

STATE OF NEW YORK

5652

2025-2026 Regular Sessions

IN SENATE

February 26, 2025

Introduced by Sens. HINCHEY, WALCZYK -- 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 1885 to read as follows:

3 § 1885. 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

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

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1 greenhouse gas life cycle benefits, advancing direct air capture of
2 carbon dioxide in farmland and landscapes through enhanced weathering,
3 utilizing other innovative technologies, and the synergies between such
4 approaches, including agroforestry and reforestation to store carbon in
5 both trees and soil while producing ancillary benefits for working
6 lands. The research program shall also demonstrate successful technolo-
7 gies in pilot locations throughout the state of New York and utilize the
8 Cornell Cooperative Extension system for knowledge transfer.

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

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

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

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

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

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

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

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

1 climate change related services and expenses of the department of envi-
2 ronmental conservation, \$150,000 to the state general fund for services
3 and expenses of the department of agriculture and markets, [~~and~~]
4 \$825,000 to the University of Rochester laboratory for laser energetics,
5 and \$1,000,000 to the New York State College of Agriculture and Life
6 Sciences' natural carbon sequestration research program from the funds
7 received; and (2) commencing in 2016, provide to the chair of the public
8 service commission and the director of the budget and the chairs and
9 secretaries of the legislative fiscal committees, on or before August
10 first of each year, an itemized record, certified by the president and
11 chief executive officer of the authority, or [~~his or her~~] their desig-
12 nee, detailing any and all expenditures and commitments ascribable to
13 moneys received as a result of this assessment by the chair of the
14 department of public service pursuant to section 18-a of the public
15 service law. This itemized record shall include an itemized breakdown
16 of the programs being funded by this section and the amount committed to
17 each program. The authority shall not commit for any expenditure, any
18 moneys derived from the assessment provided for in this section, until
19 the chair of such authority shall have submitted, and the director of
20 the budget shall have approved, a comprehensive financial plan encom-
21 passing all moneys available to and all anticipated commitments and
22 expenditures by such authority from any source for the operations of
23 such authority. Copies of the approved comprehensive financial plan
24 shall be immediately submitted by the chair to the chairs and secre-
25 taries of the legislative fiscal committees. Any such amount not commit-
26 ted by such authority to contracts or contracts to be awarded or other-
27 wise expended by the authority during the fiscal year shall be refunded
28 by such authority on a pro-rata basis to such gas and/or electric corpo-
29 rations, in a manner to be determined by the department of public
30 service, and any refund amounts must be explicitly lined out in the
31 itemized record described above.

32 § 3. This act shall take effect immediately.