

April 18, 1979

LB 571

Section 4 of the bill merely refers to the increase of one cent on the gasoline tax. Section 5 also refers to the increase in the gasoline tax. Section 6 provides for the legislative control if the state money is ever needed for the support of the alcohol plants, provides that those leases that are entered into are approved by the Legislature and that any appropriation that is necessary for those plants must be made by this Legislature. Section 8 refers to the alcohol plant fund. As I told you earlier, we wanted to be sure that the bonds that would be used, sold to finance this construction would be marketable. We have had these amendments reviewed by a competent bond firm and they assure us that they feel in their opinion that the bonds would be marketable under the provisions of this legislation. Section 10, 11 and 12 provide that the Governor shall establish a criteria or the guidelines for the applications to be submitted for the contracts available under this act. The section 16 provides that the Governor shall determine which community shall receive a contract and the Governor shall provide if a community applies for a contract to construct with Nebraska and is denied, it provides that the Governor shall supply to that municipality or entity a reason why. Section 17 provides that the Department of Economic Development shall serve in an advisory capacity to the Governor at all times for the purposes of carrying out the responsibilities of this act. Mr. President and members of the Legislature, I know there are a great many of people who will wish to comment on this bill. I will not at this time take a great deal of time but I would just like to speak generally for a few seconds. It has been eight years since this Legislature first addressed the energy issue. At that time, this Legislature enacted LB 776 which I introduced along with Senator Jules Burbach and Senator Fern Hubbard Orme and Senator Richard Lewis. There was some ridicule of the legislation at that time. There were those people who said it was unnecessary, that there would always be a plentiful supply of petroleum. Facts and history have proved that this Legislature was correct when we first adopted that legislation. In subsequent years, we have acted upon various pieces of legislation that have strengthened and reinforced the original bill. I would like to just suggest at this time that had the nation as a whole followed Nebraska's lead eight years ago we might not now be at the critical point we are with the energy situation that faces us today. We are at the mercy of foreign nations. Our inflation rate is steadily and rapidly increasing to the detriment of every single individual. I have here before me a copy of an oil industry newsletter which points out that for every five billion

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