

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 902

FINAL READING

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, liquefied petroleum
13 gas, or gasoline containing at least fifteen percent by volume ethanol;
14 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 as part
23 of a dedicated bi-fuel or dual-fuel system;

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

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

29 (b) With respect to ~~The portion of the basis of~~ a motor vehicle that
30 was originally equipped to be propelled by a qualified clean-burning
31 motor vehicle fuel other than ethanol, the portion of the basis that is

1 attributable to the:

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

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

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

7 (c) New property that:

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

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

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

17 66-203 (1) The State Energy Office shall offer a rebate for
18 qualified clean-burning motor vehicle fuel property.

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

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

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

1 clean-burning motor vehicle fuel property.

2 (4) No qualified clean-burning motor vehicle fuel property shall
3 qualify for more than one rebate under this section.

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

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

9 (2) The fund shall be used by the State Energy Office to provide
10 rebates under the Nebraska Clean-burning Motor Fuel Development Act up to
11 the amount transferred under subsection (3) of this section. No more than
12 thirty-five percent of the money in the fund annually shall be used as
13 rebates for flex-fuel dispensers ~~and conversions of motor vehicles to~~
14 ~~allow the use of gasoline containing at least fifteen percent by volume~~
15 ~~ethanol.~~ The State Energy Office may use the fund for necessary costs in
16 the administration of the act up to an amount not exceeding ten percent
17 of the fund annually.

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

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

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