

AMENDMENTS TO LB 731

Introduced by Revenue

1 1. Strike the original sections and insert the following
2 new sections:

3 Section 1. Sections 1 to 9 of this act shall be known and
4 may be cited as the Remanufacturing Pilot Project Act.

5 Sec. 2. For purposes of the Remanufacturing Pilot Project
6 Act:

7 (1) Base year means the calendar year immediately
8 preceding the year during which the application was submitted;

9 (2) Recycle means separating, cleaning, treating, and
10 reconstituting waste or other discarded materials for the purpose
11 of recovering and reusing the resources contained therein; and

12 (3) Statewide average tipping fee means the average fee
13 charged per ton for municipal solid waste disposal in the state
14 in the prior calendar year as determined by the Department of
15 Environmental Quality.

16 Sec. 3. For taxable years beginning on or after January
17 1, 2013, and before January 1, 2016, under the Internal Revenue
18 Code of 1986, as amended, a taxpayer shall earn a recovered
19 resource income tax credit for each ton of material recycled or
20 composted in Nebraska during the tax year by the taxpayer in
21 excess of the amount of the same type of material (1) recycled
22 or composted in Nebraska during the base year by the taxpayer or
23 (2) disposed in a solid waste facility in Nebraska during the base

1 year by the taxpayer. The per-ton credit shall equal the statewide
2 average tipping fee. The tax credit shall be refundable. A taxpayer
3 shall file an application for the recovered resource income tax
4 credit with the Department of Environmental Quality. No tax credit
5 shall be allowed unless an application is filed and approved.

6 Sec. 4. If the Department of Environmental Quality
7 determines that the application meets the requirements of the
8 Remanufacturing Pilot Project Act, the department shall approve
9 the application, determine the base-year tonnage amount, set the
10 tax-year tonnage amount used to determine the tentative tax credit,
11 authorize a tentative tax credit to the applicant within the
12 limit set forth in section 5 of this act, and certify to the
13 applicant and the Department of Revenue the amount of tentative tax
14 credit reserved for the applicant. No tax credit shall be allowed
15 if the applicant fails to meet or exceed the tax-year tonnage
16 amount established during the application process. Applications for
17 tax credits shall be considered in the order in which they are
18 received. Applications may be filed at any time on or after the
19 beginning of the tax year for which the tentative tax credit is to
20 be claimed.

21 Sec. 5. The Department of Environmental Quality may
22 approve applications for recovered resource income tax credits for
23 up to the amount available in the Recovered Resource Income Tax
24 Credit Fund for each calendar year. An application for a tax credit
25 for a tax year other than a calendar year shall be applied against
26 the limit for the calendar year during which the tax year of the
27 applicant ends. After applications for tax credits totaling the

1 amount available in the fund have been approved for a calendar
2 year, no further applications shall be approved for that calendar
3 year. Tax credits shall be prorated among the approved applications
4 filed on the day the limit is exceeded.

5 Sec. 6. Any recovered resource income tax credit
6 allowable to a partnership, a limited liability company, a
7 subchapter S corporation, a cooperative, including a cooperative
8 exempt under section 521 of the Internal Revenue Code of 1986, as
9 amended, a limited cooperative association, or an estate or trust
10 may be distributed to the partners, members, shareholders, patrons,
11 or beneficiaries in the same manner as income is distributed for
12 use against their income tax liabilities.

13 Sec. 7. The Department of Revenue and the Department
14 of Environmental Quality may adopt and promulgate rules and
15 regulations to carry out the Remanufacturing Pilot Project Act,
16 including rules and regulations to permit verification of the
17 validity of any recovered resource income tax credit claimed.

