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recognizes Senator Baker.

SENATOR BAKER: Thank you, Mr. President and members. I want to go back to Senator Chambers' questions of me and maybe I can clarify some of this. When we passed LB 536, we anticipated two plants being built and that funding mechanism in LB 536 adequately took care of that issue. We didn't realize, and I voted for that bill, LB 536. We should have realized at the time, when we paid that sort of an incentive program, there'd be more than two plants built in the state of Nebraska; notwithstanding the fact that we're changing renewable fuel standards, and the energy bill has incentives in it also. We should have anticipated more than two plants being built. We did not. So we have four plants. Instead of being adequately funded, as Senator Kremer said we're \$42 million in the hole for the life of the EPIC Fund. We can't wait any longer. It's projected with four plants qualifying for incentives that we will empty the EPIC Fund by December...I'm sorry, middle of next year, '05, someplace in that vicinity, depends on when these plants actually get on line that are about finished the construction on. But we didn't anticipate four plants being built. So in order to provide some flexibility to the EPIC Fund, that is why the changes are made on page, I think it's on page 9; the 15 to 20 and lowering the threshold from...or raising the threshold from 8 to 10 on page 14. That provides some flexibility to the EPIC Fund. We have four plants that are going to qualify instead of two. We needed that. And it's been pointed out by the Department of Revenue that they earn subsidies on roughly the first 15 million gallons produced each year on an annual basis for 8 years. As soon as they produce these gallons of ethanol, they qualify. They can come in and they document the fact that they produced the ethanol. They apply for their incentives and they are expected to be paid. They are issued a certificate. They can do all that. If it's a 30 million gallon plant, they are going to qualify for these subsidies in the first 6 months of each calendar year. It's a scenario where we have a cash flow problem. Typically, the grain is sold after harvest, a lot of it, and in the spring, very little in the summer, or I should say less in the summer and the early fall till the new harvest starts. So they wanted the flexibility built into this that they could accumulate up to