

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 565

Introduced by Bostelman, 23.

Read first time January 17, 2023

Committee: Natural Resources

1 A BILL FOR AN ACT relating to hydrogen hubs; to amend section 66-2301,
2 Revised Statutes Cumulative Supplement, 2022; to state legislative
3 findings; to state intent regarding appropriations; to provide for a
4 grant program as prescribed; to provide duties and powers for the
5 Department of Economic Development; to harmonize provisions; to
6 repeal the original section; and to declare an emergency.

7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 66-2301, Revised Statutes Cumulative Supplement,
2 2022, is amended to read:

3 66-2301 (1) The Legislature finds there is a unique benefit for the
4 state to compete for designation by the United States Department of
5 Energy as a location for a regional clean hydrogen hub. The development
6 of a clean hydrogen hub in the state would provide the potential for
7 significant investments in clean energy production, new infrastructure,
8 and high-paying careers. The Legislature further finds that Nebraska is
9 in a unique position to compete due to its central location, existing
10 clean hydrogen-producing industry, synthetic and biofuels industry,
11 demand for fertilizer used by its large agricultural industry, and
12 railroad and trucking transportation network.

13 (2)(a) ~~(1)~~ The Department of Economic Development shall create the
14 Nebraska Hydrogen Hub Industry Work Group. The Governor shall appoint
15 members to the work group that include, but are not limited to,
16 representatives from the following sectors: (i) ~~(a)~~ Manufacturing or
17 industry, (ii) ~~(b)~~ agriculture, (iii) ~~(c)~~ transportation, and (iv) ~~(d)~~
18 energy. The work group may include a representative of a clean hydrogen
19 manufacturer.

20 (b) ~~(2)~~ The purpose of the work group is to develop and draft a
21 competitive proposal which may be submitted to the United States
22 Department of Energy to be selected as one of the ~~four~~ regional clean
23 hydrogen hubs authorized under the federal Infrastructure Investment and
24 Jobs Act, Public Law 117-58.

25 (c) ~~(3)~~ The Department of Economic Development may contract with
26 private consultants to create the competitive proposal. Specifically, the
27 work group shall determine how to maximize the state's geographic
28 location to connect a nationwide hydrogen network. Additionally, the work
29 group shall build a plan to make the case for an agricultural-based clean
30 hydrogen hub, expanding the existing eligible purposes.

31 (3) It is the intent of the Legislature to appropriate two hundred

1 fifty thousand dollars from the General Fund for FY2023-24 and two
2 hundred fifty thousand dollars from the General Fund for FY2024-25 to the
3 Department of Economic Development for the purpose of providing grants to
4 any public power district that serves a majority of the counties in the
5 state to be used for engineering and modeling work to prepare and support
6 the state in competing for one of the United States Department of
7 Energy's regional clean hydrogen hub designations and associated federal
8 funding.

9 (4) The Department of Economic Development shall adopt and
10 promulgate rules and regulations to carry out the grant program described
11 in subsection (3) of this section.

12 Sec. 2. Original section 66-2301, Revised Statutes Cumulative
13 Supplement, 2022, is repealed.

14 Sec. 3. Since an emergency exists, this act takes effect when
15 passed and approved according to law.