18 Sec. 8. The Recovered Resource Income Tax Credit Fund
19 is created. The fund shall receive fees allocated in sections
20 81-1561 and 81-15,165. The Tax Commissioner shall certify the
21 amount of recovered resource income tax credits used each year
22 to the State Treasurer. Within ten days after the certification,
23 the State Treasurer shall transfer that amount of funds from
24 the Recovered Resource Income Tax Credit Fund to the General
25 Fund. Any funds reserved for tentative tax credits that are not
26 claimed shall be returned to the original fund source in the
27 same proportion as they were originally remitted to the Recovered

1 Resource Income Tax Credit Fund. The Director of Environmental
2 Quality may accept grants, contributions, or other funds from any
3 private, federal, state, or public source to be used for purposes
4 of the Remanufacturing Pilot Project Act and to be credited to the
5 fund. Any money in the Recovered Resource Income Tax Credit Fund
6 available for investment shall be invested by the state investment
7 officer pursuant to the Nebraska Capital Expansion Act and the
8 Nebraska State Funds Investment Act.

9 Sec. 9. The Remanufacturing Pilot Project Act terminates
10 on December 31, 2017.

11 Sec. 10. Section 77-2715.07, Revised Statutes Supplement,
12 2011, is amended to read:

13 77-2715.07 (1) There shall be allowed to qualified
14 resident individuals as a nonrefundable credit against the income
15 tax imposed by the Nebraska Revenue Act of 1967:

16 (a) A credit equal to the federal credit allowed under
17 section 22 of the Internal Revenue Code; and

18 (b) A credit for taxes paid to another state as provided
19 in section 77-2730.

20 (2) There shall be allowed to qualified resident
21 individuals against the income tax imposed by the Nebraska Revenue
22 Act of 1967:

23 (a) For returns filed reporting federal adjusted
24 gross incomes of greater than twenty-nine thousand dollars, a
25 nonrefundable credit equal to twenty-five percent of the federal
26 credit allowed under section 21 of the Internal Revenue Code of
27 1986, as amended;

1 (b) For returns filed reporting federal adjusted gross
2 income of twenty-nine thousand dollars or less, a refundable credit
3 equal to a percentage of the federal credit allowable under section
4 21 of the Internal Revenue Code of 1986, as amended, whether or
5 not the federal credit was limited by the federal tax liability.
6 The percentage of the federal credit shall be one hundred percent
7 for incomes not greater than twenty-two thousand dollars, and
8 the percentage shall be reduced by ten percent for each one
9 thousand dollars, or fraction thereof, by which the reported
10 federal adjusted gross income exceeds twenty-two thousand dollars;

11 (c) A refundable credit as provided in section 77-5209.01
12 for individuals who qualify for an income tax credit as a qualified
13 beginning farmer or livestock producer under the Beginning Farmer
14 Tax Credit Act for all taxable years beginning or deemed to begin
15 on or after January 1, 2006, under the Internal Revenue Code of
16 1986, as amended;

17 (d) A refundable credit for individuals who qualify for
18 an income tax credit under the Angel Investment Tax Credit Act, the
19 Nebraska Advantage Microenterprise Tax Credit Act, ~~or~~ the Nebraska
20 Advantage Research and Development Act, or the Remanufacturing
21 Pilot Project Act; and

22 (e) A refundable credit equal to ten percent of the
23 federal credit allowed under section 32 of the Internal Revenue
24 Code of 1986, as amended.

25 (3) There shall be allowed to all individuals as a
26 nonrefundable credit against the income tax imposed by the Nebraska
27 Revenue Act of 1967:

1 (a) A credit for personal exemptions allowed under
2 section 77-2716.01;

3 (b) A credit for contributions to certified community
4 betterment programs as provided in the Community Development
5 Assistance Act. Each partner, each shareholder of an electing
6 subchapter S corporation, each beneficiary of an estate or trust,
7 or each member of a limited liability company shall report his or
8 her share of the credit in the same manner and proportion as he
9 or she reports the partnership, subchapter S corporation, estate,
10 trust, or limited liability company income; and

11 (c) A credit for investment in a biodiesel facility as
12 provided in section 77-27,236.

