

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

May 13, 1999

LB 605

on your amendment.

SENATOR RAIKES: Thank you, Mr. President, members of the Legislature. I guess, first given the fate of Senator Wickersham's amendment, I'm anxious to distinguish my amendment from his. (Laughter) I would characterize his amendment as a shotgun where mine is more of a rifle shot. Given my voting record here, I shouldn't use gun analogies, but as long as they are not handguns, anyway, let me get on with it. My amendment, in particular, deals with subsection (4) of Section 1, and let me try to, if you look at the amendment, itself, it's wording that the meaning of which may not be apparent right away. If you remember a handout that Senator Stuhr passed around entitled Proposed Ethanol Producers Credit Program, it listed several companies, and for each company for each year, it had an amount of money and finally a column that totaled it. In the very first column, year 200 or 2000, there was a \$500,000 amount, the only \$500,000...the only amount in that column, and the company next to it was High Plains. Subsection (4) of Section 1 would eliminate that portion of the ethanol credit program that's being proposed. And let me...let me go on in just a little bit more detail. That subsection (4) would provide that a firm gets 5 cents a gallon for up to 10,000 gallons of ethanol produced or \$500,000 if it did not maximize its benefits, is the first requirement, and maximizing its benefits I believe means basically \$1 per gallon of nameplate capacity up to \$25 million. So if this company got less than \$25 million in ethanol credits over a 5-year period, that makes it eligible. It has to have increased capacity by 2 million gallons over its original nameplate capacity, and I think that it's fairly general as to when that expansion might have occurred. Then it has to produce ethanol for one year at the nameplate capacity between now and the year...between now and December 31st of the year 2000. It has to have expanded capacity but it does not have to use that expanded capacity and it has to produce ethanol for one year. The context of the bill into which this fits, there are four...four ways for plants to earn credits. One of them, they can get 20 cents per gallon...20 cents per gallon of ethanol produced for up to 60 months; for new production up to 25 million gallons a year; after...for plants constructed after January 1 of 1993 and before December 31 of 1995, that opportunity for credits is in the law and still available to