

what it would do is to tax that energy used in irrigation, farming, hospitals, manufacturing and I guess one of the reasons I would look at objecting to this particular amendment is it's looked at taxing corporations, hospitals and manufacturing and really, that tax would be passed on. A perfect example of what would happen to one of the industries that would be in western Nebraska is Western Sugar and looking at the high contents of energy that is required to produce an agricultural product. It would not be passed on to the consumer, it would not be used, or any way really impact heavily the industry. What would happen, it would just very simply go back to agriculture again and the producer of that particular product. We talk a lot on this floor about agriculture and how it is going to be impacted and I think we need to look at all the ways that ag can be impacted, and if we're going to tax ag, I think we need to be up front about it and decide how we're going to do that. This would just be a tax that is going to be passed on, again, to that producer. Agriculture being, again, one of our most important industries, the thing we've talked about in this state constantly is added value, looking at food processing and how we can enhance the agricultural industry. In this particular instance, looking at food processing and what that can mean to the ag industry and what this particular part of this bill would do in taxing energy would be extremely detrimental. Hospitals, again, would pass it on to the patients. Electricity and producing of electricity you use an energy to create an energy. You turn right around and sell that energy and somebody is taxed again. I would urge the body to pass this amendment and to move LB 20 (sic) right along.

PRESIDENT MOUL PRESIDING

PRESIDENT MOUL: Thank you, Senator Hillman. Senator Wickersham, followed by Senator Schmit. Senator Wickersham.

SENATOR WICKERSHAM: Thank you, Madam Chair. I appreciate Senator Hillman bringing this amendment to the body. I also had concerns about the energy tax primarily because I saw it impacting specific segments of the economy without any real recognition that that was going to happen and of course, she has identified a couple of those, primarily food...and one of those that I'm particularly concerned about is food processing. And there really are alternatives when you are a food processor and you suddenly find your costs raise. You can attempt to pass those on down through the chain but you may also try to back