.S. grown agricultural feedstocks into renewable chemicals and materials, diversifying demand for farmers, strengthening rural economies, and supporting domestic manufacturing. **We encourage Congress to invest in this legislation that supports the production of new facilities that boost market opportunities for growers of many crops**



45BB Production Credit

The credit amount is estimated as $0.10 per pound of renewable material produced from the production of qualifying renewable materials and chemicals

48F Investment Credit

The investment credit equals 30% of the investment in qualified property used to produce renewable materials or chemicals at the facility

Who Benefits?

- **Farmers:** Expanded and diversified demand for their crops, creating new high-value markets beyond traditional uses
- **Rural Communities:** Increased employment and investment opportunities that strengthen local economies
- **U.S. Biomanufacturers:** Greater access to reliable, domestically grown feedstocks, reducing reliance on foreign inputs and enabling expanded production
- **The Environment:** Biobased products can reduce greenhouse gas emissions at an estimated 45% by replacing petroleum based chemicals and materials

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CRA CORN REFINERS ASSOCIATION
PBPC Plant Based Products Council