

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

May 17, 2005

LB 90

entirely fund the ethanol program. And the numbers, I think, are somewhat flexible, depending on what the corn crop...how much that produces, you know, which of course would affect how much checkoff money goes into the fund. But essentially, the analysts tell me that with LB 90, we are still somewhere, \$13 million to \$18 million short, assuming the sixth plant starts production sometime in January of 2006. Just to go back a little bit, we know that there are five plants that are up and running and receiving credits under the LB 536 program now. It is very likely that the sixth plant, which I believe is Lexington, will come on line sometime early next year, sometime January or February in 2006. And assuming those six plants...well, not assuming. They will be up and going, the sixth one coming next year. This fund, even with LB 90, will be short somewhere \$13 million to \$18 million, as I understand it. And what I had asked Senator Wehrbein on the floor on General File is would he be willing to accept some sort of an index, that if the seventh plant comes on there's an automatic transfer of money into EPIC, whether that come from the General Fund or the Reserve Fund? And he said...he didn't commit to that, but he did say that it's something worth discussing. I also want to mention that I did meet with Governor Heineman on this, and he told me that he is supporting LB 90 as written. He feels he has a commitment with both urban and rural senators to support LB 90 as written. He said, I won't try to hurt your amendment, but I'm supporting the bill as amended. And I feel that in the...for disclosure, I feel that I should discuss or tell you what he told me at the meeting. He said, I'm not necessarily opposed, but I am supporting LB 90 as agreed to. And so he's honoring his commitment. What my amendment does, it says that whenever the balance in the Ethanol Production Incentive Cash Fund, EPIC, is projected to fall below \$1 million in the next fiscal year, the Department of Revenue shall notify the Treasurer, and the Treasurer shall transfer \$6 million from the Cash Reserve Fund to the Ethanol Production Incentive Cash Fund. So there's an automatic measure for additional funds to be put into EPIC from the Cash Reserve Fund. It also does go back to the original version of LB 90, and increases the checkoff by one-eighth cent. And there's some other language in there that...regarding the General Fund transfers. So basically what it does is it says, as we discussed on General File, it provides