STATE OF NEW YORK

6162

2021-2022 Regular Sessions

IN SENATE

April 12, 2021

Introduced by Sen. LANZA -- read twice and ordered printed, and when printed to be committed 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 Assembly, do enact as follows:

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

(a) The license fee shall be nine and one-half cents per barrel transferred**, unless the major facility is located within one mile of a facility in an adjoining state, which if such facility in another state was located in this state would be a major facility, then such fee shall be one cent per barrel transferred**, provided, however, that the fee on any barrel, including any products derived therefrom, subject to multiple transfer, shall be imposed only once at the point of first transfer. Provided further, the license fee for major facilities that (i) transfer barrels for their own use, and (ii) do not sell or transfer the product subject to such license fee, shall be eight cents. In each fiscal year following any year in which the balance of the account established by paragraph (a) of subdivision two of section one hundred seventy-nine of this article equals or exceeds forty million dollars, no license fee shall be imposed unless (a) the current balance in such account is less than thirty-five million dollars or (b) pending claims against such account exceed fifty percent of the existing balance of such account. In the event of either such occurrence and upon certification thereof by the state comptroller, the administrator shall within ten days of the date of such certification reimpose the license fee, which shall take effect on the first day of the month following such relevy. The rate may be set at less than nine and one-half cents per barrel transferred if 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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rate shall be sufficient to pay outstanding claims against such account within one year of such imposition of the license fee. Should such account exceed forty million dollars, as a result of interest, the administrator and the commissioner of environmental conservation shall report to the legislature and the governor concerning the options for the use of such interest. The fee established by this paragraph shall not be imposed upon any barrel which is transferred to a land based facility but thereafter exported from this state for use outside the state and is shipped to facilities outside the state regardless of whether the delivery or sale of such petroleum occurs in this state.

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

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

§ 3. This act shall take effect immediately.