

By: Chisum

H.B. No. 2872

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the establishment by the State Soil and Water  
3 Conservation Board of a carbon dioxide sequestration or emissions  
4 offset program.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subchapter B, Chapter 201, Agriculture Code, is  
7 amended by adding Section 201.029 to read as follows:

8 Sec. 201.029. CARBON DIOXIDE SEQUESTRATION OR EMISSIONS  
9 OFFSET PROGRAM. (a) In this section:

10 (1) "Aggregator" means a person who is authorized by  
11 one or more landowners to enter into a contract for the use of land,  
12 vegetation, or a geologic formation in connection with a project.

13 (2) "Project" means a project to sequester carbon  
14 dioxide or offset emissions of carbon dioxide.

15 (3) "Verifier" means an entity that confirms, visually  
16 or through direct measurement and by review of applicable records,  
17 the accuracy of reported information regarding the sequestration of  
18 carbon dioxide or the offsetting of emissions of carbon dioxide by a  
19 project.

20 (b) The state board is designated as the lead agency in this  
21 state for projects on private agricultural lands.

22 (c) A person must be certified by the state board to serve as  
23 an aggregator. The state board shall work with the Texas Department  
24 of Licensing and Regulation to establish a process for certifying

1 aggregators.

2 (d) The state board shall maintain a database of all  
3 certified aggregators in this state.

4 (e) The state board is designated as the official verifier  
5 for purposes of determining whether a project that is the subject of  
6 a carbon dioxide credit bought and sold in this state has achieved  
7 the goals of the credit. The state board may contract with  
8 conservation districts to carry out the verification process. A  
9 conservation district with which the state board enters into a  
10 contract under this subsection must have expertise and experience  
11 in the specifications and methods used to develop and assess carbon  
12 dioxide sinks associated with agriculture. The state board shall  
13 collect a fee for all verification services provided and may impose  
14 a penalty for late payment of a fee.

15 (f) The state board shall maintain a database of all carbon  
16 dioxide credits bought and sold in this state. Information in the  
17 database that identifies a seller or purchaser of carbon dioxide  
18 credits is confidential and not subject to public disclosure.

19 (g) The carbon dioxide sequestration or emissions offset  
20 fund is created in the state treasury.

21 (h) The fund consists of:

22 (1) fees charged under this section;

23 (2) the penalties for the late payment of fees charged  
24 under this section;

25 (3) gifts, grants, or other assistance received by the  
26 state board from any source for the purposes of this section; and

27 (4) interest earned on amounts in the fund.

1       (i) The fund may be used only by the state board to pay for  
2 activities relating to the carbon dioxide sequestration or  
3 emissions offset program established under this section, including  
4 direct and indirect costs relating to:

5           (1) researching, developing, marketing, advertising,  
6 and informational programs relating to carbon dioxide  
7 sequestration and emissions offsets to make them more  
8 understandable and readily available; and

9           (2) the administrative costs incurred by the state  
10 board under this section.

11       (j) The state board may apply for, request, solicit,  
12 contract for, receive, and accept gifts, grants, and other  
13 assistance from any source for the purposes of this section. Money  
14 received under this subsection shall be deposited in the fund.

15       SECTION 2. This Act takes effect September 1, 2009.