

about 30 cents on the dollar. Whether or not Chief Industries would have purchased the plant for that amount of money, if it had not been for the passage of 1124 no one knows. I want to remind you that I did offer a bill on this floor and I discussed it at great length, the opportunity to create a nonprofit corporation which would be owned by the farmers of this state and which would then use the \$18 million in that fund for the purchase of a plant. I was roundly and soundly defeated on that proposal. What we are doing today is giving away roughly half of that \$19 million for existing production, production which was in place when the fund was tapped last year for the production credit type of incentive. Now there are several different kinds of incentives. We have the per-gallon incentive and the production credit incentive. I think they are probably both viable incentives. There's also a proposal for a marketing incentive and I would support that also. But I believe we have to recognize that there is not enough money to go around to do all of the things we want to do. My principal concern with the proposal we have before us is this. Assuming the fact that we're going to put on our Santa Claus suit and give away \$2.4 million a year for existing production, that's a given, what happens if the Sutherland plant comes on line and produces 10 million gallons per year? There are several other proposals that are being very seriously considered by the Ethanol Authority. If you were just to take a small percentage of those proposals and assume that you would get \$30 million of new production, coupled with what we already have, that would put us in a position, I'm afraid, where the fund would be totally depleted long, long before...

SPEAKER BAACK: One minute.

SENATOR SCHMIT: ...the contractual arrangements are completed. In other words, we could well run out of money by the end of 1994 or '95. My question to the Legislature is this. Are we then going to make a General Fund appropriation to fulfill our obligations under that fund, based upon the same arguments that have been offered here this afternoon that this contract was entered into in good faith, based upon the position of the Legislature? I doubt that. I would not support that. Then are we going to go back to the corn and sorghum and wheat growers of this state and reinstate the check-off program at one and one-half cents? And are we going to make it mandatory or are we going to make it voluntary? It would appear to me that that would be the only course of action that we could take. So then