

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

May 13, 1999

LB 605

pay out the nameplate capacities of the plants that are in the state. And this bill is here today because of a feeling in the industry that they are entitled to more than what they agreed to. There is no additional value to corn in Nebraska. On General File, I tried to share with you how the price of corn in the world is determined and it's determined every trading day on the Chicago Board. From that comes the basis, the major one that applies to local people in the state is that of transportation, and it is absolutely true that, if you happen to have a user of feed grains in your facility...in your area, that the price you receive is going to be more than the rest of the state, and the difference is the cost of transportation. So for those few who benefit, all of the producers must pay. We currently have, measured by purchasing power, the lowest commodity prices that have ever been recorded since the Phoenicians made chicken tracks on clay tablets and baked them and created an alphabet. The story, 10 cent corn of 1933 would buy nearly twice as much as what a bushel of corn today will...

SENATOR CUDABACK: One minute.

SENATOR COORDSEN: ...in an exchange rate, and that's what's important. This bill has been heavily lobbied, and I rather suspect that the Wickersham amendment will fail, but the three-quarters of a cent checkoff that exists is a much greater percentage than what it was. We talk about helping agriculture, I'm not so sure that we're helping agriculture with this as we are some of the grain produc...some of the ethanol producers who quite probably would not be in this state were it not for the incentives that exist, the transfer payments from all over into their pockets. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Coordsen. Senator Don Pederson, on the amendment.

SENATOR D. PEDERSON: (Microphone malfunction) ...members of the body, I was not here in 1995 when the ethanol production program went into force. It was committed to do it for five years and had a schedule of payouts and so forth. But I...I would tell you that in Sutherland they had all kinds of problems, things that you couldn't possibly imagine that took place and, ultimately, after \$14 million worth of development in the