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Natural Resources Committee
January 28, 2015

[LB141 LB143]

The Committee on Natural Resources met at 1:30 p.m. on Wednesday, January 28, 2015, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB141 and LB143. Senators present: Ken Schilz, Chairperson; Curt Friesen, Vice Chairperson; Dan Hughes; Jerry Johnson; John McCollister; and David Schnoor. Senators absent: Rick Kolowski and Brett Lindstrom.

SENATOR SCHILZ: Good afternoon and welcome to Natural Resources Committee. I'm the Chair, Ken Schilz, from Ogallala, District 47. We have some committee members that aren't quite here yet, but we'll go ahead and get started. I will give the ones that are here the opportunity to introduce themselves and I'll start here to my far left with Senator McCollister.

SENATOR McCOLLISTER: I'm John McCollister, District 20, Omaha.

SENATOR SCHNOOR: I'm Senator Dave Schnoor from District 15 which is all of Dodge County.

SENATOR JOHNSON: Senator Jerry Johnson, District 23, Saunders, Butler, and most of Colfax County.

SENATOR FRIESEN: Curt Friesen, District 34, Hamilton, Merrick, Nance, and part of Hall County.

SENATOR SCHILZ: And Senator Hughes has just walked in. Senator Hughes is from Venango. Welcome.

SENATOR HUGHES: Yes, 44th District, Chase, Dundy, Perkins, Hayes, Hitchcock, Furnas, Red Willow, Gosper, Harlan and...there's one more. (Laughter)

SENATOR SCHILZ: Where's your cheat sheet? (Laughter)

SENATOR HUGHES: Gosper, Harlan and Frontier.

SENATOR SCHILZ: There you go. Very good. And we are missing today but we expect Senator Kolowski from Omaha, and Senator Lindstrom from Omaha to join us here momentarily. We have a couple of pages today...one page today.

JAKE KAWAMOTO: One.

SENATOR SCHILZ: Which one are you? [LB141]

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JAKE KAWAMOTO: Jake.

SENATOR SCHILZ: Jake. Okay. This is Jake Kawamoto from Omaha. He's a sophomore at UNL in political science. I'll...sooner or later I'll get to know who they are. They kind of sit back over in the corner so I have a tough time figuring them out. Today we have two bills on the agenda, LB141 and LB143. If you are planning on testifying, please pick up a green sheet that's on the table at the back of the room. Fill it out in its entirety, and if you do not wish to testify but would like your name entered into the official record as being present at the hearing, there's a form on the table that you can also sign and this will become part of the official record. Obviously, as I said before, give the sign-in sheet to Barb, the committee clerk. In fact, let me introduce those to you. We have Barb Koehlmoos, the committee clerk, and Laurie Lage who is the legal counsel for the committee. So bring your green sheet to Barb and she'll make sure it gets into the record. And if you do not choose to testify, you may also submit comments in writing. If you have handouts, please make sure you have 12 copies for the pages to hand out and if you don't, let the pages know and they will help you get that done. And when you come up to testify, please speak clearly into the microphone. Tell us and spell your name, first and last, even if it's an easy name so that we can get it into the record properly. Please turn off all your cell phones or turn to silence, those, or anything else that beeps. Please keep your conversations to a minimum, or if you have to, please take them out into the hallway. We have no displays of support or opposition to a bill, vocal or otherwise, here in the committee, so we give our testifiers the opportunity to show them the respect that they deserve. The light system, we will use the light system. You'll have five minutes for each testifier. It shouldn't be a problem. If we need a little more time, one of the committee members usually will step up and ask a question to finish some things out. And if I do stop you, it's probably because you forgot to spell your name, so just kind of keep that in mind and that should do it. And since both of them are my bills today, I will step up and introduce them, and I will turn the operations and running of the hearing over to the Vice Chair, Senator Friesen.

SENATOR FRIESEN: Thank you, Senator Schilz.

