

ONE HUNDRED FIRST LEGISLATURE - SECOND SESSION - 2010
COMMITTEE STATEMENT
LB885

Hearing Date: Thursday January 28, 2010

Committee On: Natural Resources

Introducer: Nordquist

One Liner: Transfer the responsibilities of the Nebraska Oil and Gas Conservation Commission and the State Energy Office to the newly created Nebraska Energy Commission

Roll Call Vote - Final Committee Action:

Indefinitely postponed

Vote Results:

Aye: 7 Senators Carlson, Dubas, Fischer, Haar, Langemeier, McCoy, Schilz

Nay: 1 Senator Cook

Absent:

Present Not Voting:

Proponents:

Senator Jeremy Nordquist

Representing:

Introducer

Opponents:

Neil Moseman

Bill Sydow

Jeremy Ensz

Reed Gilmore

Ken Curry

Darwin Pierson

Marvin Carlson

Representing:

Nebraska Energy Office

Nebraska Oil and Gas Conservation Commission

Berexco LLC

Self

Nebraska Power Association

Nebraska Independent Oil and Gas Association

Self

Neutral:

Representing:

Summary of purpose and/or changes:

LB 885 would take all of the duties performed by the State Energy Office and merge them into the office of the Oil and Gas Conservation Commission. The new commission would be comprised of the three current members of the Oil and Gas Conservation Commission, and the Governor would appoint two more with renewable energy expertise.

The substantive content of the bill is in the following sections:

Section 13 amends 57-904, which establishes the Oil and Gas Conservation Commission, by changing that commission to the Energy Commission, and requiring the Governor to appoint two additional commissioners with experience in renewable energy production and energy conservation.

Section 14 amends 57-905, relating to the Oil and Gas Conservation Commission's duties, by adding duties relating to: energy assessments, data collection and analysis; recommendations to the Governor and Legislature; educating and consulting with the public; collecting and disbursing funds; federal level participation; preparing for energy shortages; assisting local government; and conservation promotion. Also allows the new commission to: promulgate rules and

regulations; enter into contracts; carry out all necessary duties and responsibilities; and form advisory committees, but not to perform powers delegated to other state agencies.

Section 20 amends 57-917, relating to the commission's director, by renaming the Oil and Gas Conservation Commission director the Energy Commission director and removing the requirement that the director be an experienced, qualified petroleum engineer.

Section 49 amends 81-1607.01, relating to reports from the Energy Office, by requiring that any money in the State Energy Office Cash Fund be transferred to the Nebraska Energy Commission Cash Fund.

Section 71 creates new language clarifying that contracts and obligations entered into by either the Oil and Gas Conservation Commission or the Energy Office are to be recognized, and funds designated to such contracts or obligations are to be transferred accordingly. All licenses, certificates, registrations, permits, seals or other approvals issued by the separate entities are to remain valid, unless revoked or if they expire, under the original names of the issuing entity. All documents and records may be authenticated by the new commission for legal purposes.

Section 72 creates new language clarifying that all rules and regulations set by the two entities are to remain effective, all legal action commenced before creation of the new commission is to remain active, and any references to the separate entities are to be interpreted as applying to the new commission.

Section 73 creates new language clarifying that employees of the Oil and Gas Conservation Commission and Energy Office are to become employees of the new commission without penalty and according to any applicable bargaining agreement.

Section 74 creates new language clarifying that all property of the two separate entities become the property of the new commission.

Section 87 provides an operative date of January 1, 2011.

Chris Langemeier, Chairperson