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2007 SENATE AGRICULTURE

SB 2288

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2288

Senate Agriculture Committee

Check here for Conference Committee

Hearing Date: January 25, 2007

Recorder Job Number: 1964

Committee Clerk Signature

Cassie Krow

Minutes:

Sen. Flakoll opened hearing on SB 2288, a bill relating to ethanol and renewable fuels incentives, expansion of the biodiesel partnership in assisting community expansion program, and the distribution of motor vehicle registration fees and the agricultural business investment tax credit. (6) members were present, (1) absent- **Sen. Erbele**.

Sen. Nething, district 12, testified in favor of the bill.

Sen. Nething- I want to give you an overview as to why I think this bill is important. I would like to think that we are here to take advantage of what the organizations have done. Points I want to make to you is that first of all I think that this renewable energy idea is one whose time has come. Maybe it has been here a long time and we haven't recognized it, but we are now ready to that through this bill. A lot of people have come together who normally may have not come together because of legislation like this. I would ask that you approach this with a open mind that has a degree of excitement implanted, I think as it unfolds you will catch the same fever that this bill will generate.

Sen. Heitkamp, district 26, testified in favor of the bill. He walked the committee through the bill and his proposed amendments.

Sen. Flakoll- do you know that just on the compensation of the research council it appears that it only takes four members out of nine to constitute a quorum, is that just a oversight? It seems like you should have three of the nine members to pass something?

Sen. Heitkamp- I am sure that is something your committee can work on and the people behind me can explain.

Rep. Gulleason, sponsor and member of the renewable energy partnership, testified in favor of the bill.

Rep. Gulleason- I think that we sit on the verge of one of the most exciting times in ND. We know we have all the potential, we have all of the capability. Our producers will be able to come up to the task to meet the needs and all we need to do is to put enforce a set of policies and some resources to support that. The whole concept of renewable energy has taken on a very different and heightened meaning in the event of the war in Iraq. We recognize that we are in a position that we don't want to be as a nation and that is being dependent on foreign countries for our energy supply. We also know that we have the capability in changing that, this is part of that effort. You will see that the extended participation in the renewable energy partnership is very board based. I look forward to working with you as you put this whole bill together.

Roger Johnson, Ag Commissioner, testified in favor of the bill. See attached testimony.

Sen. Taylor- how will the renewable energy council work and operate?

Roger Johnson- I am not sure how to answer that, someone better experienced will have to.

Sen. Flakoll- why should we have a comprehensive energy?

Roger Johnson- there is someone who should be able to answer that to.

Rep. DeKrey, testified in favor of the bill.

Rep. DeKrey- Just wanted to lend my support to the bill, renewable energy definitely looks like the future. I think there are some tremendous opportunities that are going to be coming available as this moves along. We have to start somewhere and I think this bill with some incentives is a good place to start.

John Gwyer, president of Lignite energy council, testified in favor of the bill.

John Gwyer- To answer the question about the renewable council, this council has been in existence for 19 years. It is a partnership of private individuals, private companies as well as public entities such as all the regulating interest involved in the lignite industry, the health department, the geological survey, the public service commission and others. The point I want to make is this, that a partnership between the state interests and private interests works well.

It has worked very well in the lignite research council, oil and gas research council.

Sen. Klein- how many general fund dollars do you get to run the lignite energy council?

John Gwyer- we don't receive any general fund dollars, we receive money from the severance tax.

Mike Clemens, chairman of the renewable Energy Partnership, testified in favor of the bill.

See attached testimony.

Sen. Wanzek- have you or your group done anything to help educate the public on the importance and value of animal agriculture involved with these projects?

Mike Clemens- one thing we have done was we did a DDG's for drought program within the state, it helped bring education to the producers and the general public on the value of the distillers grain in animal agriculture in the state of ND. It was very successful program.

Woody Barth, lobbyist 286 for ND Farmers Union, testified in favor of the bill, see attached testimony.

Todd Sando, assistant State Engineer and director of the Water Development Division, testified in favor of the bill, see attached testimony.

Larry Leistritz, distinguished Professor at NDSU, testified in favor of the bill. See attached testimony.

Sen. Klein- years ago we were trying to start a straw board facility, we cant get a commitment from producers to give up that straw that they feel is necessary in the next years crop. What has changed that you would be able to buy 900 thousand tons of wheat straw annually and that producers now would give that up?