SENATOR SCHILZ: Good afternoon, Senator Friesen and members of the Natural Resources Committee. My name is Ken Schilz, K-e-n S-c-h-i-l-z, and I represent the 47th District here in the Legislature. I'm here today to introduce LB141 on behalf of the Omaha Public Power District. I will provide a brief overview of the bill and Edward Easterlin, vice president and chief financial officer at OPPD, will directly follow me to give a more detailed explanation of the proposed legislation. LB141 makes changes to the Public Entities Mandated Project Charges Act, which was passed as LB548 in 2006. The original act authorizes the issuance of bonds by the public entities to finance capital projects mandated by federal or state law or by a regulatory agency, for example, the Environmental Protection Agency. The act also authorizes a public entity to establish a mandated project charge on customer bills to pay bond holders. The mandated project

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charge is dedicated to the repayment of the mandated project bonds. The purpose of the changes presented in LB141 are to allow the public entities to secure bonds, that have changed since the act was originally passed in 2006 to obtain even higher rated bonds, which would mean a lower overall price for a public entity and ultimately consumers. The special purpose entity is now required by many bond holders. The special purpose entity in LB141 would be created by the Public Entities Board, would be a corporation of the state, and would be protected from the general debts of the issuing public entity. This entity would be governed by a three-person board of directors appointed from among the board members of the special entity. Rating agencies consider the special purpose entity to be a bankruptcy remote entity which protects bond holders in the event of a public entity bankruptcy. The proposed changes also provide for the public entity to pledge the proceeds of the mandated project charge to secure the bonds. The ultimate goal of this legislation is to allow the public entities, such as OPPD, to compete mandated projects at a lower cost. Again, Mr. Easterlin, with OPPD, will testify next, but I'm happy to try and answer any questions that you may have. Thank you. [LB141]

SENATOR FRIESEN: Thank you, Senator Schilz. Does the committee have any questions? Seeing none, thank you, Senator Schilz. Any proponents come up to speak? Welcome. [LB141]

EDWARD EASTERLIN: (Exhibit 1) Thank you. Good afternoon. My name is Edward Easterlin, E-d-w-a-r-d E-a-s-t-e-r-l-i-n, and I'm the vice president and chief financial officer for the Omaha Public Power District. I'm here today to provide testimony in support of LB141. A copy of my written testimony has been provided to each of you. The Legislature enacted the Public Entities Mandated Project Charges Act, LB548, in 2006. As mentioned previously, the purpose of this act is to authorize public entities such as OPPD, and municipalities and others, to issue bonds to pay for capital projects mandated by federal or state law, regulations, and other legal requirements. Financing mandated projects under the act could provide substantial savings due to debt service coverage requirements for bonds issued using this structure. Debt service coverage under the act would only have to be sufficient to cover the mandated charge itself, that is, merely one-times coverage rather than two-times coverage which is required for traditional revenue bonds. However, since the passage of the act, the market has evolved and the rating agencies have taken a different approach as to how they evaluate bonds issued under the structure. Generally, the one-times coverage requirement is not as certain as it once was given the rating agencies' position, unless it's issued under a special purpose entity. LB141 amends the act to authorize the creation of a special purpose entity called a mandated project bond issuer. Under the proposed bill, a mandated project bond issuer would be created by OPPD's board of directors and would be a public corporation of the state governed by three members of OPPD's board. The sole business purpose of a mandated project bond issuer is to issue mandated project bonds and to return payments to bond holders. Because a mandated

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project bond issue is a separate legal entity, it is bankruptcy remote from the debts of the public entity such as OPPD. This structure protects bond holders in the event...in the unlikely event of a bankruptcy filing by OPPD under Chapter 9 of the federal Bankruptcy Code. In addition, the mandated project bond issuer is precluded from filing bankruptcy. In other states that have adopted this approach, bonds issued by the special purpose entity have received a AAA bond rating, the highest rating achievable because the bonds are considered highly secure. Combining lower interest rates made available by the passage of LB141 with a more probable reduction of the coverage requirement that I mentioned earlier under the act, OPPD's customers would realize significant cost savings through lower financing costs and electric rates. The estimated cost savings for each \$100 million of bonds issued is approximately \$120 million net present value. The amendments to the Mandated Project Charges Act set out in LB141 will provide OPPD and other public entities another crucial tool to help finance legally mandated projects. On behalf of OPPD, I respectfully urge the committee to advance LB141 to General File, and would also like to comment that the Nebraska Power Association also supports the legislation. [LB141]

SENATOR FRIESEN: Oh, I thought Mr. Chairman was taking over. [LB141]

SENATOR SCHILZ: No, this is my bill. [LB141]

SENATOR FRIESEN: Senator McCollister. [LB141]

SENATOR McCOLLISTER: Yes, sir. Thank you for appearing. Thank you, Mr. Vice Chair. Is there any practical limit to the amount of debt you can incur in this way? [LB141]

