

Governor's Program Bill

Memorandum

AN ACT to amend the environmental conservation law, navigation law and transportation corporations law related to infrastructure and vessels associated with the production of oil or natural gas in federal waters

Purpose:

The bill would amend the environmental conservation law (ECL) to prohibit state land leasing that would authorize or facilitate the production of oil or gas from the North Atlantic Planning Area; an area which may be open to leasing by the federal government in the future. The bill would also amend the transportation corporations law and the navigation law to, respectively, prevent the condemnation of state lands and the shipment of offshore crude through navigable waters of the state.

Summary of Provisions:

Section 1 would amend subdivision 1 of section 23-1101 of the ECL to prevent state land leasing for the exploration, development and production of gas and oil in the marine and coastal district.

Section 2 would add a new ECL section 23-1105 to prohibit any new lease that authorizes or enables the installation of infrastructure associated with exploration, development or production of oil or natural gas in federal waters located in the North Atlantic Planning Area. Section 2 also defines necessary terms and authorizes DEC to promulgate regulations.

Section 3 and 4 would amend sections 83 and 89 of the transportation corporations law to prohibit pipe line corporations from acquiring title of state lands by condemnation for the purposes of building infrastructure associated with production from the North Atlantic Planning Area.

Section 5 would amend section 70 of the navigation law to prohibit petroleum-bearing vessels carrying crude from the North Atlantic Planning Area from entering or moving within navigable waters of the state or any tidewaters bordering on or lying within the boundaries of Nassau and Suffolk counties.

Section 6 would amend section 174 of the navigation law to add a new subdivision 12 that would prohibit the issuance or renewal of any license for any major facility from storing or transferring petroleum produced in the navigable waters of the state or any tidewaters bordering on and lying within the boundaries of Nassau and Suffolk counties.

Section 7 provides a severability clause.

Section 8 provides that the bill shall take effect immediately.

Justification:

New York State's 1,700 miles of coastline is threatened by the U.S. Department of the Interior's Bureau of Ocean Energy Management (BOEM) recent proposal to make nearly the entire Outer Continental Shelf available for oil and gas exploration and production. Specifically, BOEM's North Atlantic Planning Area

abuts New York State waters and oil and natural gas exploration and production in these waters represents a direct threat to New York State's environment and economy.

Oil and natural gas exploration and development would have extensive long-term negative effects for New York's thriving ocean economy. More than 320,000 New Yorkers earn \$11 billion in ocean economy wages, and the ocean economy generates more than \$23 billion in gross domestic product. Long Island alone has a booming \$5.6 billion tourism economy and is the heart of New York's thriving \$180 million annual fishing industry.

Oil and natural gas survey work requires deploying large scale seismic equipment that can have devastating and potentially long-lasting environmental impacts on marine resources. Given the magnitude of seismic survey work for oil and gas and the relatively flat sandy bottom of the North Atlantic seafloor, the area of impact can be extremely far-reaching. Large scale seismic surveys conducted during exploration are likely to impact a variety of habitats and multiple species and taxa.

Should there be an actual drilling platform built, the North Atlantic coastal ecosystem and economy would be under the constant threat of a devastating oil spill. Oil and other spills can occur due to loss of wellhead control, production accidents, transportation failures (e.g., tankers, other vessels, seafloor and onshore pipelines, and storage facilities) and low-level spillage from platforms.

Oil and gas development off the coast of New York would be in direct conflict with the state's nation-leading energy plan, which includes an ambitious offshore wind master plan, providing the necessary steps to achieve 2,400 megawatts of offshore wind generation by 2030. Our offshore wind commitment will result in \$6 billion in new investments and 5,000 new in-state jobs, and it will power nearly 1.2 million households across the Empire State.

Given the potentially devastating and irreversible impacts to New York's coastal communities and economy from development of the North Atlantic Planning Area this proposal will prevent New York state from supporting any oil and natural gas development in the North Atlantic Planning Area. By prohibiting the leasing of state lands, disallowing condemnation of lands by corporations, and prohibiting the transport of oil or natural gas from the North Atlantic Planning Area this bill would prevent development and thereby protect New York State's environment and economy.

Prior Legislative History:

This is new legislation.

Fiscal Implications:

None.

Effective Date:

The bill would take effect immediately.