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FLOOR DEBATE

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LB 536

done in a timely manner and it is important that the financial institutions can count upon certain flows of revenue. And if you put this kind of factoring that's subject to government determination into the proposition, you will destroy the bill, in my opinion, because you will take financial certainty out of the proposition. And so, if you're against the bill, I think you should vote against the bill, but if...but at least leave the bill in workable form. It will not be in workable form, in my opinion, if this amendment is passed. Thank you.

PRESIDENT MAURSTAD: Thank you, Senator Beutler. Senator Chambers, on FA239 to LB 536. Senator Chambers.

SENATOR CHAMBERS: Thank you, Mr. President. Members of the Legislature, this again is a bad bill, in my opinion. We are talking about state policy in the amendment that Senator Raikes has presented to us. Senator Beutler is talking about how to help speculators get some money from a lending institution relying on the state to, in a sense, guarantee a loan. We are not, as the federal government often does, in the loan guarantee business. Somebody can make a bad deal and the state is going to be asked to sweeten it by putting a payout from the General Fund into that risky activity. These companies are not like ordinary business enterprises. The proof of it, first of all, is that we have to make a direct payout from the General Fund to get them started. Secondly, Senator Beutler and others who support this legislation want to put money into building plants that produce a product that is not in demand. If ethanol was really selling, we wouldn't have to guarantee these subsidies. The federal government would not have to maintain that 54-point-something cent per gallon subsidy of ethanol. Cargill and ADM can be thanked for that federal subsidy, but even their days are running out. I'm sure that when they made their contributions to the "Demagogues" and the "Repelicans" they were told, we're going to pay you back but not forever. We will extend this subsidy until 2007. After that, it's over, and it may be over before then. When 2007 arrives and the federal subsidy kicks off, there is going to be no viable ethanol plant in Nebraska. You're going to have what amounts to relics and mementos of the foolishness of this Legislature. What Senator Beutler is talking about may have validity from his point of