

**ONE HUNDRED FIRST LEGISLATURE - FIRST SESSION - 2009**  
**COMMITTEE STATEMENT**  
**LB264**

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**Hearing Date:** Wednesday February 25, 2009  
**Committee On:** Revenue  
**Introducer:** Fischer  
**One Liner:** Change motor fuel tax calculations

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**Roll Call Vote - Final Committee Action:**  
Indefinitely postponed

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**Vote Results:**

<b>Aye:</b>	7	Senators Utter, Louden, Hadley, Friend, Dierks, Cornett, Adams
<b>Nay:</b>		
<b>Absent:</b>		
<b>Present Not Voting:</b>	1	Senator White

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**Proponents:**

Senator Deb Fischer  
Larry Dix  
Lynn Rex  
  
Loy Todd

**Representing:**

Introducer  
Nebraska Association of County Officials  
League of Nebraska Municipalities; City of Omaha,  
request of J. Cheloha  
Nebraska New Car & Truck Dealers Association,  
Nebraska State Chamber

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

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**Summary of purpose and/or changes:**

LB 264 would have made a change in the wholesale price used in the current method for calculating certain motor fuel taxes in Nebraska. The current law provided for an average wholesale price calculation to be made in April and October of each year.

The bill would have provided for the wholesale price to be determined at \$2.44 per gallon on July 1, 2009. The price calculation would have been adjusted in October and April of each year thereafter to reflect current wholesale prices.

This wholesale price was used in the current law to calculate the motor fuel tax amount. The calculation of tax amount was five percent of the average wholesale price. The motor fuel tax amounts could not vary by more than one cent per gallon, whether decreasing or increasing. These calculation methods remained unchanged in the current law.

The Revenue Committee adopted AM918 that would have changed the wholesale price mechanism to use a different averaging time period. This would have had the impact of changing the amount of funds received by cities and counties.

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Abbie Cornett, Chairperson