

felt that they could not legally do that. I disagree with them on that, but that is their right and their privilege to feel that they do. What I am trying to do is to provide a legal mechanism whereby the Ethanol Authority can provide funds for the purchase of that plant if, in fact, they are the best bidder and that the ownership then would rest with the individuals who contributed the money. I have been told by an Assistant Attorney General that it is possible to refund the money to the original contributors and that may be another alternative. But I still believe that there will be an ethanol industry in the United States one of these days. I believe that for Nebraska to benefit to the maximum, the individuals who produce the grain ought to be involved in the industry. Farmers, for years, have sold their products at wholesale and purchased back items at retail. It makes no sense to me that we sell our corn, our grain and our wheat and our sorghum at wholesale prices and then buy back the alcohol as a fuel at retail prices. There will be an industry eventually that covers the entire United States. There are those who think this industry has not progressed rapidly enough. Let me tell you that 16 or 18 years ago when we first started, not very many people even knew and no one thought there would be an industry of this scope and magnitude that we have with us today, that we do have one. I take some satisfaction in the fact that this is probably the only really new industry that has been created in the state in the last 20 years. There are a few of them rather peripheral but this is a major industry which impacts upon our major sector of our economy, agriculture. I have also drawn a set of articles of incorporation to establish a nonprofit entity that would own this corporation. One of my newspaper friends said the only thing I have not done is to have Loran Schmit named as a public...as an agency of state government. I don't intend to do that. But I'm trying very sincerely to put together a system which will allow the Ethanol Authority in good conscience to assist the farmers of the State of Nebraska in acquiring the ownership of an ethanol plant with their own money that was contributed through taxes, but which at the present time, because of our statutes, is now tax money which must be handled very discreetly and properly so. I'm also concerned, and we all know, the problems that we have when we try to distribute or try to lend the credit of the state to a private corporation. There is very real concern in the Attorney General's Office about the ability of the Ethanol Authority to make certain grants and loans in that capacity, so we must be very circumspect in how we handle that. I want to tell you that at this time I am in the