

SENATOR BEUTLER: And I assume sub (a) is that distinguishing principle that you talked about this morning, that is there ought not to be a sales tax on property which will enter into and become an ingredient or component part of property manufactured process or fabricated for ultimate sale at retail. Is that...that is the basic distinguishing principle, in your philosophy, is it not, Senator?

SENATOR WARNER: Yes, sir.

SENATOR BEUTLER: Okay. The key words in that definition are "enter into" and "become an ingredient or component part of". Now that's what we used to justify what we did with Nucor earlier this year?

SENATOR WARNER: Right.

SENATOR BEUTLER: And the other exemption that we made earlier this year. Now, Senator, tell me how an insecticide enters into and becomes a component part of an animal.

SENATOR WARNER: Well, from my viewpoint, the insecticide, we're talking about animal, it...and I guess, in a sense, it doesn't...well, it may in some cases, I started to say it doesn't necessarily become a part of the grain but it would be comparable to...it enhances the ability of the animal to grow, to gain weight to produce food which I would say is not dissimilar then in that process of some of the manufacturing things that we do, such as the Nucor which the parts that we exempted facilitated the making of the steel and eventually became a part of the component part. But I don't know if that's a good description but...

SENATOR BEUTLER: I guess I have kind of a problem with insecticides. I have a problem with herbicides that we've already exempted in the sense that I don't think they do. I don't think they are component parts of or enter into the product. The...you know, some of it may or may not in some sort of incidental sense. But when I remember my grandfather spraying the barn, he sprayed all over the barn and at least for us consumers we're all trying to hope that the animals didn't ingest too much of those insecticides.

PRESIDENT ROBAK: One minute.