TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE Transcriber's Office FLOOR DEBATE

February 13, 2006 LB 173, 872

Landis amendment, I think all of the objections have been taken care of. So I would appreciate your positive vote on this bill for advancement. Thank you.

SENATOR CUDABACK: Thank you, Senator Hudkins. The question before the body is, shall LB 173 advance to E & R Initial as amended? All in favor vote aye; opposed vote nay. The question before the body is advancement of LB 173. Have you all voted on the question who care to? Please record, Mr. Clerk.

CLERK: 32 ayes, 0 nays, Mr. President, on the advancement of LB 173.

SENATOR CUDABACK: LB 173 does advance. We now go to General File, Special Order. As stated under the conditions, Mr. Clerk, LB 872.

CLERK: LB 872, Mr. President, by Senator Schrock. (Read title.) The bill was introduced on January 5 of this year. At that time, referred to Natural Resources. The bill was advanced to General File. I do have...excuse me. I have no amendments at this time, Mr. President.

SENATOR CUDABACK: Senator Schrock, to open.

SENATOR SCHROCK: Mr. President, members of the Legislature, LB 872 provides for emissions trading program under the Environmental Protection Act. LB 872 was introduced on behalf of the Nebraska Department of Environmental Quality, or referred to that as NDEQ. LB 872 would allow the NDEQ to adopt rules and regulations for implementing an emissions trading program, also referred to as "cap and trade" for mercury and possible regional haze. Nebraska is part of the EPA Region 7, along with Iowa, Missouri, and Kansas. These three states are adopting the federal EPA model cap and trade program. To meet federal requirements, NDEQ must submit a state implementation plan to the EPA for the mercury program by November 2006. LB 872 provides clear authority for the NDEQ to develop a mercury cap and trade program and submit their state implementation plan. Currently, Nebraska has a program for sulphur dioxide acid rain, but not for mercury. The NDEQ would administer the operating