Larry Leistritz- one of the things that is changing in the state and effects the availability of agricultural residues like wheat straw would be a movement towards reduced pillage by many of our producers. With a less amount of pillage then the crop residue that needs to be retained to maintain or increase is also reduced.

Sen. Klein- we have heard a lot about corn and the amount of corn that is going to be raised in ND and the amount of acres that we need, is there a point when all of a sudden we kind of loss that market and change gears and start adopting your technology?

Larry Leistritz- certainly the question is what is going to be the impact of escalating corn prices on cropping patterns and on prices for other crops is a major question. We have thought about it but have not begun to address.

Sen. Flakoll- do you know how much it costs to get like 1 ton of wheat straw to a refinery?

Larry Leistritz- the cost or price that we came up with was \$40 a ton delivered to the plant. That would cover bailing costs, transportation costs and give the producer about a \$18-\$20 payment for there straw.

Sen. Behm- have you thought of the problem of transporting this much straw?

Larry Leistritz- this is indeed a major issue with almost any biomass based product or energy development. This is also one of the reasons why it is such a strong economic development potential for rural areas.

Sen. Behm- have you ever experimented with barley straw or any other types of straw?

Larry Leistritz- it is believed that wheat straw has some very desirable properties as a feed stock, both because of its composition and because of the nature of the fibers that they would extract. They are almost certain that attention will be given to other sources of feed stock.

Connie Ova, from Cleveland and Jamestown ND, testified in favor of the bill. See attached testimony.

Harold Newman, president of Spirit Ethanol, testified in favor of the bill.

Harold Newman- I will be happy to answer any questions to the industry generally. The ethanol plant in Grafton, ND is in their 24th year, so it works. It has produced alcohol that is mostly sold in the state of ND. We feel confident that we will be doing our share and enjoying the benefits at Spiritwood which is about 11 times larger than Grafton. It works, we know how it works and we anticipate good things.

Sen. Behm- with experimenting with potatoes has that worked very well or not?

Harold Newman- for 6 months we tried potatoes, we could never get rid of the sludge that potatoes created in the process. So we have used barley which is somewhat hard on the equipment. Corn seems to be the best right now.

Sen. Klein- is there anything in particular in this bill that would help push you or the next company over the top, is there anything that would make someone else come to ND?

Harold Newman- practically everything in there is going to help somebody.

Sen. Wanzek- have you personally given much thought or have you looked into the animal agriculture portion of this? How do you personally feel if some of the pace dollars could be used in that fashion to maybe add some sort of a feed lot or feeding operation?

Harold Newman- so far most of the DDG goes to the dairy industry not so much to beef cattle. As to the future, there is a lot of experimenting going on with hogs, chickens and other combinations of the DDG for beef cattle.

Sen. Wanzek- if you could have a large enough dairy or whatever put in a location in close proximity to a plant and they are able to take the DDG's wet, that does help you be a lot more competitive in the production on ethanol does it no?

Harold Newman- I believe the cost of going from dry to wet is about 35% savings.

Sen. Flakoll- where do you see our potential 10 or 20 years down the road in terms of biofuels and biodiesel in ND?

Harold Newman- I think the future is great, water is a prime issue and always will be. Transportation is going to be a major factor, getting the alcohol out of the state and mainly east of the Mississippi river.

Dennis Hill, from the ND Assoc of RECs, submitted testimony on behalf of Doug Mork. See attached testimony.

Sen. Klein- it looks like about a \$15,000 price tag is all?

Dennis Hill- price for that year would have been about \$36,000 of lost revenues to the state and the efficiency gains are just very large.

Barry Coleman, from NCGA, testified in favor of the bill.

Barry Coleman- We are here in support of this bill. We think things have a good chance of being very successful here in the next 10 years, growers will get good prices for their commodities.

Mike Williams, from NDREP, testified in favor of the bill.

Mike Williams- At the landfill in Fargo there was complaints about the smell so we started to suck the methane out of the pits and we were going to fire it off. A town said they would help build a pipeline, so they have been burning methane from the methane since 2002. When we signed the contract we told them we would sell it to them for 6 years for \$1. Even at that \$1 the city of Fargo has been netting \$83,000 a year. We are in support of this bill.