13 (4) There shall be allowed as a credit against the income
14 tax imposed by the Nebraska Revenue Act of 1967:

15 (a) A credit to all resident estates and trusts for taxes
16 paid to another state as provided in section 77-2730;

17 (b) A credit to all estates and trusts for contributions
18 to certified community betterment programs as provided in the
19 Community Development Assistance Act; and

20 (c) A refundable credit for individuals who qualify for
21 an income tax credit as an owner of agricultural assets under the
22 Beginning Farmer Tax Credit Act for all taxable years beginning
23 or deemed to begin on or after January 1, 2009, under the
24 Internal Revenue Code of 1986, as amended. The credit allowed
25 for each partner, shareholder, member, or beneficiary of a
26 partnership, corporation, limited liability company, or estate
27 or trust qualifying for an income tax credit as an owner of

1 agricultural assets under the Beginning Farmer Tax Credit Act
2 shall be equal to the partner's, shareholder's, member's, or
3 beneficiary's portion of the amount of tax credit distributed
4 pursuant to subsection (4) of section 77-5211.

5 (5) (a) For all taxable years beginning on or after
6 January 1, 2007, and before January 1, 2009, under the Internal
7 Revenue Code of 1986, as amended, there shall be allowed to each
8 partner, shareholder, member, or beneficiary of a partnership,
9 subchapter S corporation, limited liability company, or estate or
10 trust a nonrefundable credit against the income tax imposed by
11 the Nebraska Revenue Act of 1967 equal to fifty percent of the
12 partner's, shareholder's, member's, or beneficiary's portion of the
13 amount of franchise tax paid to the state under sections 77-3801 to
14 77-3807 by a financial institution.

15 (b) For all taxable years beginning on or after January
16 1, 2009, under the Internal Revenue Code of 1986, as amended,
17 there shall be allowed to each partner, shareholder, member, or
18 beneficiary of a partnership, subchapter S corporation, limited
19 liability company, or estate or trust a nonrefundable credit
20 against the income tax imposed by the Nebraska Revenue Act of 1967
21 equal to the partner's, shareholder's, member's, or beneficiary's
22 portion of the amount of franchise tax paid to the state under
23 sections 77-3801 to 77-3807 by a financial institution.

24 (c) Each partner, shareholder, member, or beneficiary
25 shall report his or her share of the credit in the same manner
26 and proportion as he or she reports the partnership, subchapter S
27 corporation, limited liability company, or estate or trust income.

1 If any partner, shareholder, member, or beneficiary cannot fully
2 utilize the credit for that year, the credit may not be carried
3 forward or back.

4 Sec. 11. Section 77-2717, Revised Statutes Supplement,
5 2011, is amended to read:

6 77-2717 (1)(a) The tax imposed on all resident estates
7 and trusts shall be a percentage of the federal taxable income
8 of such estates and trusts as modified in section 77-2716, plus
9 a percentage of the federal alternative minimum tax and the
10 federal tax on premature or lump-sum distributions from qualified
11 retirement plans. The additional taxes shall be recomputed by (i)
12 substituting Nebraska taxable income for federal taxable income,
13 (ii) calculating what the federal alternative minimum tax would
14 be on Nebraska taxable income and adjusting such calculations for
15 any items which are reflected differently in the determination of
16 federal taxable income, and (iii) applying Nebraska rates to the
17 result. The federal credit for prior year minimum tax, after the
18 recomputations required by the Nebraska Revenue Act of 1967, and
19 the credits provided in the Nebraska Advantage Microenterprise Tax
20 Credit Act, ~~and~~ the Nebraska Advantage Research and Development
21 Act, and the Remanufacturing Pilot Project Act shall be allowed
22 as a reduction in the income tax due. A refundable income tax
23 credit shall be allowed for all resident estates and trusts
24 under the Angel Investment Tax Credit Act, the Nebraska Advantage
25 Microenterprise Tax Credit Act, ~~and~~ the Nebraska Advantage Research
26 and Development Act, and the Remanufacturing Pilot Project Act.

