

SENATOR DECAMP: Well with the shrinkage allowance the way it is, we certainly have paid them well for their trust, but exactly how, other than trust what is the mechanism you have here?

SENATOR V. JOHNSON: Whips and chains.

SENATOR DECAMP: Okay. I'll work on it later.

SENATOR LAMB: The Chair recognizes Senator Hefner.

SENATOR HEFNER: Mr. President and members of the body, John, I'm willing to answer your question. What we're...we used to, or the oil jobbers used to have to bond themselves to collect this tax, but then when some of the farmers wanted to buy special fields and remit the tax themselves and they said, well we're not going to bond ourselves to collect the state's tax, that's foolish. And I believe it was Senator Martin Kahle got that bonding requirement removed. Now we're finding out that in our distressed times and difficult economic conditions that we are having a problem with a few of the jobbers and some of them are behind in their taxes. I don't think the loss is near as great as Senator Johnson said it would be, but the state does figure on losing a few dollars. So what we're proposing here is to create a fund and there are two fuels, or the taxing provisions for the two different fields. With gasoline you pay tax on the gallons that you import. On special fuels you pay the tax after you sell it. So we had two provisions in this bill. On the gasoline we would take part of that shrinkage allowance and put that in the fund, one-sixteenth I believe, but that's very complicated. And for the special fuels we would take a certain portion of that collection allowance which is 2 percent on the first 5,000, a half of 1 percent thereafter. We would take a portion of that and put it into the fund. So what we are doing with the gasoline rather than taking it out of that shrinkage fund, we're taking, or the shrinkage collection, we're taking it out of the collection allowance, and putting that into the fund. So the two are going to be the same. I urge the adoption of this Vard Johnson amendment.

SENATOR LAMB: Senator Vard Johnson, we have no other lights on. Would you care to close?

SENATOR V. JOHNSON: Mr. Speaker, members of the body, I