Randy Schneider, lobbyist 512 for ND Ethanol Producers Assoc., testified in favor of the bill.

Randy Schneider- We are here to lend support to this bill. In particular the changes and provisions under section 2. For each ten dollars of a ton that we save in the delivery of animal feed that leaves the state that leaves \$3.2 millions to our bottom line. We are in support of growing animal agriculture in ND, especially the dairy industry.

Sen. Taylor- do you know how much of the DDG's is leaving the state right now?

Randy Schneider- don't know.

Tim Horner, from NDDOT, testified in favor of the bill.

Tim Horner- We are monitoring the bill, we wish to point out is the impact of the highway tax distribution fund. We see the impact to be about \$800,000 per biennium of which the ND DOT impact would be about \$500,000 of that.

Mary Mitchell, represent Dakota Resource Council, testified in favor of the bill. See attached testimony.

Wade Moser, ND Stockmens Assoc., testified in favor of the bill.

Wade Moser- I do want to raise a couple of issues, we do support finding a consistent energy source for this country. But we do have some concerns when it comes to the cattle industry.

We have been told that we are very close to taking this by product through engineering and using it as an energy source to make it a complete cycle within a plant. So then there would

not be any by product for industry to use. I think we need to listen to them and what direction this whole thing has taken.

Sen. Wanzek- do you feel that if this is done right we can achieve a win, win deal?

Wade Moser- that is what I am hoping for, maybe our fears are unfounded and I am hoping that will be part of the debate.

Chad Obar, Mindi Grieve, Bill Kalanek, Phill Mueller, Scott Handy, Michael Gustafson, Claire Vigesaa, Philip Boudjouk, Ken Tupa, Brian Walters, Joel Gilbertson, D.G. Coutou, Larry Kotchman, Duane Hauch, Dave Laschkewitsch, Kim Christianson, Kenneth Hellevang, Sandy Clark, Ken Grafton, Bernard Vculek, Marlene Vculek, Rick Newman, Russ Newman, Lee Husfloen, Greg Link, Dave Blair, Mike Seifert were also present and in favor of the bill.

No opposition to the bill.

Sen. Flakoll closed the hearing.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2288

Senate Agriculture Committee

Check here for Conference Committee

Hearing Date: January 26, 2007

Recorder Job Number: 2081

Committee Clerk Signature

Cassie Kord

Minutes:

Sen. Flakoll opened discussion on SB 2288.

Sen. Flakoll- I have an amendment, others may have that they may wish to provide. We are not going to get this bill out today. Maybe it will help to have some discussion on it.

Sen. Klein- this morning we were talking about \$ 300,038 and the concerns that we have that that may be to much. I believe the fiscal note here is pushing almost close to 30 million and we haven't even put the bio program in. Personally I would like to strip that first section out of there that deals with bio fuels, cause we just voted that out this morning. That has the money and that would reduce the fiscal note. I am wondering if we shouldn't have included the lignite council, this should be very comprehensive in energy research or energy.

Sen. Wanzek- you said strip section one? You mean to strip put for the bio pay program?

Sen. Klein- yes.

Sen. Klein- I guess I am skipping around a bit but I think and I don't know if it is up to us but I would like to strip out that 3 million dollars from the water resources trust fund. I think that without water these projects wouldn't be very liable anyway. I want to make sure that there is every opportunity to provide as much money as we can to those areas of water as we need to.

Sen. Wanzek- I would share that concern. I think that water is vital in the development of these kind of projects. It seems like by taking away from water we are kind of shooting ourselves in the foot. I think the development of water is critical.

Sen. Behm- I agree, I think that the ability to recycle this water from the ethanol plants is there so that dairy operations can use this again.

Sen. Taylor- are we looking at replacing that 3 million dollars with funds from a different source? I agree with leaving the resources alone.

Sen. Klein- I think that is going to be an issue.

Sen. Taylor- we are going to pull 5 million out of it when we take the bio pace stuff out of it.

Sen. Wanzek- we need to look at and trim it down to make sure we have really what we need in the next biennium. If we give it some more serious thought maybe we can get it down to a price tag where we can do some things and get the appropriations to agree. I know that it has been brought to my attention that we are like a billion dollars over the governors budget.