27 (b) The tax imposed on all nonresident estates and trusts

1 shall be the portion of the tax imposed on resident estates and
2 trusts which is attributable to the income derived from sources
3 within this state. The tax which is attributable to income derived
4 from sources within this state shall be determined by multiplying
5 the liability to this state for a resident estate or trust with
6 the same total income by a fraction, the numerator of which is
7 the nonresident estate's or trust's Nebraska income as determined
8 by sections 77-2724 and 77-2725 and the denominator of which is
9 its total federal income after first adjusting each by the amounts
10 provided in section 77-2716. The federal credit for prior year
11 minimum tax, after the recomputations required by the Nebraska
12 Revenue Act of 1967, reduced by the percentage of the total income
13 which is attributable to income from sources outside this state,
14 and the credits provided in the Nebraska Advantage Microenterprise
15 Tax Credit Act, ~~and~~ the Nebraska Advantage Research and Development
16 Act, and the Remanufacturing Pilot Project Act shall be allowed
17 as a reduction in the income tax due. A refundable income tax
18 credit shall be allowed for all nonresident estates and trusts
19 under the Angel Investment Tax Credit Act, the Nebraska Advantage
20 Microenterprise Tax Credit Act, ~~and~~ the Nebraska Advantage Research
21 and Development Act, and the Remanufacturing Pilot Project Act.

22 (2) In all instances wherein a fiduciary income tax
23 return is required under the provisions of the Internal Revenue
24 Code, a Nebraska fiduciary return shall be filed, except that a
25 fiduciary return shall not be required to be filed regarding a
26 simple trust if all of the trust's beneficiaries are residents of
27 the State of Nebraska, all of the trust's income is derived from

1 sources in this state, and the trust has no federal tax liability.
2 The fiduciary shall be responsible for making the return for the
3 estate or trust for which he or she acts, whether the income be
4 taxable to the estate or trust or to the beneficiaries thereof.
5 The fiduciary shall include in the return a statement of each
6 beneficiary's distributive share of net income when such income is
7 taxable to such beneficiaries.

8 (3) The beneficiaries of such estate or trust who are
9 residents of this state shall include in their income their
10 proportionate share of such estate's or trust's federal income and
11 shall reduce their Nebraska tax liability by their proportionate
12 share of the credits as provided in the Angel Investment Tax
13 Credit Act, the Nebraska Advantage Microenterprise Tax Credit Act,
14 ~~and the Nebraska Advantage Research and Development Act, and the~~
15 Remanufacturing Pilot Project Act. There shall be allowed to a
16 beneficiary a refundable income tax credit under the Beginning
17 Farmer Tax Credit Act for all taxable years beginning or deemed to
18 begin on or after January 1, 2001, under the Internal Revenue Code
19 of 1986, as amended.

20 (4) If any beneficiary of such estate or trust is a
21 nonresident during any part of the estate's or trust's taxable
22 year, he or she shall file a Nebraska income tax return which shall
23 include (a) in Nebraska adjusted gross income that portion of the
24 estate's or trust's Nebraska income, as determined under sections
25 77-2724 and 77-2725, allocable to his or her interest in the estate
26 or trust and (b) a reduction of the Nebraska tax liability by his
27 or her proportionate share of the credits as provided in the Angel

1 Investment Tax Credit Act, the Nebraska Advantage Microenterprise
2 Tax Credit Act, ~~and~~ the Nebraska Advantage Research and Development
3 Act, and the Remanufacturing Pilot Project Act and shall execute
4 and forward to the fiduciary, on or before the original due date
5 of the Nebraska fiduciary return, an agreement which states that he
6 or she will file a Nebraska income tax return and pay income tax
7 on all income derived from or connected with sources in this state,
8 and such agreement shall be attached to the Nebraska fiduciary
9 return for such taxable year.

