

exemption, the three cents that we already have allowing producers in surrounding states to sell their ethanol fuels in Nebraska at a price which is lower than we can, as our producers produce it, match. So that is the problem that we are in right now. LB 1124, as amended, is intended to correct this situation and put us on a level playing field with those states around us, helping us to create strong local markets and expand into the states around us and in the nation. We believe that it is really important because it is going to impact directly on the economy of the State of Nebraska. It is going to place our ethanol producers on that level playing field. It is going to increase the use of the product. So it can do only nothing but good as far as the products, the corn, the grain cereals that we are talking about here so of a benefit to our producers. When I talk about producers, I talk about producers, I guess, in two ways, the plant producer we are talking about, but on the other hand, the grain producers. So all will benefit, and then to expand our markets. Remember that Nebraska is at a critical juncture in its efforts to establish a viable ethanol industry. We can't afford to lose this opportunity because decisions are already being made right now, literally being made about bringing in and developing, building new plants in Nebraska. With a favorable tax incentive that we are talking about here which puts us at a same level as other states around us, its central location and abundant feedstocks, Nebraska can become a leader in both production and marketing of ethanol fuel. I would like to give the remainder of my time to Senator Kristensen, and he will talk a little bit about the Attorney General's Opinion. Thank you.

PRESIDENT: Thank you. Senator Coordsen, please. Oh, Senator Kristensen, excuse me, yeah about three minutes left, almost.

SENATOR KRISTENSEN: Thank you, Mr. President, and members. Thank you, Senator Smith for allowing me a couple of minutes. A lot of discussion has been held this morning about the Attorney General's Opinion, and I kind of wanted to touch on that, and I feel somewhat compelled to speak on why the Attorney General ruled the way he did, or why I perceive that he ruled this way, and how that may fit into this. Article VIII or Article XIII, Section 3, of our Constitution says the credit of the state shall never be given or loaned in the aid of any individual, association, or corporation, and thus with that you make the distinction and say, look, the state is not going to become the guarantor or, in effect, are not going to be the bank for