

ONE HUNDRED FIRST LEGISLATURE - SECOND SESSION - 2010
COMMITTEE STATEMENT (CORRECTED)
LB689

Hearing Date: Friday January 29, 2010
Committee On: Natural Resources
Introducer: Langemeier
One Liner: Change Water Resources Cash Fund, Ethanol Production Incentive Cash Fund, and ethanol excise tax provisions

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye: 8 Senators Carlson, Cook, Dubas, Fischer, Haar, Langemeier, McCoy, Schilz
Nay:
Absent:
Present Not Voting:

Proponents:

Senator Chris Langemeier
Keith Olsen
Steve Ebke
Scott Richert
Zoe Olson

Representing:

Introducer
Nebraska Farm Bureau
Nebraska Corn Growers Association
Nebraska Soybean Association
Nebraska Wheat Growers Association

Opponents:

Kent Miller

Representing:

Nebraska Association of Resources Districts, Twin Platte Natural Resources District

Neutral:

Representing:

Summary of purpose and/or changes:

LB 689 would eliminate the requirement that an excise tax (three-fifths cent) be assessed on corn and grain sorghum and credited to the Water Resources Cash Fund, and would redirect funds collected. The excise tax, currently credited to the Ethanol Production Incentive Cash Fund, is scheduled to end on October 1, 2012. The tax is to go to the Water Resources Cash Fund beginning January 1, 2013.

Section 1 amends 61-218, which created the Water Resources Cash Fund, by eliminating the requirement that the corn and grain sorghum excise tax be credited to the fund beginning January 1, 2013.

Section 2 amends 66-1345, which created the Ethanol Production Incentive Cash Fund, by requiring the State Treasurer to transfer one-half of unexpended, unobligated funds to the Nebraska Corn Development, Utilization, and Marketing Fund and the Grain Sorghum Development, Utilization, and Marketing Fund instead of the Water Resources Cash Fund. The other half of the unexpended and unobligated funds go to the General Fund.

Section 3 amends 66-1345.01, relating to the excise tax levy on corn and grain sorghum, by eliminating the three-fifths excise tax that was to occur October 1, 2012 through October 1, 2019.

Section 4 amends 66-1345.02, relating to collection of the excise tax on corn or grain sorghum, by eliminating the requirement that the collected excise tax be remitted to the State Treasurer for credit to the Water Resources Cash Fund. Also eliminates fund transfer procedures.

Section 5 repeals the original sections.

Chris Langemeier, Chairperson