STATE OF NEW YORK

4003--A

2019-2020 Regular Sessions

IN SENATE

February 25, 2019

Introduced by Sens. PARKER, ADDABBO, BAILEY, BIAGGI, BRESLIN, BROOKS, CARLUCCI, COMRIE, GAUGHRAN, GIANARIS, GOUNARDES, HARCKHAM, HOYLMAN, KAMINSKY, KAPLAN, KENNEDY, KRUEGER, LIU, MARTINEZ, MAY, MAYER, METZGER, MONTGOMERY, PERSAUD, RIVERA, SALAZAR, SANDERS, SEPULVEDA, SERRANO, SKOUFIS, STAVISKY, THOMAS -- 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 environmental conservation law, in relation to establishing the "low carbon fuel standard of 2019"

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

Section 1. Short title. This act may be known and may be cited as the "low carbon fuel standard of 2019".

§ 2. The environmental conservation law is amended by adding a new section 19-0329 to read as follows:

§ 19-0329. Low carbon fuel standard.

(1) A low carbon fuel standard is hereby established. The low carbon fuel standard is intended to reduce carbon intensity from the on-road transportation sector by twenty percent by two thousand thirty, with further reductions to be implemented based upon advances in technology as determined by the commissioner.

(2) The low carbon fuel standard shall apply to all providers of transportation fuels in New York, shall be measured on a full fuels lifecycle basis and may be met through market-based methods by which providers exceeding the performance required by a low carbon fuel standard shall receive credits that may be applied to future obligations or traded to providers not meeting the low carbon fuel standard. For purposes of this section the term "providers" shall include, but shall not be limited to, all refiners, blenders, producers or importers of transportation fuels, "carbon intensity" means the quantity of lifecycle

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

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greenhouse gas emissions per unit of fuel energy, and "full fuels life-cycle" means the aggregate of greenhouse gas emissions, including direct emissions and significant indirect emissions, such as significant emissions from land use changes as determined by the commissioner. The full fuels lifecycle includes all stages of fuel and feedstock production and distribution, from feedstock generation or extraction through the distribution and delivery and use of the finished fuel by the ultimate consumer. In calculating full fuels lifecycle greenhouse gas emissions, the mass values for all non-carbon-dioxide greenhouse gases must be adjusted to account for their relative global warming potentials. This conversion shall use the most appropriate conversion relative to global warming potentials as determined by the commissioner.

(3) Within twenty-four months following adoption of the low carbon fuel standard, the commissioner, in consultation with the New York state energy research and development authority, shall promulgate regulations establishing a low carbon fuel standard with performance objectives to implement subdivision one of this section. Such regulations may be phased into effect giving priority to the heavy-duty transportation sector consisting of vehicles with the classification of six or higher as classified by the Federal Highway Administration. The low carbon fuel standard shall take into consideration the low carbon fuel standard adopted in California and other states, may rely upon the carbon intensity of values established for transportation fuels in such states and shall include coordination with other Northeastern states to promote regional reductions in greenhouse gas emissions.

(4) The regulations adopted pursuant to this section shall include fees for the registration of providers to offset the costs associated with implementation of the low carbon fuel standard.

(5) Within twenty-four months following the adoption of regulations implementing a low carbon fuel standard, the commissioner shall report to the legislature regarding the implementation of the program, the reductions in greenhouse gas emissions that have been achieved through the low carbon fuel standard and targets for future reductions in greenhouse gas emissions from the transportation sector.

(6) Nothing in this section shall preclude the department from enacting or maintaining other programs to reduce greenhouse gas emissions from the transportation sector.

§ 3. This act shall take effect immediately.