

20 years ago, I don't think there would be much of an ethanol industry today. I would hope that you would take this amendment very seriously. I will answer any questions I can and I am open to some sort of compromise if that's necessary.

SENATOR CONWAY: Thank you, Senator Schmit. The next speaker is Senator Warner, please.

SENATOR WARNER: Yes, Senator Schmit, I will take you up on your last statement there. The amendment, if I'm reading it correctly, and correct me if I'm wrong, extends the two cents at the pump to 1997, right?

SENATOR SCHMIT: That is correct, yes.

SENATOR WARNER: And it would continue the production credit to be paid half from highway fund and half from the ethanol fund indefinitely, I suppose, to currently where the ethanol fund would not pay any after 1994.

SENATOR SCHMIT: That is right, I believe.

SENATOR WARNER: Okay.

SENATOR SCHMIT: The only limitation, Senator Warner, is the 84 months that a plant can draw the money.

SENATOR WARNER: Well, obviously, I will say up front that I would never support a continuation. You know, this is the same thing I've talked about earlier today. The history has been consistently for as long as I can remember on how long the highway user was going to be paying the subsidy. It's always going to end but it never does. I want to ask one question on the tax credit, income tax credit. Those are transferable. I assume it's 50 cents a gallon and you can transfer them. I assume whether you made any income tax or not, you can sell that 50 cents... whether you owe any income tax or not, you can sell that 50 cents to somebody for whatever you can get for it.

SENATOR SCHMIT: That would be consistent with the Revenue Department policy, Senator, and I'm sure you know that perhaps better than I do.

SENATOR WARNER: Now maybe I didn't ask the question right. The person who would qualify, the firm that would qualify, as I