EDWARD EASTERLIN: Yes, there is. First of all, there's the limitation on how the bonds are used, so it has to meet the definition. And then the way the market and the rating agencies look at it, they look at it as a burden upon the customers who are going to pay the charge. And so I don't know the specific amount, but there is a point in which the market would say, we're not willing to put this level of burden on customers on top of their normal utility rates. So it's not an unmeasured or uncontrolled mechanism. [LB141]

SENATOR McCOLLISTER: Okay. I'm also...just question the scope of the possible projects. How about CO2 regulations regarding Nebraska City or for Nebraska City? [LB141]

EDWARD EASTERLIN: I would suppose that if we were looking at some type of sequestration facility there, it could be used with that regard. I think a more likely scenario would be putting environmental emission controls equipment for things like sulphur NOx and things of that matter on the back of Nebraska City Unit 1. Those items are probably closer term with regard to meeting mass requirements, mercury air toxic

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standards, and that would be the more likely use of bonds. [LB141]

SENATOR McCOLLISTER: How about a flood emergency, impacting of Ft. Calhoun? [LB141]

EDWARD EASTERLIN: The only...I think if we decided to build some type of protective structure there, if it were our election to do it, then I don't think it would qualify. If the NRC came back and said, in order to continue operating this facility and maintaining your license, you had to provide more mitigation, then that would be something that I think the board of directors could consider as part of this. [LB141]

SENATOR McCOLLISTER: One more. [LB141]

EDWARD EASTERLIN: Yes, sir. [LB141]

SENATOR McCOLLISTER: How about mandates for construction of renewable energy sources? [LB141]

EDWARD EASTERLIN: If they're mandates, they could...it could comply. However, I would say from a mandated...from a renewable energy resource composition in our portfolio, I think we're in pretty good shape. [LB141]

SENATOR McCOLLISTER: Thank you. [LB141]

SENATOR FRIESEN: Thank you, Senator McCollister. Senator Hughes. [LB141]

SENATOR HUGHES: Thank you. In your testimony you alluded to that other entities that have this option found that there was a much lower...a better bond rating, therefore lower interest rate. What...can you expand on who is taking advantage of a law like this currently? [LB141]

EDWARD EASTERLIN: The two examples that come to mind are state of California has similar legislation that was passed and municipalities and water entities in the state of California used it to meet some of the requirements with regard to their water infrastructure needs. And in the state of New York, Long Island Power Authority used it to restructure that organization after Hurricane Sandy. So with...in regard to responding to the state's requirements to...for their service and the way they operate the system. [LB141]

SENATOR HUGHES: So it was more response to a state government requirement, not a federal government, which is what you're asking for here? [LB141]

EDWARD EASTERLIN: Well, this would cover any requirement that would be state or

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federal. [LB141]

SENATOR HUGHES: Okay. One more I guess it...in both of your testimonies you indicated that the three member...or this new entity that you're creating composed of three members from the board are... [LB141]

EDWARD EASTERLIN: The board of directors. [LB141]

SENATOR HUGHES: ...is not subject to potential bankruptcy of the original entity. I guess, how would that play out if you have...if you passed a hundred million dollar bond to upgrade the facility? You know, I realize it's highly unlikely that one would transpire without the other, but I guess I thought it was a little odd that that language would be in there. I was just kind of curious why that was included. [LB141]

EDWARD EASTERLIN: Let me see if I can explain this. As you know, OPPD operates today as a public entity and provides electrical service to its customers and we borrow money and there's a repayment obligation on that debt. And if we incur financial difficulty, then we could be in a situation where we may not be able to repay those bond holders and that could force a situation where you would consider Chapter 9. Of course, that is farthest from the thoughts, but to answer your question, what this legislation does and what the original act contemplated is a separate charge for the customers of OPPD to collect the money necessary to repay those bond holders and that charge collects, basically, the bond repayment and it is not revenues of OPPD. It is revenues of this new special purpose entity. And for that reason, the only reason it exists is to collect those payments and then repay the bond holders. It's not as a basis of providing service. [LB141]

SENATOR HUGHES: I agree with that, but it seems somewhat...what I have trouble wrapping my head around, that one entity could fail and the other not be taken down with it. [LB141]

EDWARD EASTERLIN: Right. So OPPD could basically fail but this organization would stay in place. [LB141]

SENATOR HUGHES: But a bankruptcy reorganization, they would still be viable, producing power, generating the revenue to pay off the bonds for... [LB141]

EDWARD EASTERLIN: Well, this organization would not produce the power. [LB141]

SENATOR HUGHES: Right. Right, yes. [LB141]

EDWARD EASTERLIN: This organization would collect a charge associated with either OPPD or another entity providing the power to the customer. [LB141]

