

STATE OF NEW YORK

8179

IN SENATE

January 31, 2022

Introduced by Sen. HINCHEY -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

AN ACT to amend the public authorities law, in relation to establishing the natural carbon sequestration research program; and to amend part W of chapter 58 of the laws of 2021 authorizing the energy research and development authority to finance a portion of its research, development and demonstration, policy and planning, and Fuel NY program, as well as climate change related expenses of the department of environmental conservation and the department of agriculture and markets' Fuel NY program, from an assessment on gas and electric corporations, in relation to funding for the natural carbon sequestration research program

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

1 Section 1. The public authorities law is amended by adding a new
2 section 1884 to read as follows:

3 § 1884. Natural carbon sequestration research program. 1. There is
4 hereby established the natural carbon sequestration research program.
5 The purpose of the program is to develop innovative science-based
6 solutions to facilitate sequestration of carbon in New York's natural
7 and working lands in ways that decrease total greenhouse gas emissions.
8 In developing the program, the New York state college of agriculture and
9 life sciences as named pursuant to section fifty-seven hundred twelve of
10 the education law shall conduct, support, and develop technologies and
11 management strategies, along with verification systems to facilitate the
12 natural drawdown of carbon from the atmosphere and storage underground.

13 2. The program shall consider, but not be limited to, the following:
14 stabilizing existing carbon in the soil, increasing carbon sequestration
15 through new practices and cropping systems, purposefully amending the
16 soil with biochar and compost to boost total soil carbon and promote
17 greenhouse gas life cycle benefits, advancing direct air capture of
18 carbon dioxide in farmland and landscapes through enhanced weathering,
19 utilizing other innovative technologies, and the synergies between such

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

LBD14342-02-2

1 approaches, including agroforestry and reforestation to store carbon in
2 both trees and soil while producing ancillary benefits for working
3 lands. The research program shall also demonstrate successful technolo-
4 gies in pilot locations throughout the state of New York and utilize the
5 Cornell Cooperative Extension system for knowledge transfer.

6 3. The program shall include, but not be limited to, research on the
7 following topics, consistent with New York state's climate goals:

8 (a) methods to sequester carbon in soils through nature-based
9 solutions;

10 (b) improvement or enhancement of photosynthesis in plant life and
11 delivery to soil to facilitate carbon sequestration;

12 (c) development and deployment of technologies to measure, model and
13 verify carbon storage in natural and working lands;

14 (d) research that facilitates productive agroforestry, afforestation
15 and reforestation, including research that facilitates increased
16 nature-based carbon storage in peatlands and wetlands; and

17 (e) research that quantifies total greenhouse gas benefits, including
18 but not limited to nitrous oxide, methane and carbon, to assure that
19 there are overall greenhouse gas emission benefits.

20 § 2. Section 1 of part W of chapter 58 of the laws of 2021 authorizing
21 the energy research and development authority to finance a portion of
22 its research, development and demonstration, policy and planning, and
23 Fuel NY program, as well as climate change related expenses of the
24 department of environmental conservation and the department of agricul-
25 ture and markets' Fuel NY program, from an assessment on gas and elec-
26 tric corporations is amended to read as follows:

27 Section 1. Expenditures of moneys by the New York state energy
28 research and development authority for services and expenses of the
29 energy research, development and demonstration program, including
30 grants, the energy policy and planning program, the zero emissions vehi-
31 cle and electric vehicle rebate program, and the Fuel NY program shall
32 be subject to the provisions of this section. Notwithstanding the
33 provisions of subdivision 4-a of section 18-a of the public service law,
34 all moneys committed or expended in an amount not to exceed \$22,700,000
35 shall be reimbursed by assessment against gas corporations, as defined
36 in subdivision 11 of section 2 of the public service law and electric
37 corporations as defined in subdivision 13 of section 2 of the public
38 service law, where such gas corporations and electric corporations have
39 gross revenues from intrastate utility operations in excess of \$500,000
40 in the preceding calendar year, and the total amount assessed shall be
41 allocated to each electric corporation and gas corporation in proportion
42 to its intrastate electricity and gas revenues in the calendar year
43 2019. Such amounts shall be excluded from the general assessment
44 provisions of subdivision 2 of section 18-a of the public service law.
45 The chair of the public service commission shall bill such gas and/or
46 electric corporations for such amounts on or before August 10, 2021 and
47 such amounts shall be paid to the New York state energy research and
48 development authority on or before September 10, 2021. Upon receipt, the
49 New York state energy research and development authority shall deposit
50 such funds in the energy research and development operating fund estab-
51 lished pursuant to section 1859 of the public authorities law. The New
52 York state energy research and development authority is authorized and
53 directed to: (1) transfer up to \$4 million to the state general fund for
54 climate change related services and expenses of the department of envi-
55 ronmental conservation, \$150,000 to the state general fund for services
56 and expenses of the department of agriculture and markets, [~~and~~]

1 \$825,000 to the University of Rochester laboratory for laser energetics,
2 and \$1,000,000 to the New York State College of Agriculture and Life
3 Sciences' natural carbon sequestration research program from the funds
4 received; and (2) commencing in 2016, provide to the chair of the public
5 service commission and the director of the budget and the chairs and
6 secretaries of the legislative fiscal committees, on or before August
7 first of each year, an itemized record, certified by the president and
8 chief executive officer of the authority, or his or her designee,
9 detailing any and all expenditures and commitments ascribable to moneys
10 received as a result of this assessment by the chair of the department
11 of public service pursuant to section 18-a of the public service law.
12 This itemized record shall include an itemized breakdown of the programs
13 being funded by this section and the amount committed to each program.
14 The authority shall not commit for any expenditure, any moneys derived
15 from the assessment provided for in this section, until the chair of
16 such authority shall have submitted, and the director of the budget
17 shall have approved, a comprehensive financial plan encompassing all
18 moneys available to and all anticipated commitments and expenditures by
19 such authority from any source for the operations of such authority.
20 Copies of the approved comprehensive financial plan shall be immediately
21 submitted by the chair to the chairs and secretaries of the legislative
22 fiscal committees. Any such amount not committed by such authority to
23 contracts or contracts to be awarded or otherwise expended by the
24 authority during the fiscal year shall be refunded by such authority on
25 a pro-rata basis to such gas and/or electric corporations, in a manner
26 to be determined by the department of public service, and any refund
27 amounts must be explicitly lined out in the itemized record described
28 above.

29 § 3. This act shall take effect immediately.