10 (5) In the absence of the nonresident beneficiary's
11 executed agreement being attached to the Nebraska fiduciary return,
12 the estate or trust shall remit a portion of such beneficiary's
13 income which was derived from or attributable to Nebraska sources
14 with its Nebraska return for the taxable year. The amount of
15 remittance, in such instance, shall be the highest individual
16 income tax rate determined under section 77-2715.02 multiplied by
17 the nonresident beneficiary's share of the estate or trust income
18 which was derived from or attributable to sources within this
19 state. The amount remitted shall be allowed as a credit against the
20 Nebraska income tax liability of the beneficiary.

21 (6) The Tax Commissioner may allow a nonresident
22 beneficiary to not file a Nebraska income tax return if the
23 nonresident beneficiary's only source of Nebraska income was his or
24 her share of the estate's or trust's income which was derived from
25 or attributable to sources within this state, the nonresident did
26 not file an agreement to file a Nebraska income tax return, and
27 the estate or trust has remitted the amount required by subsection

1 (5) of this section on behalf of such nonresident beneficiary. The
2 amount remitted shall be retained in satisfaction of the Nebraska
3 income tax liability of the nonresident beneficiary.

4 (7) For purposes of this section, unless the context
5 otherwise requires, simple trust shall mean any trust instrument
6 which (a) requires that all income shall be distributed currently
7 to the beneficiaries, (b) does not allow amounts to be paid,
8 permanently set aside, or used in the tax year for charitable
9 purposes, and (c) does not distribute amounts allocated in the
10 corpus of the trust. Any trust which does not qualify as a simple
11 trust shall be deemed a complex trust.

12 (8) For purposes of this section, any beneficiary of an
13 estate or trust that is a grantor trust of a nonresident shall be
14 disregarded and this section shall apply as though the nonresident
15 grantor was the beneficiary.

16 Sec. 12. Section 77-2734.03, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 77-2734.03 (1)(a) For taxable years commencing prior to
19 January 1, 1997, any (i) insurer paying a tax on premiums and
20 assessments pursuant to section 77-908 or 81-523, (ii) electric
21 cooperative organized under the Joint Public Power Authority Act,
22 or (iii) credit union shall be credited, in the computation of
23 the tax due under the Nebraska Revenue Act of 1967, with the
24 amount paid during the taxable year as taxes on such premiums and
25 assessments and taxes in lieu of intangible tax.

26 (b) For taxable years commencing on or after January 1,
27 1997, any insurer paying a tax on premiums and assessments pursuant

1 to section 77-908 or 81-523, any electric cooperative organized
2 under the Joint Public Power Authority Act, or any credit union
3 shall be credited, in the computation of the tax due under the
4 Nebraska Revenue Act of 1967, with the amount paid during the
5 taxable year as (i) taxes on such premiums and assessments included
6 as Nebraska premiums and assessments under section 77-2734.05 and
7 (ii) taxes in lieu of intangible tax.

8 (c) For taxable years commencing or deemed to commence
9 prior to, on, or after January 1, 1998, any insurer paying a tax on
10 premiums and assessments pursuant to section 77-908 or 81-523 shall
11 be credited, in the computation of the tax due under the Nebraska
12 Revenue Act of 1967, with the amount paid during the taxable year
13 as assessments allowed as an offset against premium and related
14 retaliatory tax liability pursuant to section 44-4233.

15 (2) There shall be allowed to corporate taxpayers a
16 tax credit for contributions to community betterment programs as
17 provided in the Community Development Assistance Act.

18 (3) There shall be allowed to corporate taxpayers a
19 refundable income tax credit under the Beginning Farmer Tax Credit
20 Act for all taxable years beginning or deemed to begin on or
21 after January 1, 2001, under the Internal Revenue Code of 1986, as
22 amended.

23 (4) The changes made to this section by Laws 2004, LB
24 983, apply to motor fuels purchased during any tax year ending
25 or deemed to end on or after January 1, 2005, under the Internal
26 Revenue Code of 1986, as amended.

27 (5) There shall be allowed to corporate taxpayers

1 refundable income tax credits under the Nebraska Advantage
2 Microenterprise Tax Credit Act, ~~and~~ the Nebraska Advantage Research
3 and Development Act, and the Remanufacturing Pilot Project Act.

