

cost for new production until it is operational. And the 84 months from the time the first certificate is received is a standard which has been adopted in neighboring states and we would hope would give some sort of consistency and continuity to the program and get away from some of the problems that we have talked about earlier. Section 9, page 10, is one of the sections of the bill which was of concern earlier to certain individuals and it provides for a marketing credit for Nebraska produced ETBE. It reduces the tax liability to the General Fund. For example, if an individual owes \$100,000 of state income tax, they receive a tax credit of 50 cents per gallon for each gallon sold in Nebraska and it reduces their income tax liability. It has no fiscal impact until you actually have some products sold in Nebraska and produced in Nebraska. It ought to encourage investment and development of ETBE in Nebraska which we all believe, I believe, and I think that's one thing we agree upon, is that it will be one of the major contributing factors toward the increased use of this product in the State of Nebraska. I want to say here, at the present time, that again this amendment is my version of what I think ought to be done. The two major differences, as was outlined before by Senator Rod Johnson, and Rod, I know, is sincere in this, we have a sincere disagreement here, but my amendment would allow for the payment of the production credit on existing production only until the end of June of this year. It is my feeling that this would provide for a \$3 million subsidy for the new plant, the purchase of a new plant. It would also provide...should have provided, I believe, the incentive that was necessary for the plant to be purchased in the first place. The reason that I agreed to provide for the 20-cent production credit for existing production was that at the time we met last year the Hastings plant was for sale and it could be legitimately argued that this type of incentive was perhaps justifiable to find someone to secure the plant. At the same time I spoke with a number of potential buyers, I emphasized the fact that the Legislature operates on a year to year basis and that it should not be considered a permanent part of the statute. The other major difference between my amendment and Senator Rod Johnson's amendment is that my amendment allows the continuation of equity investment of the Nebraska Ethanol Authority. You will recall several years ago I came to this body, I was concerned about the investment procedures of the Ethanol Authority. I even went so far as to introduce a bill to repeal that authority. Almost without exception, that was opposed. I did so in an effort to dramatize what I felt was concern about the inability of the