

minutes to Senator Schmit.

**SPEAKER BAACK:** Senator Schmit.

**SENATOR SCHMIT:** Thank you, Senator Lynch. Appreciate the allocation, I will try to make use of it. I want to emphasize again, ladies and gentlemen, I am not opposed to production credits, I am not opposed to the checkoff, I am opposed to how it is being used. And if anyone disagrees or can prove me wrong, I hope they will say so on this floor for the record. But as of this time, we have not added one gallon of new production in the State of Nebraska from where we were a year ago now, and we have tapped the fund for about a million and a half, and we have tapped the highway fund for another million and a half. Ladies and gentlemen, Senator Warner is right and I am in support of an amendment, if there is one available, if there is none available, I will draft it that takes all money from the Highway Trust Fund out of this program. I would like to see some money come from the General Fund but not from the highway fund. But, ladies and gentlemen, if I had introduced the amendment that makes it possible for my friend, who is the principal officer of Chief Industries, to acquire \$3 million per year from the ethanol fund without adding one gallon of production at the Hastings plant, I could have, would have, and should have gone to jail, spoken plainly. I had an amendment on the bill on this floor that said the farmers of Nebraska could buy the plant with their own money. This Legislature refused to let that happen. Now, ladies and gentlemen, I have not often done it but I will promise each and every one of you that if we continue in this kind of a scam, I will go to each and every single legislative district and explain that farmer money, checkoff money, given for new production, is being channeled to an existing plant that has not created one new gallon of ethanol and that it is a plain payoff. Not to Mr. Eihusen, who is an honorable person, but because of the inertia of the system, and I deeply regret the division that occurs on this floor. I would just hope that a year ago when I tried to protest the payment for existing production and I was hooted down, I was treated like a senile, old, elderly citizen, and perhaps I am, but the facts are this, if you are going to encourage new production, you don't pay for existing production. Mr. Eihusen says he can't afford to build a new plant unless we continued the excise...the production credit for the old production. If you can't make that plant pay on 30 cents, 30 percent of what it cost, 30 cents on the dollar, how can we ever pay for any new