

argument that if, in fact, we can't do this kind of thing, then how can we even do welfare or grants or bonds, that sort of thing, for people, for groups, individual groups. And then I go on to say that the Legislature has already done this sort of thing in the fact that we passed legislation prior to this regarding ethanol, and I will read to you from the Ethanol Authority Development Act which says, "The Legislature finds that Nebraska should immediately develop a program to process, promote, market, and distribute products derived from grain or from ethanol or ethanol components, coproducts, or by-products, to provide for (1) the expanded use of Nebraska agricultural products, (2) efficient and less polluting energy sources and reserves which will make Nebraska more independent..."

PRESIDENT: One minute.

SENATOR SMITH: ...energywise, and which will retain Nebraska dollars in the Nebraska economy to achieve a pyramid effect, thereby generating additional jobs and tax income to the state rather than to export the Nebraska dollars." In other words, we are already doing this. Why all of a sudden now are we saying that we can't do it? And the other thing that I would bring to your attention, I passed you a handout on the floor before this time and now we have another copy that I sent out a day today, look at the states around us that are providing production credit. None of these states have ever argued that case. So those states are doing the same thing we are talking about doing in the production credit. With that, I would just go on to say that when we talk about doing those kinds of things, we are doing about the public purpose to attract new ethanol facilities to Nebraska, to enable existing production to expand; that is to the good, the benefit of the public welfare. And then I was going on to say that due to changing times, what may have been not been public purpose 85 years ago when...

PRESIDENT: Time.

SENATOR SMITH: ...that test they are talking about, the Oxnard Beet Company case was decided, that was 85 years ago.

PRESIDENT: Time.

SENATOR SMITH: We have done these other things since that time and they haven't been contested. Thank you.