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LB 530

SENATOR WARNER: ...and that merely would make up the loss for last year, 1983, we can begin then to cover the loss that would be incurred for future years as the growth is projected to continue. One other thing I would like to say on economic development. Looking at the...and another reason to oppose the Sieck amendment, looking at the fuel ethanol production in Nebraska and economic impact analysis as prepared by the Gasohol Committee, it states in here on page 28, there was reference made to the Lincoln plant. It says, it initially will produce about 10 million annually, will employ between 36 and 50 people, directly. Well, if you use 45 which is the figure that is used for the plant at Hastings, and they are going to produce 10 million gallons of alcohol, it is a 100 million gallons of gasohol, with the five cent exemption, that is a \$5 million revenue loss per year for that plant in the highway user revenues. Forty-five positions divided into 5 million, means a tax subsidy of \$111,000, \$101...\$111, rather, per job, per year, loss of revenue. Now I would submit to you that just plain makes no sense. If you wanted to double it, say, that would be 90 people with side jobs because of those employed, then the economic loss is \$55,000 per job, per year in lost receipts. I would suggest that is a subsidy that far exceeds any rational justification in terms of economic development. I would hope that you would vote down the Sieck amendment and proceed with the bill.

SPEAKER NICHOL: I am not sure yet how many of you wish to speak to the Sieck amendment. Senator Vickers, did you wish to speak to the amendment? Senator Von Minden, to the Sieck amendment? Senator Jacobson, to the Sieck amendment?

SENATOR JACOBSON: No, I am on the bill.

SPEAKER NICHOL: Okay. Senator Newell. Senator Haberman, to the Sieck amendment.

SENATOR HABERMAN: Mr. President and members of the Legislature, I will rise to oppose the Sieck amendment. I don't believe we should slap any more taxes onto the gas tax, anymore tax on gas, and leave it the way it is because in all of this debate no one has even brought up the fact