

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 626

Introduced by Dierks, 40

Read first time January 17, 2007

Committee: Agriculture

A BILL

- 1 FOR AN ACT relating to biodiesel fuel; to create a production
- 2 incentive for biodiesel fuel.
- 3 Be it enacted by the people of the State of Nebraska,

1 Section 1. For purposes of sections 1 to 3 of this act:

2 (1) Biodiesel fuel means a renewable, biodegradable, mono
3 alkyl ester combustible liquid fuel deprived from vegetable oils
4 or animal fats and that meets American society for testing and
5 materials specification D6751-02 for biodiesel fuel (B100) blend
6 stock for distillate fuels;

7 (2) Fund means the Biodiesel Fuel Producer Incentive
8 Fund; and

9 (3) Qualified biodiesel fuel producer means any producer
10 of biodiesel fuel whose principal place of business and facility
11 for the production of biodiesel fuel are located within the State
12 of Nebraska.

13 Sec. 2. (1) The Biodiesel Fuel Producer Incentive Fund
14 is created. All money in the fund shall be expended by the
15 Department of Revenue for the payment of producer incentives for
16 the production of biodiesel fuel under sections 1 to 3 of this act.
17 Any money in the fund available for investment shall be invested
18 by the state investment officer pursuant to the Nebraska Capital
19 Expansion Act and the Nebraska State Funds Investment Act.

20 Sec. 3. (1) A qualified biodiesel fuel producer shall be
21 paid a production incentive for the production of biodiesel fuel in
22 the amount of thirty cents for each gallon of biodiesel fuel sold
23 by the producer. The incentive shall be payable to the qualified
24 biodiesel fuel producer from the fund.

25 (2) A qualified biodiesel fuel producer shall file for

1 the production incentive beginning January 1, 2008, and quarterly
2 thereafter, on a form furnished by the Department of Revenue.
3 The form shall require the producer to file such information
4 as the department may require by rule and regulation, but shall
5 include information relating to the original production records and
6 invoices issued at the time of delivery, showing the total number
7 of gallons of biodiesel fuel sold for the previous three months.

8 (3) The department may adopt and promulgate rules and
9 regulations to carry out sections 1 to 3 of this act, including
10 the development of a procedure for the payment of the production
11 incentive. Such payment procedure shall include the development of
12 a procedure for the payment of the production incentive on a pro
13 rata basis.