Sen. Taylor- maybe an extended effective date is something to do add for the future. It seems to mean that the most important thing we have in the bill is the renewable energy research council and this ability to pick research and innovate and generate new ways of refining fuels and new ways of powering cars. I think that is probably the mantel of the bill and maybe some of the other things can be pushed about a bit. Maybe adding lignite and oil and gas and calling it an energy or flat out energy council or something.

Sen. Wanzek- can any of you tell me with the lignite council how they fund it again?

Sen. Klein- it comes off the coal conversion tax.

Sen. Wanzek- I think to that if we are going to look at alternative fuels of renewable fuels that are a very exciting part of our industry.

Sen. Klein- everyone should take a look at it and find the ideas that they want to do, I think one of the other things that I am going to do is see what programs we have going in the house just to see if we are doubling up on anything.

Sen. Heckaman- I know this is bio mass, I know what the focus of it is, but when I heard a presentation from the energy and environmental research station in grand forks, the focus on there was be careful of ethanol go to bio mass but don't forget lignite. So I don't know if lignite is included along the line some place else.

Sen. Taylor- lignite energy is pretty well taken care of with there research council and the coal conversion taxes going into it.

Sen. Klein- they are taking care of themselves but is with our money, they are providing the dollars to the state fund, but can we scrape some money off and throw it renewables way, they are not paying for themselves.

Sen. Heckaman- I just think that we need to look at what is going on in the house, I think that is important when we are looking at funding this.

Sen. Klein- I have heard that there is a massive urban initiative that covers everything, if this would fail there is others that would continue to move forward they are not going to be without anything.

Sen. Wanzek- I don't dislike the thought of a council I just want to be careful that we are not pumping all of our money into bureaucracy and we are getting more of our money into the hands of the developers, investors and the people that are really going to make this happen. We want to make sure that whatever we set up is ultimately designed to assist and help those private sector people who are going to make the investments, who are really going to develop this industry for us.

Sen. Taylor- I did get a thing from lignite so we can see how they are doing this. I think that it will be good to see what is going on in the house but we are the senate and this is our bill and we need to put forward what we think is important and it will come out in the end. I think that we still need to make a statement as the senate that renewable energy is important to us and this is our bill.

Sen. Flakoll- one of the carriers came to me after our hearing today and had a concern of section 3 found on page 2. The comment was that that should be taken out of there because production facility does not blend, and also the concern from those folks was that anything over 5% damages trucks.

Sen. Taylor- I think that is up for debate, that is existing language. There is potential that they may blend also.

Sen. Behm- they have done testing on this, and had tractors that have run for hours and hours and had no problems.

Sen. Flakoll- he also referenced SB 2085 in reference to the facilities comment. That is a transportation bill. I have an amendment to add one member from the petroleum industry and one member from the lignite industry to that counsel and put in an appropriation of a quarter of a million dollars to conduct bio mass research.

Sen. Taylor- I have mixed feelings cause like I said before I think that it is important that we consider all the industries and bio diesel has to be blended, It seems like the petroleum guys don't want to give up that 5 % to ethanol or bio diesel and the lignite guys don't want to give up some loads to wind or hydrogen, maybe putting them on there will break down some of those barriers but I also do want to hinder the expansion of the renewable industry by having a couple of people working against it b putting it in the system.

Sen. Flakoll- it could be on there now and is just not specified. I also thought that maybe it would be possible to combine and have one big group, I am not sure if that can take place in the limited time we have. Does anyone have any opposition in putting an overstrike over two additional members appointed by the governor and then designating these two?

Sen. Klein- I am just not sold yet on the fact that we need this council, I am just trying to struggle with if the dollars are going where they need to go and I think that we have a very bloated bill here that is going to have opposition. If you start adding non elected I think you are going to have some issues.

Sen. Wanzek- if we do a council I would much rather see one that is going to address energy including alternative energy and such.

Sen. Heckaman- if there is not a council how do you approach this in being organized?

Sen. Klein- we have made money and made good investments without us having to have this council.

Sen. Taylor- I think that we could look at some of the examples form the past, we had lignite in the ground we pulled it out of the ground and we still decided to do the lignite research council to find out how to meet tomorrows energy needs. This is ND one chance to really capitalize on a bright future with renewables.

Sen. Wanzek- we already have a lot of these entities in place and maybe there is a need to pull it together but do we really need to establish such an expansive group.

