

What will happen if the balance of the Ethanol Production Incentive Cash Fund is insufficient to meet ethanol producers' claims?

If the Ethanol Production Incentive Cash Fund (Fund) balance cannot satisfy all claims filed by ethanol producers (producers), the Department will implement procedures authorized in [Neb. Rev. Stat. § 66-1345\(2\)\(d\)](#). These procedures are detailed below.

- The available balance in the Fund is determined on the due date of the Claim for Nebraska Ethanol Production Credit, Form 92. The available balance in the Fund is then compared to the total credit transfers requested by all producers.
- The transfer of credits will be suspended if the Fund cannot meet all the requested transfers.
- Producers who have filed claims will be notified of the suspension by letter.
- The available balance in the Fund will again be determined on the last working day of the month.
- A “proration percentage” will then be calculated by dividing the available Fund balance by the total accumulated credits earned by all producers.
- The proration percentage will be applied to each producer’s accumulated credits to determine the maximum allowable credit transfer for each producer.
- Credit transfers will be allowed for each producer based upon the lesser of:
 - o The maximum allowable credit transfer; or
 - o The credit transfer requested.
- If a producer requests transfers to more than one licensee, the allowed credit transfers for that producer will be in the same proportion as originally requested.
- Producers will receive a letter regarding the amount of allowed credit transfers and their credit carryover amount.