4 (6) There shall be allowed to corporate taxpayers a
5 nonrefundable income tax credit for investment in a biodiesel
6 facility as provided in section 77-27,236.

7 Sec. 13. Section 81-1561, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 81-1561 (1) The Tax Commissioner shall deduct and
10 withhold from the litter fee collected a fee sufficient to
11 reimburse himself or herself for the cost of collecting and
12 administering the litter fee and for one-time expenses relating
13 to the Remanufacturing Pilot Project Act and shall deposit such
14 collection fee in the Litter Fee Collection Fund which is hereby
15 created. The Litter Fee Collection Fund shall be appropriated to
16 the Department of Revenue. Any money in the Litter Fee Collection
17 Fund available for investment shall be invested by the state
18 investment officer pursuant to the Nebraska Capital Expansion Act
19 and the Nebraska State Funds Investment Act.

20 (2) The Tax Commissioner shall remit the balance of
21 the litter fee collections to the Department of Environmental
22 Quality. The department shall allocate the balance of the litter
23 fee collections in the following manner: (a) Ninety percent shall
24 be deposited in the Litter Reduction and Recycling Fund; and (b)
25 ten percent shall be deposited in the Recovered Resource Income
26 Tax Credit Fund. After December 31, 2016, the department shall
27 allocate the entire balance of litter fee collections to the Litter

1 Reduction and Recycling Fund.

2 (3) The department shall allocate and distribute funds
3 from the Nebraska Litter Reduction and Recycling Fund in percentage
4 amounts to be determined by the council on an annual basis, after a
5 public hearing on a date to be determined by the council, for the
6 following activities:

7 (a) Programs of public education, motivation, and
8 participation aimed at creating an ethic conducive to the reduction
9 of litter, establishing an attitude against littering and a desire
10 for a clean environment, and securing greater awareness of and
11 compliance with antilitter laws. Such programs shall include:

12 (i) The distribution of informative materials to
13 elementary and secondary schools;

14 (ii) The purchase and erection of roadside signs;

15 (iii) The organization and operation of cleanup drives
16 conducted by local agencies and organizations using volunteer help;

17 (iv) Grants to state and local government units and
18 agencies and private organizations for developing and conducting
19 antilitter programs; and

20 (v) Any other public information method selected by the
21 department, including the use of media;

22 (b) Cleanup of public highways, waterways, recreation
23 lands, urban areas, and public places within the state, including,
24 but not limited to:

25 (i) Grants to cities and counties for payment of
26 personnel employed in the pickup of litter;

27 (ii) Grants for programs aimed at increasing the use

1 of youth and unemployed persons in seasonal and part-time litter
2 pickup programs and to establish work release and other programs
3 to carry out the purposes of the Nebraska Litter Reduction and
4 Recycling Act;

5 (iii) Grants to public and private agencies and persons
6 to conduct surveys of amounts and composition of litter and rates
7 of littering; and

8 (iv) Grants to public and private agencies and persons
9 for research and development in the fields of litter reduction,
10 removal, and disposal, including the evaluation of behavioral
11 science techniques in litter control and the development of new
12 equipment, and to implement such research and development when
13 appropriate; and

14 (c) New or improved community recycling and source
15 separation programs, including, but not limited to:

16 (i) Expansion of existing and creation of new community
17 recycling centers;

18 (ii) Expansion of existing and creation of new source
19 separation programs;

20 (iii) Research and evaluation of markets for the
21 materials and products recovered in source separation and recycling
22 programs; and

23 (iv) Providing advice and assistance on matters relating
24 to recycling and source separation, including information and
25 consultation on available technology, operating procedures,
26 organizational arrangements, markets for materials and products
27 recovered in recycling and source separation, transportation

1 alternatives, and publicity techniques.

