

ONE HUNDRED EIGHTH LEGISLATURE - FIRST SESSION - 2023
COMMITTEE STATEMENT
LB565

Hearing Date: Wednesday February 01, 2023
Committee On: Natural Resources
Introducer: Bostelman
One Liner: Provide a grant program related to hydrogen hub designations

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

Vote Results:

Aye: 8 Senators Bostelman, Brandt, Cavanaugh, J., Fredrickson, Hughes, Jacobson, Moser, Slama

Nay:

Absent:

Present Not Voting:

Testimony:

Proponents:

Senator Bruce Bostelman
Courtney Dentlinger
Amy Ostermeyer
Andrew Dunkley

Representing:

Introducer
Nebraska Public Power District
Monolith
Nebraska Farm Bureau

Opponents:

Representing:

Neutral:

Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB565 (Section 21), introduced by Sen. Bostelman, amends section 66-2301 to fund steps necessary to continue forward with competition for designation by the United States Department of Energy as one of four regional locations sought for a clean hydrogen hub. LB565 follows the first round success of competition by Nebraska under LB1099 in 2022. LB565 directs appropriation of \$250,000 from the General Fund for FY2023-24 and \$250,000 for FY2024-25 to the Department of Economic Development for the grants needed for engineering and modeling work to prepare and support the next round of competition for the regional hub designation, and associated federal funding.

Section by Section

Sec. 1. Legislative findings about "unique benefit for the state to compete for designation by the US Dept. of Energy as a location for a regional clean hydrogen hub".

Appropriation intention; Directs the Department of Economic Development to adopt and promulgate rules and regulations to carry out the program.

Sec. 2 Repeals original section.

Sec. 3 Emergency clause

Explanation of amendments:

The committee voted to adopt Committee Amendment AM827 on a 8-0 vote.

Committee Amendment AM827 incorporates the provisions of three other bills into LB 565: LB 567, LB 568 (as amended by AM849), and LB 723 (as amended by AM232).

LB567 -

LB 567 (Sections 29-32), introduced by Sen. Bostelman, amends certain provisions of section 70, making changes (1) to qualifications of high level managers employed by one public power district to be able to serve as a member of the board of directors of another public power and irrigation district, (2) to define reliability to update the terms currently used in conversations about public power and, (3) to add a requirement that the annual load and capability report filed with the Nebraska Power Review Board on behalf of the utilities contain additional information if requested by the Board in writing, so long as the information requested is consistent with the Power Review Board's statutory responsibilities and that the inclusion of the requested information can be accomplished at a reasonable cost.

Motion to include LB567 in Committee Amendment AM827

Vote Results: 6-0-2

Voting Aye: Senators Bostelman, Brandt, Hughes, Jacobson, Moser & Slama

Voting Nay: None

Present Not Voting: Senators J. Cavanaugh & Fredrickson

Testifiers on LB567 on 2/2/23:

Proponents -

Senator Bruce Bostelman, Introducer

John McClure, Nebraska Public Power District

Chance Briscoe, Nebraska Rural Electric Association

Tim Texel, Nebraska Power Review Board

Opponents -

John Hansen, Nebraska Farmers Union

Al Davis, Nebraska Chapter Sierra Club

Edison McDonald, G C Revolt

Neutral -

Lash Chaffin, League of Nebraska Municipalities

LB568 as amended by AM849 -

LB568 (Sections 22-28), introduced by Sen. Bostelman, creates the Nuclear and Hydrogen Development Act to support workforce development and advancement of advanced nuclear and hydrogen industries in Nebraska; creates a work group to evaluate and make recommendations regarding the workforce training needs of the nuclear and hydrogen industries in Nebraska and provide an opportunity for collaboration of the industries and higher education in the state to provide grants, training, curriculum, programming, and marketing to meet the workforce needs of the industry as identified by the work group. Non-legislative members of the work group can be paid \$60 per diem a day when performing work group functions

and may be reimbursed for travel and lodging. The Fund terminates on July 31, 2028. AM849 slightly changes board composition, reduces funding ask from \$5M to \$200k, and only allows use of funds for per diem and reimbursement of non-legislative group members for travel and lodging.

Motion to include LB568 as amended into Committee Amendment AM827

Vote Results: 8-0-0

Voting Aye: Senators Bostelman, Brandt, J. Cavanaugh, Fredrickson, Hughes, Jacobson, Moser & Slama

Voting Nay: None

Present Not Voting: None

Testifiers on LB568 on 2/16/23:

Proponents –

Senator Bruce Bostelman, Introducer

Joel Michaelis, Southeast Community College

David Madcharo, Southeast Community College

Amy Ostermeyer, Monolith

Ross McConnell, Day & Zimmermann

James Chesnut, Day & Zimmermann

Thomas Kent, Nebraska Power Association & Nebraska Public Power District

Opponents - NONE

Neutral - NONE

LB723 as amended by AM232 -

LB723 (Sections 1-20), brought by Senator Bostelman, creates the Public Water and Natural Resources Project Contract Act, which enables the Department of Natural Resources to employ alternative methods of contracting for public water and natural resources public surface water or groundwater-related infrastructure project. Regardless of the funding source. The Act authorizes the department to solicit and execute three additional methods of contracting – design-build, progressive design-build, or construction manager-general contractor contracts for public surface water or groundwater-related infrastructure projects. LB723 authorizes the department to hire an engineering or architectural consultant to assist with the development of project performance criteria and requests for proposals and any additional services as requested by the department in relation to a project and precludes consultants used from providing services in a proposal for a project upon which they have consulted. LB723 directs the department to obtain requests for qualifications and compile and publish a pre-qualified contractor list, and authorizes the use of public-private partnerships, with the department responsible for oversight of any function that is delegated to or otherwise performed by a private partner. A technical Amendment AM232 replaces statutory references to reference provisions within the Act itself.

AM232 replaces statutory references to the Department of Transportation's similar authority to relevant references to the Department of Natural Resources authority within the Act itself. Removes reporting requirement to Appropriations Committee and replaces a reference from Director-State Engineer to Director of Department of Natural Resources.

Motion to include LB723 as amended in to Committee Amendment AM827

Vote Results: 8-0-0

Voting Aye: Senators Bostelman, Brandt, J. Cavanaugh, Fredrickson, Hughes, Jacobson, Moser & Slama

Voting Nay: None

Present Not Voting: None

Testifiers on LB723 on 2/2/23:

Proponents –

Senator Bruce Bostelman, Introducer

Tom Riley, Nebraska Department of Natural Resources

Kent Miller, Twin Platte Natural Resource District & Nebraska Assoc. of Resources Districts

Alex Linden, Central Nebraska Public Power & Irrigation District

Opponents - NONE

Neutral - NONE

Section 33 - Enactment date of bills without emergency clause

Sections 34-35 - Repeal of original amended sections

Section 36 - Emergency clause

Bruce Bostelman, Chairperson