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Attorney General Hilgers Fights to Protect Tax Credits for Ethanol Producers Under Trump's One Big Beautiful Bill

LINCOLN—Today, Nebraska Attorney General Mike Hilgers, joined by Iowa Attorney General Brenna Bird, asked the U.S. Environmental Protection Agency (EPA) to preserve a long-standing rule that helps ethanol producers earn cleanenergy tax credits for capturing and storing carbon.

EPA recently proposed to eliminate key parts of its national greenhouse-gas reporting system to cut bureaucratic red tape and unleash American energy. Attorney General Hilgers supports EPA's deregulatory efforts but pointed out the potential unintended consequences the repeal would have for ethanol producers. EPA's proposal would end the carbon-capture verification system, which allows the federal government to confirm that ethanol producers are safely storing carbon dioxide underground. Without the verification system, ethanol plants could lose access to billions of dollars in clean-fuel incentives expanded under President Trump's One Big Beautiful Bill.

"Ethanol is an important part of the state and country's future," said Attorney General Hilgers. "The Subpart RR reporting program is a small part of the greenhouse gas rules, but would have a major impact on ethanol producers in Nebraska. I am pleased to team with General Brenna Bird in Iowa in submitting this comment outlining the impact of this reporting framework on our producers."

The joint comment asks the EPA to keep the existing carbon-capture reporting rule in place or allow ethanol producers to opt in voluntarily. That approach, the Attorneys General explain, would cut unnecessary red tape while ensuring the federal government can still confirm that captured carbon is stored safely and permanently underground.

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Letter Attached

Suzanne Gage Director of Communications Nebraska Attorney General's Office Office: 402-471-2656

Mobile: 402-560-3518

Suzanne.gage@nebraska.gov