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LB 151

SENATOR MARESH: Why couldn't we have a limitation on the volume of alcohol they would produce? That way we would encourage small farm stills to be built.

SENATOR V. JOHNSON: We thought that we were not...we talked about it. We didn't feel at the time we were putting this bill through that we had adequate technical knowledge to be able to deal to distinguish the large from the small and also we were not confident we could do it in a way that would make it totally constitutional. So that is one reason why we just didn't do it.

SENATOR MARESH: You don't think we could have, say a hundred gallons a day volume, as long as they wouldn't put out more than a hundred gallons a day. Wouldn't they be registered with the state for how many gallons they were producing that this would be real easy to monitor?

SENATOR V. JOHNSON: I am inclined to think they would be registered with the state but I don't know how easy it would be to monitor it, Senator Maresh.

SENATOR MARESH: As long as they wouldn't put out over a certain amount they would be tax exempt, wouldn't they, year after year?

SENATOR V. JOHNSON: Well the thing about it is that... you know, what the bill is designed to do is just to provide a small exemption for an increase in the valuation of real property by virtue of the alternate energy device. An alcohol still per se may not increase the value of real property whatsoever.

SENATOR MARESH: Oh, yes it would because you build buildings and grain handling equipment and there is a lot of value that is placed on the real estate to build a still.

SENATOR V. JOHNSON: I guess in the end, one of the reasons we did take it out is just because we felt that we had a problem with the large scale alcohol distilling operation which we didn't want to include and we got down to the small, we said well maybe, you know, the increase in value would be so modest, it is not worth dealing with at this time. That is why we took it out.

SENATOR MARESH: I wouldn't go for exempting those million dollar plants either but I think a farm still that produces a small amount of alcohol because of the amount of money involved to build the plant, we should probably consider them.

SENATOR JOHNSON: I appreciate your point, thank you.