

# STATE OF NEW YORK

972

2017-2018 Regular Sessions

## IN ASSEMBLY

January 10, 2017

Introduced by M. of A. CUSICK, TITONE -- read once and referred to the  
Committee on Environmental Conservation

AN ACT to amend the navigation law, in relation to license fees per  
barrel of petroleum

The People of the State of New York, represented in Senate and Assem-  
bly, do enact as follows:

1 Section 1. Paragraph (a) of subdivision 4 of section 174 of the navi-  
2 gation law, as amended by section 1 of part X of chapter 58 of the laws  
3 of 2015, is amended to read as follows:

4 (a) The license fee shall be nine and one-half cents per barrel trans-  
5 ferred, unless the major facility is located within one mile of a facil-  
6 ity in an adjoining state, which if such facility in another state was  
7 located in this state would be a major facility, then such fee shall be  
8 one cent per barrel transferred, provided, however, that the fee on any  
9 barrel, including any products derived therefrom, subject to multiple  
10 transfer, shall be imposed only once at the point of first transfer.  
11 Provided further, the license fee for major facilities that (i) transfer  
12 barrels for their own use, and (ii) do not sell or transfer the product  
13 subject to such license fee, shall be eight cents. In each fiscal year  
14 following any year in which the balance of the account established by  
15 paragraph (a) of subdivision two of section one hundred seventy-nine of  
16 this article equals or exceeds forty million dollars, no license fee  
17 shall be imposed unless (a) the current balance in such account is less  
18 than thirty-five million dollars or (b) pending claims against such  
19 account exceed fifty percent of the existing balance of such account. In  
20 the event of either such occurrence and upon certification thereof by  
21 the state comptroller, the administrator shall within ten days of the  
22 date of such certification reimpose the license fee, which shall take  
23 effect on the first day of the month following such relevy. The rate may  
24 be set at less than nine and one-half cents per barrel transferred if  
25 the administrator determines that the revenue produced by such lower

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 rate shall be sufficient to pay outstanding claims against such account  
2 within one year of such imposition of the license fee. Should such  
3 account exceed forty million dollars, as a result of interest, the  
4 administrator and the commissioner of environmental conservation shall  
5 report to the legislature and the governor concerning the options for  
6 the use of such interest. The fee established by this paragraph shall  
7 not be imposed upon any barrel which is transferred to a land based  
8 facility but thereafter exported from this state for use outside the  
9 state and is shipped to facilities outside the state regardless of  
10 whether the delivery or sale of such petroleum occurs in this state.

11 § 2. Subdivision 4 of section 174 of the navigation law is amended by  
12 adding a new paragraph (e) to read as follows:

13 (e) Notwithstanding paragraph (d) of this subdivision, the surcharge  
14 established by paragraph (b) of this subdivision shall be one and one-  
15 half cents per barrel for any barrel that is transferred into a major  
16 facility located within one mile of a facility in an adjoining state,  
17 which if such facility in another state was located in this state would  
18 be a major facility, and thereafter exported from this state for use  
19 outside the state as described by paragraph (a) of this subdivision.

20 § 3. This act shall take effect immediately.