Sen. Wanzek- could it be possible that if this council was established that we wouldn't have to give them 20 million dollars couldn't they possibly have some appropriation to actually function and work in conjunction with all the entities that are already out there and the programs that are in place.

Sen. Klein- and is it up to us to make that decision?

Sen. Flakoll closed discussion.

Sen. Klein motioned for a do pass to adopt amendment **Sen. Wanzek** seconded the motion.

Roll call vote 1: 4 yeas, 2 nays, 1 absent (**Sen. Erbele**)

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2288

Senate Agriculture Committee

Check here for Conference Committee

Hearing Date: February 1, 2007

Recorder Job Number: 2636

Committee Clerk Signature

Cassie Crow

Minutes:

Sen. Flakoll opened discussion on SB 2288.

Sen. Klein walks the committee through amendments that he has brought before the committee. Time 01:15-11:02.

Sen. Taylor- the special funds are in no way appropriated then these are private funds?

Sen. Klein- correct.

Sen. Taylor- but you still need to make mention of them?

Sen. Wanzek- if you do not mention it it would not give authority to this council to be able to spend any dollars, you have to put it in law that they have the authority. I visited with some individuals and they feel there is the ability to secure private money, but we need some decent seed money to be able to implement this council to get it going.

Sen. Behm- has this money been appropriated?

Sen. Klein- no. What happens even if we should decide to adopt the amendments it would still go down to appropriations where they would still have to determine that the one million dollars is a good way to spend the money or they could decide that it should be 17 million dollars.

Sen. Heckaman- I am understanding that this renewable partnership has spent a lot of time on this bill right? And this is what they came up with and now we are trying to change what they spent a long time developing?

Sen Klein- I think this is just a copy of the same bill we heard 2 years ago, so it wasn't a tremendous amount but there is always changes that need to be made. (Finishes going through amendments 15:04-15:25)

Sen. Taylor- as a person is coming up with these ideas, do we know that lignite and oil want to be on this council and would there be consideration that as all these things come together does that mean that some on the renewable side would also want to be place on the lignite council or the oil and petroleum council? I think it is alright to maybe invite them in to this group but I think there is going to be an expectation that we should have renewable folks on the other side and are they prepared to open their doors to that. What is the conversation with the two groups?

Sen. Klein- there was a lot of conversation with the fact that we need to have a seat at the table, we have only created those two spots and it is still pretty heavy to the renewable side. You are going to have to have the oil people there as you start to discuss ethanol and bio diesel and we are going to have to have the coal guys there as we begin to discuss hydrogen issues that are coming about, coal people are working together with the ethanol plants. So the idea there is to make it an all inclusive so that they all seem comfortable with things.

Sen. Behm- Did you guys talk with corn growers and soybean council and all those about this?

Sen. Klein- no, the bill is before the committee and the discussion we had was an attempt to try to make this thing workable. We can leave it the way you want it and see if we can get it

passed, my job was to go out and see if we could make it workable to get it through. I would like to see it go through all the way on our side and the House side.

Sen. Taylor- it seems like a million dollars might be some seed money granted to get this thing off the ground and then have some authority for the other 16 million. Why not take a bigger goal and look at matching funds with private funds and go about it that way.

Sen. Wanzek- a comment I have often heard is that there are a number of things that have been done over the past few years, as I hear is that we are trying to create a more focused state or policy to how we move forward with this alternative energy and with an energy policy. I am hearing that probably the most important part of this bill is having the ability to pull those thoughts together. I think it comes back to trying to get things together to get this bill passed.

Sen. Taylor- on page one line 16 the incentives and the definition of facility was for those constructed after July 31, 2003 in the original bill and now we are moving to 2007 and we have always have a good revolving argument in the past about weather it is the two existing ethanol plants whenever we have had an incentive in the past and they have had to rally up and get back in on this deal and say not to forget about us because we are here creating jobs and doing all kinds of things. We are probably going to hear about this that we are leaving 4 years worth of plant constructions that maybe are still doing some good for the state, this definition what incentives are we giving them or not giving them?

Sen. Wanzek- I think there is a problem or concern that it appears that the plant that would most likely receive an incentive in the next biennium would maybe be the Archer Daniels Woodland plant and there is some concern whether we subsidize. To me they are making a major contribution to the state and investing in the state, some want this to focus more on local investor type plants.

