

# **Legislature - First Session - 2019**

## **Introducer's Statement of Intent**

### **LB476**

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**Chairperson: Senator Justin Wayne**

**Committee: Urban Affairs**

**Date of Hearing: February 26, 2019**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 476 would eliminate a January 1, 2020 sunset date. LB 476 would make permanent the current exemption specifically for compressed natural gas (CNG), when used as a vehicular fuel, from a 2 percent payment by the Metropolitan Utilities District (M.U.D.) to municipalities.

Current law requires the M.U.D. to pay municipalities 2 percent of its annual gross revenue derived from the retail sales of gas and water. When this law was enacted, the use of CNG as a vehicular fuel was not contemplated. In 2014, via LB 867, the Legislature eliminated the additional 2 percent payment by M.U.D. to cities specifically for CNG, when used as vehicular fuel and further provided that the 2 percent municipal payment for CNG be reinstated on January 1, 2020. LB 476 would make the current exemption permanent for CNG when used as a vehicular fuel.

**Principal Introducer:** \_\_\_\_\_

Senator John McCollister