

PRESIDENT MOUL: Thank you, Senator Wehrbein. Mr. Clerk, amendment on the desk.

CLERK: Madam President, Senator Wesely would move to amend Senator Wehrbein's amendment by striking Section 10.

PRESIDENT MOUL: Senator Wesely.

SENATOR WESELY: Thank you, Madam President, members. I appreciate the intent of this amendment and of LB 754, but Section 10 has been called to my attention; and if you are following the debate, you can take a look at the section. It deals with a question of tax credits for ETBE which is a type, I guess, product of ethanol. And this tax credit is of question to myself and some other people who wonder what its ultimate obligation to the state might be. In a sense it's a blank check credit. It does set out the amount of money, it's 50 cents per gallon; but it's questionable about what kind of liability we have, what kind of instances would it be used, and I'm a little fearful of these tax credits. I have expressed concern in the past with LB 775 tax credits and some other tax credits. There is a point in time which they are valuable, another point in time when they're not. And I guess, I don't know if Senator Wehrbein can answer questions about Section 10, but I'm curious to know what the intent is of that particular section and also whether or not these plants that could qualify under LB 754 in Section 10, wouldn't they also be qualified for income tax credits, for instance, under LB 775 or some other incentive legislation we might have? I'd like to ask Senator Wehrbein that if you don't mind.

PRESIDENT MOUL: Senator Wehrbein.

SENATOR WEHRBEIN: Yes, Senator Wesely, I think they would be qualified under 775 probably also. To my knowledge, there's no ETBE plants going in Nebraska at this point. If you notice on page 18, there is a limitation, not more than 2.5 million gallons of ETBE produced annually at a plant shall be eligible for a credit. ETBE is really one of the bright spots in the future, but even at that point we're not...there's no major effort at this point in Nebraska to produce it in Nebraska to my knowledge. It is in there because it fits in with the standards of ethanol production. Ethanol, by the way, approximately one-half gallon of ethanol is contained in a gallon of ETBE which is added to ethanol to make...its isobutylene is added to