

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 902

Introduced by Kolowski, 31.

Read first time January 11, 2016

Committee: Natural Resources

- 1 A BILL FOR AN ACT relating to the Nebraska Clean-burning Motor Fuel
- 2 Development Act; to amend sections 66-202, 66-203, and 66-204,
- 3 Revised Statutes Supplement, 2015; to redefine a term; to change
- 4 provisions relating to qualification for rebates and use of funds;
- 5 and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 66-202, Revised Statutes Supplement, 2015, is
2 amended to read:

3 66-202 For purposes of the Nebraska Clean-burning Motor Fuel
4 Development Act:

5 (1) Flex-fuel dispenser means a fuel dispenser that is certified by
6 the manufacturer for use with ethanol blended fuels containing at least
7 fifteen percent by volume ethanol;

8 (2) Motor vehicle means a motor vehicle originally designed by the
9 manufacturer to operate lawfully and principally on highways, roads, and
10 streets;

11 (3) Qualified clean-burning motor vehicle fuel means a hydrogen fuel
12 cell, compressed natural gas, liquefied natural gas, or liquefied
13 petroleum gas, ~~or gasoline containing at least fifteen percent by volume~~
14 ~~ethanol~~; and

15 (4) Qualified clean-burning motor vehicle fuel property means:

16 (a) New equipment that:

17 (i) Is installed:

18 (A) By a certified installer;

19 (B) On a motor vehicle registered pursuant to the Motor Vehicle
20 Registration Act; and

21 (C) To convert a motor vehicle propelled by gasoline or diesel fuel
22 to be propelled by a qualified clean-burning motor vehicle fuel;

23 (ii) Is approved by the United States Environmental Protection
24 Agency under 40 C.F.R. part 85, subpart F, and 40 C.F.R. part 86, subpart
25 S, as such subparts existed on January 1, 2015; and

26 (iii) Has not been used to modify or retrofit any other motor
27 vehicle propelled by gasoline or diesel fuel;

28 (b) The portion of the basis of a motor vehicle that was originally
29 equipped to be propelled by a qualified clean-burning motor vehicle fuel
30 that is attributable to the:

31 (i) Storage of the qualified clean-burning motor vehicle fuel;

1 (ii) Delivery of the qualified clean-burning motor vehicle fuel to
2 the motor vehicle's engine; and

3 (iii) Exhaust of gases from the combustion of the qualified clean-
4 burning motor vehicle fuel; or

5 (c) New property that:

6 (i) Is directly related to the dispensing of ethanol-blended fuels
7 containing at least fifteen percent by volume ethanol or the compression
8 and delivery of natural gas from a private home or residence for
9 noncommercial purposes into the fuel tank of a motor vehicle propelled by
10 compressed natural gas; and

11 (ii) Has not been previously installed or used at another location
12 to refuel motor vehicles powered by natural gas.

13 Sec. 2. Section 66-203, Revised Statutes Supplement, 2015, is
14 amended to read:

15 66-203 (1) The State Energy Office shall offer a rebate for
16 qualified clean-burning motor vehicle fuel property.

17 (2)(a) The rebate for qualified clean-burning motor vehicle fuel
18 property as defined in subdivisions (4)(a) and (b) of section 66-202 is
19 the lesser of fifty percent of the cost of the qualified clean-burning
20 motor vehicle fuel property or four thousand five hundred dollars for
21 each motor vehicle.

22 (b) A qualified clean-burning motor vehicle fuel property is not
23 eligible for a rebate under this section if the person or entity applying
24 for the rebate has claimed another rebate or grant for the same motor
25 vehicle under any other state rebate or grant program.

26 (3) The rebate for qualified clean-burning motor vehicle fuel
27 property as defined in subdivision (4)(c) of section 66-202 is the lesser
28 of fifty percent of the cost of the qualified clean-burning motor vehicle
29 fuel property or two thousand five hundred dollars for each qualified
30 clean-burning motor vehicle fuel property.

31 (4) No qualified clean-burning motor vehicle fuel property shall

1 qualify for more than one rebate under this section.

2 Sec. 3. Section 66-204, Revised Statutes Supplement, 2015, is
3 amended to read:

4 66-204 (1) The Clean-burning Motor Fuel Development Fund is created.
5 The fund shall consist of grants, private contributions, and all other
6 sources.

7 (2) The fund shall be used by the State Energy Office to provide
8 rebates under the Nebraska Clean-burning Motor Fuel Development Act up to
9 the amount transferred under subsection (3) of this section. Up to ten
10 percent of the money in the fund may be used by the State Energy Office
11 for administrative costs. No more than thirty-five percent of the money
12 in the fund annually shall be used as rebates for flex-fuel dispensers
13 ~~and conversions of motor vehicles to allow the use of gasoline containing~~
14 ~~at least fifteen percent by volume ethanol.~~

15 (3) Within five days after August 30, 2015, the State Treasurer
16 shall transfer five hundred thousand dollars from the General Fund to the
17 Clean-burning Motor Fuel Development Fund to carry out the Nebraska
18 Clean-burning Motor Fuel Development Act.

19 (4) Any money in the fund available for investment shall be invested
20 by the state investment officer pursuant to the Nebraska Capital
21 Expansion Act and the Nebraska State Funds Investment Act.

22 Sec. 4. Original sections 66-202, 66-203, and 66-204, Revised
23 Statutes Supplement, 2015, are repealed.