2 Sec. 14. Section 81-15,160, Revised Statutes Cumulative
3 Supplement, 2010, is amended to read:

4 81-15,160 (1) The Waste Reduction and Recycling Incentive
5 Fund is created. The department shall deduct from the fund amounts
6 sufficient to reimburse itself for its costs of administration
7 of the fund. The fund shall be administered by the Department
8 of Environmental Quality. The fund shall consist of proceeds from
9 the fees imposed pursuant to the Waste Reduction and Recycling
10 Incentive Act.

11 (2) The fund may be used for purposes which include, but
12 are not limited to:

13 (a) Technical and financial assistance to political
14 subdivisions for creation of recycling systems and for modification
15 of present recycling systems;

16 (b) Recycling and waste reduction projects, including
17 public education, planning, and technical assistance;

18 (c) Market development for recyclable materials separated
19 by generators, including public education, planning, and technical
20 assistance;

21 (d) Capital assistance for establishing private and
22 public intermediate processing facilities for recyclable materials
23 and facilities using recyclable materials in new products;

24 (e) Programs which develop and implement composting of
25 yard waste and composting with sewage sludge;

26 (f) Technical assistance for waste reduction and waste
27 exchange for waste generators;

1 (g) Programs to assist communities and counties to
2 develop and implement household hazardous waste management
3 programs;

4 (h) Capital assistance for establishing private and
5 public facilities to manufacture combustible waste products and
6 to incinerate combustible waste to generate and recover energy
7 resources, except that no disbursements shall be made under this
8 section for scrap tire processing related to tire-derived fuel; and

9 (i) Grants for reimbursement of costs to cities of the
10 second class, villages, and counties of five thousand or fewer
11 population for the deconstruction of abandoned buildings. Eligible
12 deconstruction costs will be related to the recovery and processing
13 of recyclable or reusable material from the abandoned buildings;

14 and-

15 (j) Funding for the costs of administration of the
16 Remanufacturing Pilot Project Act.

17 (3) Grants up to one million dollars annually shall be
18 available until June 30, 2014, for new scrap tire projects only, if
19 acceptable scrap tire project applications are received. Eligible
20 categories of disbursement under section 81-15,161 may include, but
21 are not limited to:

22 (a) Reimbursement for the purchase of crumb rubber
23 generated and used in Nebraska, with disbursements not to exceed
24 fifty percent of the cost of the crumb rubber;

25 (b) Reimbursement for the purchase of tire-derived
26 product which utilizes a minimum of twenty-five percent recycled
27 tire content, with disbursements not to exceed twenty-five percent

1 of the product's retail cost, except that persons who applied for
2 a grant between June 1, 1999, and May 31, 2001, for the purchase
3 of tire-derived product which utilizes a minimum of twenty-five
4 percent recycled tire content may apply for reimbursement on or
5 before July 1, 2002. Reimbursement shall not exceed twenty-five
6 percent of the product's retail cost and may be funded in fiscal
7 years 2001-02 and 2002-03;

8 (c) Participation in the capital costs of building,
9 equipment, and other capital improvement needs or startup costs
10 for scrap tire processing or manufacturing of tire-derived product,
11 with disbursements not to exceed fifty percent of such costs or
12 five hundred thousand dollars, whichever is less;

13 (d) Participation in the capital costs of building,
14 equipment, or other startup costs needed to establish collection
15 sites or to collect and transport scrap tires, with disbursements
16 not to exceed fifty percent of such costs;

17 (e) Cost-sharing for the manufacturing of tire-derived
18 product, with disbursements not to exceed twenty dollars per ton
19 or two hundred fifty thousand dollars, whichever is less, to any
20 person annually;

21 (f) Cost-sharing for the processing of scrap tires, with
22 disbursements not to exceed twenty dollars per ton or two hundred
23 fifty thousand dollars, whichever is less, to any person annually;

24 (g) Cost-sharing for the use of scrap tires for civil
25 engineering applications for specified projects, with disbursements
26 not to exceed twenty dollars per ton or two hundred fifty thousand
27 dollars, whichever is less, to any person annually; and

1 (h) Disbursement to a political subdivision up to one
2 hundred percent of costs incurred in cleaning up scrap tire
3 collection and disposal sites.

