



Summary of Changes

From SB 48 33-GS1372\A to CSSB 48(RES) 33-GS1372\S

The Senate Resources Committee made the following changes:

- Overall:** Adopted revisions recommended by Legislative Legal Services to conform the bill with legislative drafting standards.
- Title:** On page 1, the title was revised to accommodate the new section 14 related to oil and gas lease expenditures.
- Section 1:** On page 1, lines 10-12 of version \S, required that if the Department of Natural Resources (DNR) elects to use the procurement code, the department must announce it is doing so when soliciting a contract.
- Section 4:** On page 3, line 26, through page 4, line 4 of version \S, required performance requirements be included in a lease. Restructured a permissive lease termination authority to require DNR terminate a lease if 1) the lease is not being used for the carbon management purpose or 2) the lessee fails to be in compliance with lease terms, after an opportunity to come into compliance.

On page 4, lines 10-12 of version \S, incorporated program receipt authority for the Division of Mining, Land and Water related to the carbon management purpose land leases.

On page 4, lines 17-20 of version \S, added requirements that a written finding required for a state land lease for carbon management purposes include the reasonably foreseeable effects a project may have on the state or local economy, and anticipated lease revenue to the state.

On page 4, lines 21-23 of version \S, added provision that state land used for carbon management must remain open to the public for access and generally allowed uses, to the extent possible.

On page 4, line 24, through page 5, line 18 of version \S, incorporated a requirement for the department to report annually to the legislature detailed information about the carbon management purpose leases.

Section 6: On page 6, lines 5-8 of version \S, capped the commission in a contract at 30 percent of the revenue generated by the project.

On page 7, line 30, through page 8, line 17 of version \S, required legislative approval of contracts of more than \$10 million in costs.

On page 8, line 18, through page 9, line 20 of version \S, required an annual report to the legislature on specific details of the carbon offset program.

Section 11: On page 11, line 30 of version \S, added ‘if applicable’ to clarify that land within a state forest would be managed in part under a carbon offset project only if a project has been undertaken on that land.

Section 12: On page 12, line 10 of version \S, replaced the word ‘nontimber’ with ‘other’ to more accurately describe state forest uses other than the primary timber purpose.

Section 14: On page 12, line 26, through page 15, line 28 of version \S, amended the bill to disallow as oil and gas production tax lease expenditures certain carbon management purpose lease and state carbon offset project costs.