

ONE HUNDRED SEVENTH LEGISLATURE - FIRST SESSION - 2021
COMMITTEE STATEMENT
LB650

Hearing Date: Thursday February 11, 2021
Committee On: Natural Resources
Introducer: Flood
One Liner: Adopt the Nebraska Geologic Storage of Carbon Dioxide Act

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

Vote Results:
Aye: 6 Senators Aguilar, Bostelman, Gragert, Groene, Hughes, Moser
Nay:
Absent:
Present Not Voting: 2 Senators Cavanaugh, J., Wayne

Oral Testimony:

Proponents:

Mike Flood
Troy Bredenkamp
Hal Demuth
Charles Gorecki

Chuck Woodside
Kristen Hassebrook
Jan ten Bensel

Representing:

Self
Renewable Fuels Nebraska
Petrotek Corporation
University of South Dakota Energy & Environmental
Research Center
Kappa Ethonal Holdings
Nebraska Chamber
Nebraska Ethanol Board

Opponents:

Representing:

Neutral:

John Rundel
Matt Joeckel

Representing:

Nebraska Oil and Gas Conservation Commission
Self

Submitted Written Testimony:

Proponents:

John Hansen
Mick Mines

Representing:

Nebraska Farmers Union
Nebraska Corn Growers Association

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

LB650 creates the Nebraska Geologic Storage of Carbon Dioxide Act and establishes the legal and regulatory framework for potential carbon dioxide capture and sequestration projects in Nebraska. The bill authorizes fee structure and creates the Carbon Dioxide Storage Facility Administrative Fund for the Act, as well as the Carbon Dioxide Storage Facility Trust Fund for long-term maintenance and monitoring costs.

LB650 establishes legislative intent to capture carbon in Nebraska, designates property rights around storage sites in deep geologic formations, assigns state regulatory authority of collection sites to the Department of Environment and Energy (DEE), specifies that the regulatory and permitting process be within existing federal guidelines, and establishes fees to be paid by storage operators.

LB650 also creates criminal and financial liability for any person violating the rules or falsifying or destroying required records and outlines considerations the court must consider in determining penalties.

Nebraska Oil and Gas Conservation Commission shall make, adopt, and oversee rules and regulations for carbon capture storage facilities, including permitting and long-term monitoring and is required to do so within federal EPA guidelines.

Explanation of amendments:

AM176 clarifies that "facilities" are storage facilities, inserts into Section 15, subsection (3), and renumbers bill as needed. AM176 adds subsection (3), which reads "The Act and any permit issuance under the act shall not be construed to (3) Amend or alter any statute, rule, or regulation in effect on the effective date of this act which relates to the commission's authority to regulate operations to increase ultimate recovery from a pool as defined in section 57-903 [pool means an underground reservoir containing a common accumulation of oil or gas or both], including, but not limited to, the introduction of carbon dioxide into a pool."

Bruce Bostelman, Chairperson