

**Legislature - First Session - 2019**

**Introducer's Statement of Intent**

**LB605**

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**Chairperson: Senator Lou Ann Linehan**

**Committee: Revenue**

**Date of Hearing: March 20, 2019**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 605 creates Nebraska's Renewable Chemicals Production Tax Credit Act. The program incentivizes the production of renewable chemicals made from agricultural products. Legislative Bill 605 advances Nebraska's economy by encouraging development of biomass as feedstocks for the production of renewable chemicals, a newly developing industry that we are uniquely positioned to attract to our state. In order to build on this potential, LB 605 incentivizes renewable-chemical production based on weight (\$0.075 per pound produced); capping the amount of credits that can be received by an applicant at \$1.5 million per year starting in year 2021.

**Principal Introducer:** \_\_\_\_\_

Senator Brett Lindstrom