

ONE HUNDRED FIRST LEGISLATURE - FIRST SESSION - 2009
COMMITTEE STATEMENT
LB421

Hearing Date: Wednesday February 25, 2009
Committee On: Revenue
Introducer: Nordquist
One Liner: Suspend collection of fuel tax on compressed natural gas for a prescribed period

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 5 Senators Adams, Cornett, Dierks, Louden, White
Nay: 3 Senators Friend, Hadley, Utter
Absent:
Present Not Voting:

Proponents:
Senator Jeremy Nordquist
Douglas R. Clark
Thomas Bosshardt
Kenneth C. Winston
Brock Peterson
Steve Crosby
John Davis

Representing:
Introducer
Metropolitan Utilities District
Nebraska Propane Gas Association
Nebraska Sierra Club
Lincoln Composites
Treat America Food Services
Happy, Yellow, Checker & Cornhusker Cab Companies

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

LB 421 would suspend the collection of fuel tax on compressed natural gas from July 1, 2009 to January 1, 2015.

Section 1 changes the definition of compressed fuel to not include compressed natural gas until January 1, 2015. Upon January 1, 2015, the definition of compressed fuel will mean compressed natural gas, liquefied petroleum gas, liquefied natural gas, butane, and any other type of compressed gas or compressed liquid suitable for fueling a motor vehicle.

Explanation of amendments:

AM 1261 replaces the original bill and provides that until the earlier of January 1, 2015 or the first day of the first calendar quarter following the year during which the annual usage or consumption of compressed natural gas for fueling motor vehicles in the state exceeds one million gallon equivalent, compressed natural gas will be exempt from the Compressed Fuel Tax Act. Additionally, the Department of Revenue shall make the determination of gallon equivalent usage and consumption in the state based upon retailer reports and each retailer shall file a report of compressed natural gas usage and consumption until January 1, 2015.

Abbie Cornett, Chairperson