

brought to me at the request of an existing ethanol plant which is being operated in my district. The plant has 10 million gallons capacity, and it benefits not only the area's economy but Nebraska's economy as well. And I could go into detail and talk to you about the numbers of people that are employed, the turnover as far as what has been involved with the construction, and the dollar turnover, and that kind of thing in the state. But I will just get on to the fact that the ethanol credit given today, by my amendment, would now only be available for smaller operations of 20 million gallons capacity or less. The purpose of the amendment being to stimulate economic development, utilizing Nebraska products. The plant in Hastings believes that this will be beneficial to them as well as the development proposed under this legislation. What it does is there is a 3 cent a gallon gas tax...motor tax...fuel credit given, and it would limit that credit to be given to those plants with a capacity of 20 million gallons or less. And it addresses the concerns that this plant has and what we may have, in the future, with this piece of legislation as to out of state competition. I urge your support for the amendment. Thank you.

PRESIDENT: Senator Vard Johnson, you wish to speak?

SENATOR V. JOHNSON: Mr. Speaker, members of the Legislature, I can recognize weariness when I see it, and feel it, and touch it. And I know that this body is tired. I want to rise in opposition to Senator Smith's amendment. Her amendment was brought to the Revenue Committee in the form of a bill earlier this session. The Revenue Committee took the bill, cleaned it up so that the bill could work, looked at the \$80,000 fiscal note, recognized that ethanol produced in a 20 million gallon plant was indistinguishable from ethanol produced in a 30 million gallon plant, decided in the last analysis that the intent behind the bill was a good intent, but that the modalities for deliverance were impossible to deal with and killed the bill. Similarly, Senator Smith's amendment to LB 1230 should not be approved.

PRESIDENT: Senator Harris. Senator Smith, do you want to close then? You want to close on your amendment, Senator?

SENATOR SMITH: Thank you, Mr. President. In just a little bit of response to what Senator Vard Johnson said, I might answer a little bit about why we need the size limitation. The reason being to prevent the state from becoming a dumping ground from surplus ethanol, like imported ethanol from Brazil. In 1985 the