S T A T E O F N E W Y O R K

5167--A

2011-2012 Regular Sessions

I N S E N A T E

May 3, 2011

Introduced by Sens. LIBOUS, MAZIARZ -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the state finance law and the environmental conservation law, in relation to establishing the natural gas oversight fund; and to amend the environmental conservation law, in relation to imposing an additional fee on the issuance of a well drilling permit for certain gas pools

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The state finance law is amended by adding a new section 81 to read as follows:

S 81. NATURAL GAS OVERSIGHT FUND. 1. THERE IS HEREBY ESTABLISHED IN THE JOINT CUSTODY OF THE STATE COMPTROLLER AND THE COMMISSIONER OF TAXATION AND FINANCE A SPECIAL FUND TO BE KNOWN AS THE "NATURAL GAS OVERSIGHT FUND".

2. THE COMPTROLLER SHALL ESTABLISH THE FOLLOWING SEPARATE AND DISTINCT ACCOUNTS WITHIN THE NATURAL GAS OVERSIGHT FUND:

(A) INTERNET PERMIT INFORMATION ACCOUNT;

(B) WATER QUALITY ACCOUNT;

(C) PUBLIC AWARENESS ACCOUNT;

(D) INDEPENDENT SURVEY ACCOUNT; AND

(E) IMPLEMENTATION ACCOUNT.

3. SUCH FUND SHALL CONSIST OF ALL MONEYS APPROPRIATED THERETO, FUNDS TRANSFERRED FROM ANY OTHER FUND OR SOURCE, AND ALL MONEYS RECEIVED BY THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION FOR THE ISSUANCE OF PERMITS PURSUANT TO TITLE FIVE OF ARTICLE TWENTY-THREE OF THE ENVIRONMENTAL CONSERVATION LAW TO DRILL, DEEPEN, PLUG BACK OR CONVERT A WELL DESCRIBED IN CLAUSE (VI) OF SUBPARAGRAPH ONE OF PARAGRAPH B OF SUBDIVISION ONE OF SECTION 23-0501 OF SUCH LAW. MONEYS DEPOSITED IN THE FUND SHALL BE HELD IN INTEREST BEARING ACCOUNTS IN PUBLIC DEPOSITORIES AS PRESCRIBED BY THIS CHAPTER, AND MAY BE INVESTED OR REINVESTED IN SUCH SECURITIES AS ARE APPROVED BY THE STATE COMPTROLLER. INTEREST OR OTHER INCOME EARNED

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

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ON MONEYS DEPOSITED IN THE FUND AND ANY MONEYS WHICH MAY BE APPROPRIATED OR OTHERWISE BECOME AVAILABLE FOR THE PURPOSES OF THE FUND, SHALL BE CREDITED TO AND DEPOSITED IN THE FUND FOR USE AS SET FORTH IN THIS SECTION.

4. THE MONEYS IN THE NATURAL GAS OVERSIGHT FUND SHALL BE KEPT SEPARATE FROM AND SHALL NOT BE COMMINGLED WITH ANY OTHER MONEYS IN THE CUSTODY OF THE STATE COMPTROLLER AND THE COMMISSIONER OF TAXATION AND FINANCE.

5. (A) ALL MONEYS DEPOSITED IN THE INTERNET PERMIT INFORMATION ACCOUNT SHALL BE ALLOCATED TO AND EXPENDED BY THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION TO ESTABLISH AN INTERNET WEBSITE AND DATABASE ACCESSIBLE TO THE PUBLIC, WHICH PROVIDES INFORMATION ON ALL APPLICATIONS FOR PERMITS AND PERMITS ISSUED PURSUANT TO TITLE FIVE OF ARTICLE TWENTY-THREE OF THE ENVIRONMENTAL CONSERVATION LAW TO DRILL, DEEPEN, PLUG BACK OR CONVERT A WELL DESCRIBED IN CLAUSE (VI) OF SUBPARAGRAPH ONE OF PARAGRAPH B OF SUBDIVISION ONE OF SECTION 23-0501 OF SUCH LAW.

(B) MONEYS FROM THE WATER QUALITY ACCOUNT SHALL BE MADE AVAILABLE FOR THE CONDUCTING OF BASELINE AND FOLLOW-UP SURVEYS OF WATER QUALITY BY THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION AT SITES NEAR ANY WELL DESCRIBED IN CLAUSE (VI) OF SUBPARAGRAPH ONE OF PARAGRAPH B OF SUBDIVISION ONE OF SECTION 23-0501 OF THE ENVIRONMENTAL CONSERVATION LAW.

(C) MONEYS FROM THE PUBLIC AWARENESS ACCOUNT SHALL BE MADE AVAILABLE TO THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION TO CONDUCT A PUBLIC AWARENESS PROGRAM PROVIDING INFORMATION ON THE MANNER OF NOTIFYING SUCH DEPARTMENT IN THE EVENT OF ANY CONCERN OR PROBLEM RELATING TO A NATURAL GAS WELL.

(D) MONEYS FROM THE INDEPENDENT SURVEY ACCOUNT SHALL BE MADE AVAILABLE TO THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION FOR THE EXPENSES OF CONTRACTING FOR THE PROVISION OF AN INDEPENDENT SURVEY OF SUCH DEPARTMENT'S PERFORMANCES RELATING TO THE REGULATION OF WELLS. SUCH SURVEY SHALL BE CONDUCTED NOT LESS THAN THREE YEARS NOR MORE THAN FIVE YEARS AFTER THE EFFECTIVE DATE OF THIS SECTION, SHALL BE SUBMITTED TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE AND THE SPEAKER OF THE ASSEMBLY.

(E) MONEYS FROM THE IMPLEMENTATION ACCOUNT SHALL BE ALLOCATED TO AND EXPENDED BY THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION SOLELY FOR THE IMPLEMENTATION AND ENFORCEMENT OF THE PROVISIONS OF TITLES THREE, FIVE, SEVEN AND NINE OF ARTICLE TWENTY-THREE, AND TITLE THIRTEEN OF ARTICLE SEVENTY-ONE OF THE ENVIRONMENTAL CONSERVATION LAW.

S 2. Paragraph b of subdivision 1 of section 23-1903 of the environmental conservation law is relettered paragraph c and a new paragraph b is added to read as follows:

B. A TWO THOUSAND DOLLAR FEE FOR EACH PERMIT TO DRILL A WELL ISSUED PURSUANT TO CLAUSE (VI) OF SUBPARAGRAPH ONE OF PARAGRAPH B OF SUBDIVISION ONE OF SECTION 23-0501 OF THIS ARTICLE; AND

S 3. Section 23-0501 of the environmental conservation law is amended by adding a new subdivision 4 to read as follows:

4. NOTWITHSTANDING ANY PROVISION OF THIS CHAPTER TO THE CONTRARY, ALL FEES COLLECTED BY THE DEPARTMENT FOR THE ISSUANCE OF A PERMIT FOR A WELL DESCRIBED IN CLAUSE (VI) OF SUBPARAGRAPH ONE OF PARAGRAPH B OF SUBDIVISION ONE OF THIS SECTION SHALL BE PAID TO THE STATE COMPTROLLER WHO SHALL DEPOSIT SUCH MONEY IN THE NATURAL GAS OVERSIGHT FUND ESTABLISHED PURSUANT TO SECTION EIGHTY-ONE OF THE STATE FINANCE LAW.

S 4. This act shall take effect on the thirtieth day after it shall have become a law.