

SENATOR SMITH: And the 75 million gallons in production, that is an incentive for the checkoff people or the for people that are paying in to see that actually it is doing something.

SENATOR WEHRBEIN: Right, there should be significant production in the state, and when this figure was 75 million before we'd have the checkoff kick in.

SENATOR SMITH: Okay, thank you. I am going to support your amendment, Senator Wehrbein, your amendment to the amendment, but I am, at this point in time, opposing Senator Johnson's amendment. And this is based on the fact that this impacts negatively on the only existing plant in Nebraska at this time. We just gave production credit last year, and you will see the map that I passed out here that we used last year when we talked about that. On November, the first, of 1990, Chief Industries purchased the ADC-1 ethanol plant in Hastings for \$10.6 million. That plant has been in receivership for several years, and many unsuccessful attempts to purchase it had taken place. The unsuccessful attempts to purchase the plant were due to the inability of those bidders to come up with adequate financing. It currently does, as Senator Wehrbein told us a little bit ago, produce 12 1/2 million gallons of ethanol per year and it consumes in excess of 5 million bushels of grain per year. It has spent thousands of dollars, Chief Industries has spent thousands of dollars in engineering a plan for expansion at this time, and what they have done in the past as far as acquiring it and the expansion that they're planning is based on what we just gave them last year. Someone alluded to the fact, I think it was Senator Moore, that LB 775, every time we have an attempt to try to change anything in what was passed in that bill a couple of years ago, the argument is always used on this floor, well, you can't go back on your word. That is what we would be doing by making this change. We have already by the amendment that I have attached to the bill, along with the compromise that was worked out with Senator Warner and myself, we have already amended the bill to be less than what we originally promised them just one year ago. And now what we are doing is going to take away some of the money from the existing facility, we are going to drop that by 10 cents, but when you look, you are seeing that they are in competition. This map shows them what we gave them. We gave them 20 cents. If you look up here at North Dakota, you can see they are already providing 40 cents. If you are looking at Montana, you see 30 cents, so they can