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FLOOR DEBATE

January 20, 2004 LB 479

**PRESIDENT HEINEMAN:** Senator Baker has requested to substitute AM2150 for AM1382. Is there any objection? Hearing none, so done. Senator Baker. (Legislative Journal page 150.)

**SENATOR BAKER:** Yes, thank you, Mr. President. As I said earlier, AM1382 was an amendment that was drawn up to the bill last April. It's no longer applicable with all the work we've done on this issue over the summer and fall. So, hence, AM2150. AM2150, and if you want to follow along, it strikes Section 7 in the committee amendments. This is on page 15 of the committee amendments, AM0852, it strikes Section 7 which is the increase in the checkoff tax. It takes that out of the bill. It's no longer in there. It strikes the whole section. It strikes Section 8 which is we want to leave it the way it was. There was some intent in LB 536; the Legislature appropriate \$1.5 million per year General Fund to the EPIC Fund. We are going to leave that language as it exists now in statute so, hence, we have stricken Section 8. And then on page 9, that's the Senator Bourne language dealing with construction. We feel that should be addressed in the new ethanol program. It is language you don't feel that's necessary concerning these plants that are, basically, built now that do qualify for LB 536. This is a clarification process. These contracts, we've had them further complicated by companies trying to come in and say they will build a 100,000 gallon plant before June 30 actually not build anything, apparently do some sort of a portable still situation. That's why the E clause is on this bill. We need to get this passed so that the Department of Revenue has some further clarification of the guidelines for qualification. So we've stricken the funding mechanism out of the committee amendment with my amendment, AM2150. That funding mechanism, as I said, is in a whole new bill to be heard in committee and the construction issue should be addressed I would assume in the new ethanol program which would begin July 1. I believe it's an 8-year program, so I believe that's where the section dealing on page 9 in the committee amendments belongs in the new ethanol subsidy program. With that, I'd be glad to answer any questions. I know it's been a rather complicated process getting to where we are today, but we feel we need to pass LB 479 to clarify and give some direction for the Department of