

SENATOR BEYER: Okay, that was basically our understanding. Thank you.

PRESIDENT: Thank you. Senator Schmit, please, followed by Senator Korshoj.

SENATOR SCHMIT: Mr. President, members, again I want to apologize because you have not seen the amendment in its final form. It's been kicked around a lot and I know that there are some questions, and Senator Rod Johnson raised a question as to where, if the authority bought a plant, that they would find the money to operate it. What I'm saying, Senator, is that there has been a history of a great many ethanol plants that have gone broke for a variety of reasons. Many of those facilities are available as salvage, they are available to be moved, some of them are available to be operated in the present condition. I'm not aiming this provision merely at the Hastings plant. The Ethanol Authority would have to make the decision as to whether or not they had the resources to buy a plant, and then, if so, what they would do with it, and how they would operate it. I would assume, given their conservative nature, that they would not be inclined to get into a situation over their head. I wanted to make that option available to them to clarify in law a question as to whether or not they could, in fact, purchase a plant. I think that it's pretty obvious they can purchase equipment, they can purchase other resources. They have purchased a 49 percent investment, I believe, in American Eagle Fuels, and they had a chance, as I was told, to sell that out to another entity, but that entity would have moved it out of the state. They have since chosen to remain with it, and it may require an additional investment. That investment hopefully will be made in Nebraska. I believe at the present time it is planned to be made in the Omaha area, it is not inconceivable to me. I believe the original investment was somewhere in the neighborhood of a half a million dollars. I believe they proposed to invest another 3 million dollars in that operation. It is not impossible, Senator, that at some point the Ethanol Authority might find it wise to take over the ownership of that plant. It ought to be an option, I believe, for them to do so, if they choose to do so. They're going to be involved with the University of Nebraska in experiments that are related to that plant. And to the extent that they need to have control I want them to have it. As you know and I know, I have had my differences with the Ethanol Authority, it's sort of, as I have said earlier, a little bit like a wayward son. I had a major