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FLOOR DEBATE

April 13, 2004 LB 479, 1065

SENATOR BEUTLER: Okay. We stuck the shovel in the fiscal hole twice, and the first thing we did was to take out the fuel tax provisions in LB 1065 which left it \$8 million to \$10 million short. And then the second thing we did is that we opened the gate in LB 479 to two or three or four more ethanol plants, so we dug the hole, the fiscal hole, deeper twice, just on this bill. That's not to mention, of course, the fact that we have this enormous fiscal hole in other areas. What this amendment would do would be to suggest that we fully fund the ethanol plants that we know, that we know are going to be on line, and we're short funds to do that. This amendment doesn't purport to do anything about, or to engage funding...to make a funding effort with respect to the plants that may qualify by virtue of the changes we made in LB 479. This just plugs the gap for what we know we have to do. How does it work? I passed out to you a chart. The front side of the chart shows the years in which the ethanol credits may be claimed. It shows on the left-hand side the different kinds of money that we're putting into the ethanol fund and how much goes in each of the years out to "FY11/12" on the right side of the page. This chart has been worked and reworked and reworked again by the Fiscal Office, and if you see the number circled, on the right-hand side, this is the side of the page that says, "Current Cash Flow" in the upper left-hand side. On the lower right-hand side, I've circled the number, -\$8 million-plus. That's what we're short in the ethanol fund in order to fully fund those plants that we know are coming. If you turn your page over, there's a revised cash flow based on the provisions of this amendment. And if you will look first to the very bottom of the page, you will see where it says "Amendments" and there is a description there of how this amendment would fill that \$8 million gap. You'll see it says "Revise ending date of the increased off-road fuel checkoff to December 31, 2011. Currently, LB 1065 ends the increase on December 31, 2009." So we would extend the off-road fuel tax checkoff for two years and the effect of that would be to raise \$740,000. Then down below that you see that we revised the ending date of the increased grain checkoff to October 1, 2011. And that's extending that by one year. The effect of doing that is to increase the amount in the fund by \$7,300,000. It does not raise this year or next year or in any year out until '09-10