Sen. Taylor- Is this a direct grant from the council that is set up that they would not be able to get if they were built before 2007?

Sen. Wanzek- as I understand it, you have to understand that there are two funds the pace filled through the pace and then the production incentive fund. This essentially would exclude them from the production incentive fund. I don't believe this would exclude them from utilizing the bio pace. The biggest thing that this bill does is it does hold on to the bio mass center, the bio mass research and also references the dollars and what are there acts so that people can understand where the money is coming from to do that and it keeps this council in place and creates a more broad based comprehensive council with a heavy slant to alternative fuels. It is a work in progress but I think it works toward something that has a good shot of passing. This would allow a bio diesel plant to access the ethanol production.

Sen. Erbele- my name is also on the bill and I have talked to Sen. Nothing that the frame work is the most important thing at this stage everything else that needs to go into it is a work in progress, we need to get this to the house and they will do work on it and then we will come back to conference and all the other bills dealing with it are all going to be put into a comprehensive program. I am not afraid of what we are doing here.

Sen. Wanzek- the original bill empowered the industrial commission, the counsel was not necessarily empowered to vote or expend money they can only recommend they are more of an advisory role. Really all that we have done is add a couple more people to it and kind of defined it more as an comprehensive energy, it seems what mostly everyone is worried about is being independent of foreign oil and I think alternatives play a huge roll in that. This is one way to move this forward.

Sen. Klein- when you see things removed in the bill already it is because there are sections that we have already passed. We passed bills that are the exact same language so there is no

reason to keep stuff in here that will just clutter it, we want to be precise. It is just a matter of getting it down to what it actually is.

Sen. Klein- it would be interesting to get everybody together who has a bio renewable bill on both sides of the legislator.

Sen. Heckaman- I am looking at the money part in section 17, if we take that money out and say it is going to come from special funds, are we going to lose any matching federal funds? Is this an opportunity in section 17 to get more matching funds federal if we leave part of that 17,000 in there?

Sen. Klein- I don't believe that would be the case.

Sen. Wanzek- if you read section 12 it says that we are going to up the amount of contribution to the fund and transfers the money into the fund. It is basically putting the money in the ethanol production incentive fund, but there is no money in it. If we are going to say a bio diesel plant can access the funds in the production incentive fund we should have a way to accomplish that.

Sen. Heckaman- on page 5 line 10 of the amendment that you wanted to put in, house bill 1020 has already passed?

Sen. Klein- what we have done is referenced house bill 1020 so we understand that there is something out there that we are not totally abandoning that particular section.

Sen. Heckaman- well we could be abandoning it if it doesn't get funded?

Sen. Klein- I believe it is on the priorities.

Sen. Wanzek- it is included in the governors budget. With talking to the prime sponsor he said to be sure to put special funds in there if the money is going to be the issue.

Sen. Klein- whatever we decide here if there is only a million it still would go out we would adopt the amendments it goes to appropriations, they say to find middle ground and they will work on it from there. This might not be middle but it might be near the lower end.

Sen. Wanzek- if I didn't care about this bill we wouldn't be passing it but I didn't want to do that.

Sen. Klein- you said get amendments, I don't see anybody else's amendments here. We have sponsors here, this is probably the most that I have worked on a bill.

Sen. Taylor- there was Sen. Heitkamp's amendments. I would work with Sen. Wanzek on that just to make it read right if nothing else. We either have a program for eligible facilities or we don't. The other facility could be fairly simple on the one million dollar, we can cross out one number and insert another. I would just challenge ourselves to be a little more bold. This is our chance to say that this is enough of a priority for us that we would want five or ten million dollars tied to a match.

Sen. Heckaman- did you talk to appropriations, they said it wouldn't go with 17 million on it?

Sen. Klein- we are over budget so we are trying to get that down, we will have to see what happens in the process this is only the first half.

Sen. Wanzek- I think that animal agriculture is a big part of this, I am trying to get the grain growers a little bit of money to build bins and grow their corn. I think we are being fairly bold. I think if we can find some other private funds, a state entity can not go out and spend money that they haven't been given authority to spend, we are trying to get them more money to spend. It comes down to priorities.

Sen. Flakoll closed discussion.

