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:

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

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

2. The program shall consider, but not be limited to, the following: stabilizing existing carbon in the soil, increasing carbon sequestration through new practices and cropping systems, purposefully amending the soil with biochar and compost to boost total soil carbon and promote greenhouse gas life cycle benefits, advancing direct air capture of carbon dioxide in farmland and landscapes through enhanced weathering, 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.

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

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

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

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

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

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

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

§ 2. Section 1 of 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 is amended to read as follows:

Section 1. Expenditures of moneys by the New York state energy research and development authority for services and expenses of the energy research, development and demonstration program, including grants, the energy policy and planning program, the zero emissions vehicle and electric vehicle rebate program, and the Fuel NY program shall be subject to the provisions of this section. Notwithstanding the provisions of subdivision 4-a of section 18-a of the public service law, all moneys committed or expended in an amount not to exceed $22,700,000 shall be reimbursed by assessment against gas corporations, as defined in subdivision 11 of section 2 of the public service law and electric corporations as defined in subdivision 13 of section 2 of the public service law, where such gas corporations and electric corporations have gross revenues from intrastate utility operations in excess of $500,000 in the preceding calendar year, and the total amount assessed shall be allocated to each electric corporation and gas corporation in proportion to its intrastate electricity and gas revenues in the calendar year 2019. Such amounts shall be excluded from the general assessment provisions of subdivision 2 of section 18-a of the public service law. The chair of the public service commission shall bill such gas and/or electric corporations for such amounts on or before August 10, 2021 and such amounts shall be paid to the New York state energy research and development authority on or before September 10, 2021. Upon receipt, the New York state energy research and development authority shall deposit such funds in the energy research and development operating fund established pursuant to section 1859 of the public authorities law. The New York state energy research and development authority is authorized and directed to: (1) transfer up to $4 million to the state general fund for climate change related services and expenses of the department of environmental conservation, $150,000 to the state general fund for services and expenses of the department of agriculture and markets, [~~and~~]

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

§ 3. This act shall take effect immediately.