

SENATOR WARNER: But you don't think it is creating a new problem?

SENATOR HEFNER: I certainly don't. We talked about this in the Revenue Committee and we felt that this was one of the ways to address this.

SENATOR CARSTEN: Any further discussion on the committee amendments? Any closing, Senator Hefner? All those in favor of adopting the committee amendments will vote aye, those opposed will vote no. Have you all voted? Record, Mr. Clerk.

CLERK: 26 ayes, 3 nays, Mr. President, on adoption of the committee amendments.

SENATOR CARSTEN: The committee amendments have been adopted. Now, Senator Hefner, on the bill as amended.

SENATOR HEFNER: Mr. President and members of the body, this bill would say that the Department of Revenue has to check 10 percent of those gasoline retailers that sell alcohol in their gasoline. Now they are just making a few random checks and the Revenue Committee felt that more checks should be made. The Revenue Department would contract with the Department of Agriculture to save costs because the Department of Agriculture comes out to the retailers at least a minimum of one time a year to calibrate their pumps to see whether their pumps are accurate. And so at this time the Department of Agriculture personnel would take this sample and this sample would be taken described in the amendment that we just added. In Omaha they would contract with the City of Omaha because the City of Omaha does the calibrating of these pumps. We negotiated the cost of doing the testing with the University of Nebraska. I feel that they are very reasonable and they would make these tests. Previously, the money was taken from the General Fund. This time we take the money out of the Highway Trust Fund to do this testing. This is because we felt that if we tighten up the alcohol that is added to the gasoline we would get additional funds and this would go to the Highway Trust Fund. Also, if a dealer is found in violation, he would lose the tax exemption on the amount of gasohol that he would have in inventory. This bill also increases the penalty and with that I would move for the advancement of LB 1143.