

March 2, 1981

LB 104

the Legislative Journal.) 45 ayes, 0 nays, 1 excused and not voting, 3 present and not voting, Mr. President.

SPEAKER MARVEL: The bill is declared passed with the emergency clause attached. Okay, we will return to LB 104.

CLERK: Mr. President, Senator Beutler has a motion to return LB 104 to Select File for a specific amendment. The amendment would read as follows: (Read the Beutler amendment as found on page 715 of the Legislative Journal.) That is offered by Senator Beutler.

SPEAKER MARVEL: Senator Beutler.

SENATOR BEUTLER: Mr. Speaker and members of the Legislature, the 104 just to shake your memory a little provides for a five cents per gallon tax advantage for certain taxes that contain a blend of alcohol. Okay, so we are talking about tax advantages for gasohol, and down on line 15 on page 2 it says that, "except that commencing July 1, 1982, such five cent per gallon reduction shall apply only to such a blend that contains agricultural ethyl alcohol produced in the State of Nebraska by an alcohol plant in operation or under construction prior to July 1, 1982". I think that that kind of a provision making a distinction between products produced in Nebraska and products produced elsewhere is an unconstitutional provision, and so I am suggesting that that language be stricken so that the five percent (sic) reduction would apply to gasohol generally, and I believe that generally this will be to the greater advantage of the agricultural community because it will encourage the production of ethyl alcohol regardless of where it is being produced, and as far as the price of grain is concerned it is going to do good to the price of grain whether it is produced here in Nebraska or whether it is produced elsewhere. So I am suggesting that it be broadened, that that application only to Nebraska be eliminated, that it be broadened to include all ethyl alcohol and that will make it, in my opinion, constitutional, and I think Senator Schmit is in agreement with this. Thank you.

SPEAKER MARVEL: Senator Schmit.

SENATOR SCHMIT: Mr. President and members of the Legislature, if you recall the history of the bill, I believe it was a year or so ago that we struck language that would have required that alcohol be produced in Nebraska