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SENATOR HUGHES: Oh, okay, okay. Thank you. I understand now. [LB141]

SENATOR FRIESEN: Senator McCollister. [LB141]

SENATOR McCOLLISTER: Thank you, Senator. Could this be considered a back door rate increase? Is...OPPD isn't under any limitations or terms of your rate increases, are they? [LB141]

EDWARD EASTERLIN: No, sir. Well, they're under the authority of the board of directors and the board of directors determines and establishes the rates. [LB141]

SENATOR McCOLLISTER: Okay. Yesterday we talked about a conflict of interest with regard to electric utilities. The fact that these three board members also serve on the utility board, you think that could be considered a conflict of interest and perhaps violate the statute that we dealt with yesterday? [LB141]

EDWARD EASTERLIN: Well, I'm not familiar with the statute, so I can't comment with regard to violating that, so I apologize. What I would say is, this tool or this legislation would support a decision that has been made that we need to finance this infrastructure. And by doing it this way, we're significantly reducing the cost compared to what it would cost us to do it the traditional way. So if anything, it's reducing the rates, not a way to get around the rate. [LB141]

SENATOR McCOLLISTER: I think we both agree that's a good thing. Thank you. [LB141]

SENATOR FRIESEN: Any other questions from the committee? I'll just clarify something in my mind and I think I totally understand some...Senator Hughes asked some questions, but this entity would be created, then, to issue these bonds because like EPA required you to put on some emissions equipment, it's going to be a huge cost to you above and beyond what you expected, and so you're going to issue these bond. This group will then issue those bonds and it will be a separate charge on a utility bill and it will be collected separately from the electric bill, or maybe included at the time. [LB141]

EDWARD EASTERLIN: It will be included on the electric bill. [LB141]

SENATOR FRIESEN: It will be a line-item charge that is separate. So will that be charged out then per customer or based on their usage, or how will you decide who pays what kind of fee? [LB141]

EDWARD EASTERLIN: That's a really good question because I don't think we had

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worked through all of the details, but it's going to have to follow traditional rate making where it is an equitable or nondiscriminatory manner in which the charge is collected. So in other words, as a customer uses the system or the energy that the charge is associated with, it would need to reflect their usage of that type of infrastructure. [LB141]

SENATOR FRIESEN: Okay. And what this does basically is, it pledges more of your revenue stream towards the payment of these bonds so there wouldn't be a default. Does that simplify any of it, kind of, for... [LB141]

EDWARD EASTERLIN: Well, it's...this...it's not our revenue stream. It creates a new revenue stream that is dedicated to the repayment of the bonds. [LB141]

SENATOR FRIESEN: And so that lowers their risk, which raises the bond rating which saves you money. [LB141]

EDWARD EASTERLIN: Correct. Because the success...the financial stability or success of OPPD does not impact the repayment of those bonds. [LB141]

SENATOR FRIESEN: Okay. All right. If there are no more...Senator McCollister. [LB141]

SENATOR McCOLLISTER: One more. I had promised to be quiet. Thank you, Senator. Senator Friesen brings up a good point because you could just do a, levy a flat charge, a certain amount per customer per month, or else you could be a variable rate that would vary according to usage. And I would encourage you to do the latter. [LB141]

EDWARD EASTERLIN: Thank you. [LB141]

SENATOR FRIESEN: Any other comments? [LB141]

SENATOR HUGHES: I have one. In order to...are there any limits on the amount of bonds that you can have based on vote of the board of directors or do at some point you have to go to the membership since you are a public power district? [LB141]

EDWARD EASTERLIN: We are not authorized...management is not authorized to issue bonds. The board has to approve bond issue. So before the bond issue, we have to have the approval of the expenditure that would be used to drive the bond issues. So the board is pretty well connected to our planning process and what we're doing, why we're doing it, and then how we are anticipating paying for it. And if it's a financing, like I said, the financing plan, all the documents, everything has to be authorized before the board, before we proceed with any type of financing. So they would know about the particular capital project and everything associated with it. And actually, in this case,

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would approve it either through our budgeting process or another approval process.
[LB141]

SENATOR FRIESEN: Senator Johnson. [LB141]

SENATOR JOHNSON: I have a question, might...I haven't thought through it, but when you talk about being on the utility statement, when a municipality or somebody else has a bond issue and it's charged to the citizen, it's on their tax statement and it becomes a part a deductible tax item, being on a utility bill as part of utilities, where does that fit in in the individual's tax structure, do you know? [LB141]

