

April 18, 1979

LB 571

SENATOR FOWLER: Okay. Well, I guess particularly because of the....I could not now support the bill as a gas tax increase, I think that that should be dealt with as a separate bill rather than using the public's support for gasohol to mustersupport for raising the state gasoline tax. If in fact what Senator Schmit says is true is that that one cent will never be needed for the gasohol plants or for the bonds, then I guess basically what we have here is the, I don't know if it is Senator Maresh's bill that is the one cent gasoline tax but I think it has been rewrapped with a gasohol ribbon and sold as a gasohol package when, in fact, perhaps what we are being sold is a gas tax increase. Now if Senator Schmit would be willing simply to have that one cent increase dependent only on demands for the gasohol funds, I would be much more comfortable with the bill but I would prefer to see the gas tax increase addressed as a separate concern rather than as gasohol.

SPEAKER MARVEL: You have one minute.

SENATOR FOWLER: So, on that basis, I could not now support advancing the bill. I am also concerned about, although everybody is confident that gasohol plants will in fact be profitable, if they are not, that the State of Nebraska will be locked in to not just paying off bonds on these plants but also will have to pick up operating deficits either directly or indirectly and I don't think that the bill spells out very specifically the state's obligations or responsibilities or powers with regards to management of the plant. I am not sure whether the municipality or the county is the one that manages the plant, if the State of Nebraska becomes the one that is responsible for management of the plant, who makes those sorts of decisions, who makes the marketing decisions. I think that that has wide range implications for the role of the State of Nebraska. Now Senator Koch wanted the state to have private enterprise involved in this but, obviously, that is unconstitutional. So I think what we may be doing is moving the State of Nebraska into the petroleum business, indirectly, by making the state obligated for operating deficits, and in so doing, giving the state an obligation to make sure that the plants are run efficiently properly and in fact making the state in effect the manager of the plants. So with those two questions unresolved, I could not now support advancement of LB 571.

SPEAKER MARVEL: Senator DeCamp, do you wish to speak?

SENATOR DeCAMP: Just to clear up some of the things Senator