

By: Eckhardt

S.B. No. 1839

A BILL TO BE ENTITLED

1 AN ACT

2 relating to establishing an advisory board to study the creation of  
3 an entity to facilitate the certification, buying, and selling of  
4 carbon capture and sequestration credits.

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

6 SECTION 1. DEFINITIONS. In this Act:

7 (1) "Advisory board" means the Carbon Capture and  
8 Sequestration Advisory Board.

9 (2) "Carbon capture and sequestration credit" means a  
10 credit of monetary value that certifies the removal of carbon  
11 dioxide from the atmosphere or ocean through photosynthesis or  
12 other natural processes for permanent storage in the soil, sea, or  
13 other natural feature.

14 (3) "Commission" means the Texas Commission on  
15 Environmental Quality.

16 SECTION 2. CARBON CAPTURE AND SEQUESTRATION ADVISORY BOARD  
17 ESTABLISHED. (a) The Carbon Capture and Sequestration Advisory  
18 Board is established and is composed of one representative from  
19 each of the following entities, appointed by the administrative  
20 head of that entity:

- 21 (1) the General Land Office;  
22 (2) the Parks and Wildlife Department;  
23 (3) the comptroller's office;  
24 (4) the Department of Agriculture;

- 1 (5) the Texas A&M AgriLife Extension Service;
- 2 (6) the Harte Research Institute for Gulf of Mexico
- 3 Studies at Texas A&M University -- Corpus Christi;
- 4 (7) the Texas Advanced Computing Center at The
- 5 University of Texas at Austin;
- 6 (8) the Arthur Temple College of Forestry and
- 7 Agriculture at Stephen F. Austin State University;
- 8 (9) the Jackson School of Geosciences at The
- 9 University of Texas at Austin;
- 10 (10) the Pecan Street research and development
- 11 organization;
- 12 (11) a Texas-based environmental nonprofit
- 13 organization; and
- 14 (12) the commission.

15 (b) The executive director of the commission serves as the

16 presiding officer of the advisory board.

17 SECTION 3. CARBON CAPTURE AND SEQUESTRATION REGULATION

18 STUDY. (a) The advisory board shall study the desirability,

19 feasibility, and logistics of establishing an independent

20 semigovernmental entity to manage the certification,

21 accreditation, buying, and selling of carbon capture and

22 sequestration credits in this state. As part of the study the

23 advisory board shall:

- 24 (1) consider certification and accreditation
- 25 standards of carbon capture and sequestration credits for the
- 26 entity that prioritize the protection of the natural environment;
- 27 and

1           (2) undertake an analysis of the economic effect that  
2 the proposed entity's trading activity and ancillary services would  
3 provide for this state from the year 2025 to the year 2035.

4           (b) The commission shall provide administrative support to  
5 the advisory board in carrying out this Act.

6           SECTION 4. STUDY REPORT; EXPIRATION OF ACT. (a) Not later  
7 than September 1, 2022, the advisory board shall deliver to the  
8 governor, the lieutenant governor, the speaker of the house of  
9 representatives, and each member of the legislature a report on the  
10 determinations of the advisory board based on the study conducted  
11 under Section 3 of this Act. The advisory board shall deliver  
12 related information to the governor, lieutenant governor, or a  
13 member of the legislature on that person's request.

14           (b) The report issued under this section must propose:

15                 (1) bylaws for the governance of the proposed entity;

16                 (2) certification and accreditation standards of  
17 carbon capture and sequestration credits that prioritize the  
18 protection of the natural environment;

19                 (3) a financial structure for the entity such that the  
20 entity would be funded solely by fees assessed by the entity on  
21 market participants; and

22                 (4) an estimate of the initial appropriation necessary  
23 to fund the creation of the entity.

24           (c) Any bylaws proposed under Subsection (b)(1) of this  
25 section must include provisions requiring that the meetings of the  
26 proposed entity be:

27                 (1) open to the public;

1           (2) held only after seven days' notice has been given,  
2 with exceptions provided for urgent matters; and

3           (3) broadcast in real time on an Internet website that  
4 is publicly accessible without charge.

5           (d) The advisory board is abolished and this Act expires  
6 January 1, 2023.

7           SECTION 5. EFFECTIVE DATE.       This Act takes effect  
8 immediately if it receives a vote of two-thirds of all the members  
9 elected to each house, as provided by Section 39, Article III, Texas  
10 Constitution. If this Act does not receive the vote necessary for  
11 immediate effect, this Act takes effect September 1, 2021.