4 The director shall give preference to projects which
5 utilize scrap tires generated and used in Nebraska.

6 (4) Priority for grants made under section 81-15,161
7 shall be given to grant proposals demonstrating a formal
8 public/private partnership except for grants awarded from fees
9 collected under subsection (6) of section 13-2042.

10 (5) Grants awarded from fees collected under subsection
11 (6) of section 13-2042 may be renewed for up to a five-year
12 grant period. Such applications shall include an updated integrated
13 solid waste management plan pursuant to section 13-2032. Annual
14 disbursements are subject to available funds and the grantee
15 meeting established grant conditions. Priority for such grants
16 shall be given to grant proposals showing regional participation
17 and programs which address the first integrated solid waste
18 management hierarchy as stated in section 13-2018 which shall
19 include toxicity reduction. Disbursements for any one year shall
20 not exceed fifty percent of the total fees collected after rebates
21 under subsection (6) of section 13-2042 during that year.

22 (6) Any person who stores waste tires in violation
23 of section 13-2033, which storage is the subject of abatement
24 or cleanup, shall be liable to the State of Nebraska for the
25 reimbursement of expenses of such abatement or cleanup paid by the
26 Department of Environmental Quality.

27 (7) The Department of Environmental Quality may receive

1 gifts, bequests, and any other contributions for deposit in the
2 Waste Reduction and Recycling Incentive Fund. Transfers may be
3 made from the fund to the General Fund at the direction of
4 the Legislature. Any money in the Waste Reduction and Recycling
5 Incentive Fund available for investment shall be invested by the
6 state investment officer pursuant to the Nebraska Capital Expansion
7 Act and the Nebraska State Funds Investment Act.

8 Sec. 15. Section 81-15,165, Revised Statutes Cumulative
9 Supplement, 2010, is amended to read:

10 81-15,165 (1) The Tax Commissioner shall deduct and
11 withhold from the fees collected pursuant to sections 81-15,159
12 to 81-15,165 a fee sufficient to reimburse himself or herself for
13 the actual cost of collecting and administering such fees and for
14 one-time expenses relating to the Remanufacturing Pilot Project Act
15 and shall credit such collection fee to the Waste Reduction and
16 Recycling Incentive Fees Collection Fund which is hereby created.
17 The Legislature shall appropriate money from the fund to the
18 Department of Revenue to cover the actual costs of the department
19 in administering the Waste Reduction and Recycling Incentive Act
20 and for one-time expenses relating to the Remanufacturing Pilot
21 Project Act. Transfers may be made from the fund to the General
22 Fund at the direction of the Legislature. Any money in the Waste
23 Reduction and Recycling Incentive Fees Collection Fund available
24 for investment shall be invested by the state investment officer
25 pursuant to the Nebraska Capital Expansion Act and the Nebraska
26 State Funds Investment Act.

27 (2) The Tax Commissioner shall remit the balance of the

1 fees collected pursuant to sections 81-15,159 to 81-15,165 to the
2 Department of Environmental Quality. The department shall allocate
3 the balance of the litter fee collections in the following manner:
4 (a) Ninety percent shall be deposited in the Waste Reduction and
5 Recycling Incentive Fund; and (b) ten percent shall be deposited in
6 the Recovered Resource Income Tax Credit Fund. After December 31,
7 2016, the department shall allocate the entire balance of the fees
8 collected pursuant to sections 81-15,159 to 81-15,165 to the Waste
9 Reduction and Recycling Incentive Fund.

10 Sec. 16. Original sections 77-2734.03 and 81-1561,
11 Reissue Revised Statutes of Nebraska, sections 81-15,160 and
12 81-15,165, Revised Statutes Cumulative Supplement, 2010, and
13 sections 77-2715.07 and 77-2717, Revised Statutes Supplement, 2011,
14 are repealed.