

6233--A

I N S E N A T E

(PREFILED)

January 6, 2016

Introduced by Sens. LANZA, SAVINO -- read twice and ordered printed, and when printed to be committed to the Committee on Environmental Conservation -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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 ASSEMBLY, 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 S 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
15 ONE-HALF CENTS PER BARREL FOR ANY BARREL THAT IS TRANSFERRED INTO A
16 MAJOR FACILITY LOCATED WITHIN ONE MILE OF A FACILITY IN AN ADJOINING
17 STATE, WHICH IF SUCH FACILITY IN ANOTHER STATE WAS LOCATED IN THIS STATE
18 WOULD BE A MAJOR FACILITY, AND THEREAFTER EXPORTED FROM THIS STATE FOR
19 USE OUTSIDE THE STATE AS DESCRIBED BY PARAGRAPH (A) OF THIS SUBDIVISION.

20 S 3. This act shall take effect immediately.