

to carry on a little bit of the conversation that Senator McKenzie was having relative to individual economic benefit of use and how that impacts prices, the prices of grain, all forms of grain, are set on the Chicago Board of Trade every minute of the day that it is open. That becomes a basis for world-wide trade. The price that any individual farmer gets whether they are in Washington state or in Texas or in Nebraska depends upon what is commonly called in the trade, a basis. That's the difference between the freight and the handling charges, how the local demand might stack up against the man that is further away. The impact that an ethanol plant has is absolutely no different than what the impact of any other user of bulk commodities. A feedlot would cause a positive benefit to the grain producers in that area because of what we call a freight differential, the difference in the cost of hauling between one place and the other. For an example, the corn grower at Mitchell, Nebraska is going to have to pay under this bill either the one-half or the three-quarters of a cent depending upon what the decision of the body is. But that corn grower, there's no conceptual way in my mind that they are going to receive any positive benefit in any direct measure because of the distances they are removed from the plants. Their markets are in Colorado feed yards, in demand areas in different directions. It's the same way with the area that I'm in. For the most part, for the most part the corn and grain sorghum that is raised in my area will not go north into the ethanol industry, it will go south into the Kansas, Oklahoma and Texas feed yards, it will go southeast into the poultry industry. That's our market shed. The impact that a local demand has is really localized. The impact of the industry in general is there because any time you have a disappearance of a unit of a commodity out of a market that creates some potential for upward pressure as you reduce supply, take supply out of the market, it does create an upward pressure on the market. The point I made earlier is that this is to a large extent a discussion of whether or not the agricultural community receives far more benefits than what the cost might be. What does a half cent amount to? The current checkoff on corn is a half cent, is that not correct? Quarter of a cent, one-fourth of a cent. With that one-fourth of a cent all of the export market development share is paid and all of the corn based research here in the State of Nebraska is paid. An additional...there are contributions made to the Meat Export Federation for development of export markets for all types of grain produced meats, so a half cent is a rather significant amount when compared to what