EDWARD EASTERLIN: The bonds themselves...well, the bonds will typically be tax exempt bonds, which means the investor who loans the money for the bonds would get the tax exemption, but the customer would not have any... [LB141]

SENATOR JOHNSON: Would not have any. [LB141]

EDWARD EASTERLIN: Right...any deductions. [LB141]

SENATOR JOHNSON: Okay. Thank you. [LB141]

SENATOR FRIESEN: Any other questions? Thank you very much for your testimony.
[LB141]

EDWARD EASTERLIN: Thank you. [LB141]

SENATOR FRIESEN: Any other proponents? Seeing none, any opponents? Seeing none. Anyone wish to testify in the neutral capacity? All right. Thank you very much. Welcome, Senator Schilz. [LB141]

SENATOR SCHILZ: I'll make a couple of statement on LB141 before I move on to the next one. Senator McCollister, in your question as to whether or not this would affect...or the bill that we put through the first round yesterday would affect this, I don't believe it would because this would...this board would not be publicly elected by anyone and it's not a public power board. It's a completely different entity, but we will check and make sure that we don't fly in the face of something that's going on. So I'll make sure and run the traps there to make sure we're not putting something out there that would conflict and there's my closing for LB141. [LB141]

SENATOR MCCOLLISTER: Thank you, Senator. [LB141]

SENATOR FRIESEN: Okay. Thank you, Senator Schilz, and now, your new bill. Proceed. [LB141]

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SENATOR SCHILZ: (Exhibit 2) Thank you, Senator Friesen and members of the Natural Resources Committee. My name is Ken Schilz, it's spelled K-e-n S-c-h-i-l-z, and I'm here to introduce LB143, who was brought to me...who I bring on behalf of the Petroleum Marketers. The bill would allow the Petroleum Release Remedial Action Cash Fund to be used to reimburse the cost of underground storage tank operator training, which is to be done by a reasonable individual...or responsible individual as defined in Nebraska Revised Statutes 66-1514. This training is required by the Federal Energy Policy Act of 2005. I know the DEQ understands the purpose of LB143, and we have done some work on the language as included in the proposed committee amendment included in your packets. In cooperation and willingness to work together with DEQ, the Fire Marshal's Office and the Petroleum Marketers have shown, is much appreciated as it has made this a better bill, we hope. This is an important issue and I would ask for your support of LB143. It's my understanding that DEQ has submitted a letter in the neutral position on the bill, and that the Fire Marshal's Office has declined to appear here this morning as they have voiced a similar neutral position to the bill. We have Mr. Keigher here from the Petroleum Marketers, who I think is going to testify right after me. And so with that, I won't hold anybody up, but I'd be happy to answer any questions that you have. [LB143]

SENATOR FRIESEN: Thank you, Senator Schilz. Any questions from the committee? Okay. [LB143]

SENATOR SCHILZ: Jeez, they let me off too easy. Okay. [LB143]

SENATOR FRIESEN: You did such a good job. Any testifiers in support? Welcome. [LB143]

TIM KEIGHER: Thank you. Good afternoon, Senator Friesen, members of the committee. My name is Tim Keigher, that is K-e-i-g-h-e-r. I appear before you today as the executive director for the Nebraska Petroleum Marketers and Convenience Store Association. I'm using last year's notes, so I've got to make sure I'm not making any mistakes here calling it LB143 as opposed to LB767. First of all, we'd like to thank Senator Schilz for introducing this bill on our behalf again. As he stated in his opening, this has to do with the 2005 Energy Act that requires that anyone that owns an underground storage tank is trained in the operation of that tank. It requires that the owner of the company be trained. It also requires that middle management be trained, and it allows for the people on the day-to-day operation to be trained by the A and B operator. This idea has kind of come from several other states who have used underground storage tank monies to cover the cost of operator training. It does not only apply to gas stations, service stations, it also applies to a church that has a heating and oil tank of 1,100 gallons or more, to a bank that has a backup generator to run an emergency power generator or something like that. So it's not just the folks in the

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petroleum industry. I guess, you know, we've had some conversations with DEQ and the Fire Marshal's Office over the past year, and that's how I've come up with the bill that's before you, with the amendment on it, of having the two of them work together. In most states the same agency that has the jurisdiction over the operator training also has the jurisdiction over the underground tank fund and thus, you don't have two different agencies. One here is the Fire Marshal's Office with the...that promulgated the rules for the operator training, and then you have the DEQ that has the checkbook to the LUST fund, so. I'm hoping with my idea in the amendment that we...that the two agencies can work together and come up with a method of selecting some underground tank operator training companies to provide this service and then we can cover the cost from the LUST fund. Like I said, other states are doing it. Some of them are getting a grant directly from the fund to come up with training. Originally when the Fire Marshal's Office was working on the rules and regs, they were not going to allow on-line training, and in their final proposal they do allow that. So we're hoping that that would bring the cost down and make it available to everyone throughout the state, so. With that, I think that pretty well covers it, and I'm happy to answer any questions you may have. [LB143]

SENATOR FRIESEN: Thank you very much. Any questions from the committee?
Senator McCollister. [LB143]

SENATOR McCOLLISTER: Thank you, Senator Friesen. What happens to an owner if they fail to take the training? [LB143]

TIM KEIGHER: You know, I don't know. That's a good question. My assumption is that the Fire Marshal's Office could, you know, pull their operating permit and not allow them to operate if they're not trained properly because it is...I mean, it's federal law with the Fire Marshal's Office in charge of the state level, but I'd have to go back and look at the rules and regs to see exactly what they could do. But that would be my guess, they could pull their operating permit. [LB143]

SENATOR McCOLLISTER: Okay. When we talked yesterday, we talked about the...how the DEQ ranks the contamination sites, and there's a listing. By enacting this statute would we diminish the ability to clean up some of the sites that are most egregious? [LB143]

TIM KEIGHER: No, I don't think so because, you know, the fund is funded by nine-tenths of a cent on gasoline and three-tenths of a cent on diesel. So if we took a half a million dollars out of the fund over a period of time to do the training, we're just going to replenish that half a million dollars at some point in the future because we're going to keep collecting the nine-tenths and the three-tenths. I mean, there's an eligibility date of June 30 of 2016. After that date, you cannot turn in a claim, but there is no ending to the collecting of the nine-tenths and the three-tenths to my knowledge. [LB143]

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SENATOR McCOLLISTER: Isn't there also a fee to register a tank, \$90 or something to that effect? [LB143]

TIM KEIGHER: Yes, there is a fee to register and I believe it is \$90. And that's...my understanding is the program was put together prior to my coming to Nebraska, but that's how they originally started out to fund it and then found out that that wasn't generating enough money and then they went to a fee per gallon, which I don't remember what the original fee was, but that wasn't enough, and then they came up with the nine-tenths and three-tenths later on in the program. [LB143]

SENATOR McCOLLISTER: How do the fees per gallon compare to the other states around Nebraska? [LB143]

TIM KEIGHER: Oh, the ones that I'm familiar with, they're pretty similar. I think Iowa is a penny. I don't remember off the top of my head what Kansas is, but I think it's very similar, yeah. [LB143]

SENATOR McCOLLISTER: Okay. Thank you. Thanks, Tim. [LB143]

SENATOR FRIESEN: Is there any other questions? Senator Johnson. [LB143]

SENATOR JOHNSON: I'm familiar with the collection of it when I was in the business and I know there's been money there and continues to be, so basically what this does, it broadens the use of that money in order to make a better system. Right now you don't anticipate any increase in the fee because there's ample funds in there. Is that... [LB143]

TIM KEIGHER: Correct, yeah. [LB143]

SENATOR JOHNSON: I just wanted to make sure I was still on the same mind-set, so. [LB143]

TIM KEIGHER: Nope, you are. [LB143]

SENATOR JOHNSON: Yeah. Thank you. [LB143]

SENATOR FRIESEN: Thank you, Senator Johnson. Any other questions? I don't think I have any either, so thank you very much for your testimony. [LB143]

TIM KEIGHER: Didn't make it out by 2:00, but you're close. [LB143]

SENATOR FRIESEN: We could come up with some questions if you needed them.

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(Laughter) [LB143]

TIM KEIGHER: That's okay. Thank you. [LB143]

SENATOR FRIESEN: (Exhibit 3) Are there any other proponents? Any opponents? Anyone wish to testify in a neutral capacity? Oh, we do have Patrick Rice, acting director of the Department of Environmental Quality in neutral, so. [LB143]

SENATOR SCHILZ: I waive. [LB143]

SENATOR FRIESEN: All right. Closing is waived and... [LB143]

SENATOR SCHILZ: That will...thank you, Senator Friesen. That will end our hearing for today. Short and sweet. We like those, but that means we have a longer hearing some other days, so it all makes itself up. So thank you very much and we'll take a minute to go into Exec real quick. [LB143]