

HOUSE BILL NO. 196

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES BERKOWITZ, Gara, Guttenberg, Kerttula, Hawker, Kott

Introduced: 3/14/03

Referred: Resources, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to carbon sequestration; and providing for an effective date."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
4 to read:

5 LEGISLATIVE FINDINGS; INTENT. (a) The legislature finds that

6 (1) increasing levels of carbon dioxide and other greenhouse gases in the
7 atmosphere have led to a growing interest in national and international forums for
8 implementing measures to slow and reverse the buildup of these atmospheric gases; these
9 measures may potentially include the establishment of systems of trading in credits for
10 adoption of practices, technologies, or other measures that decrease net emissions of carbon
11 dioxide;

12 (2) improved agricultural, forest, and soil management and conservation
13 practices and other methods of stewardship of soil and other land resources have great
14 potential to increase carbon sequestration on state and private lands and help offset carbon
15 dioxide emissions from other sectors of the economy; and

1 (3) it is in the interests of the state, private landowners, and the public in
 2 general that the commissioner of natural resources document and quantify carbon
 3 sequestration and greenhouse gas emissions reductions associated with agricultural, forestry,
 4 and soil management systems and land uses occurring on state and private land in Alaska.

5 (b) It is the intent of the legislature that efforts to quantify and verify carbon
 6 sequestration on state and private lands enhance the ability of the state to participate in any
 7 system of carbon sequestration marketing or trading.

8 * **Sec. 2.** AS 44.37 is amended by adding new sections to read:

9 **Sec. 44.37.200. Carbon Sequestration Advisory Committee.** (a) The
 10 Carbon Sequestration Advisory Committee is created in the Department of Natural
 11 Resources. The committee consists of the following members, who are appointed by
 12 and serve at the pleasure of the governor:

13 (1) the chair of the Board of Agriculture and Conservation
 14 (AS 03.09.010);

15 (2) one member of the Natural Resource Conservation and
 16 Development Board (AS 41.10.040);

17 (3) one member of a soil and water conservation district;

18 (4) the director of the division of agriculture, Department of Natural
 19 Resources, or the director's designee;

20 (5) the state forester, or a designee of the state forester;

21 (6) the director of the division of lands, Department of Natural
 22 Resources, or the director's designee;

23 (7) a director in the Department of Environmental Conservation with
 24 expertise in air and water quality issues, or the director's designee;

25 (8) one person with expertise in carbon sequestration and marketing;

26 (9) one employee each, with suitable expertise, from the United States
 27 Forest Service, the Bureau of Land Management, and the United States Department of
 28 the Interior;

29 (10) one person representing Native forest landowners;

30 (11) one person representing the fossil fuel industry; and

31 (12) one person representing an environmental protection or

1 conservation organization.

2 (b) Members of the advisory committee created in this section do not receive
3 compensation, but are entitled to per diem and travel expenses authorized for boards
4 and commissions under AS 39.20.180.

5 (c) The Department of Natural Resources shall assist the committee with
6 administrative support as reasonably requested by the committee.

7 (d) The Carbon Sequestration Advisory Committee may

8 (1) advise and assist the commissioner in preparing the reports
9 required by this chapter and in conducting the assessment required under
10 AS 44.37.210;

11 (2) recommend policies or programs to enhance the ability of the state
12 to participate in systems of carbon trading; the recommendations must include
13 potential policies or programs designed to optimize economic benefits to private
14 landowners participating in carbon transactions; the policies or programs may include
15 identifying existing nonprofit organizations or other public or private entities or the
16 potential of creating nonprofit organizations or other public or private entities capable
17 of serving as assemblers of carbon credits or as intermediaries on behalf of producers
18 in carbon-trading systems;

19 (3) encourage the production of educational and advisory materials
20 regarding carbon sequestration on state and private land and participation in systems
21 of carbon or greenhouse emissions trading;

22 (4) identify and recommend areas of research needed to better
23 understand and quantify the process of carbon sequestration; and

24 (5) review the carbon sequestration programs and policies of other
25 states.

26 **Sec. 44.37.210. Assessment by the commissioner.** (a) In consultation with
27 the Carbon Sequestration Advisory Committee established under AS 44.37.200, the
28 commissioner shall assess state and private land in the state for past carbon
29 sequestration and future carbon sequestration potential. The assessment shall seek to
30 quantify carbon sequestration associated with agricultural, forest, soil, and land
31 management systems in this state. From time to time, the commissioner may update

1 the findings as advancements in understanding of the processes of carbon
2 sequestration and new data become available.

3 (b) The assessment required under this section shall be conducted in a manner
4 that provides a means for the state and owners of private land to estimate past and
5 future net carbon sequestration resulting from agricultural and forestry practices,
6 conservation measures, management systems, and land uses.

7 **Sec. 44.37.220. Definitions.** In AS 44.37.200 - 44.37.220,

8 (1) "carbon sequestration" means the long-term storage of carbon in
9 forests, soils, the ocean, and other carbon sinks;

10 (2) "commissioner" means the commissioner of natural resources.

11 * **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to
12 read:

13 REPORT TO THE LEGISLATURE. On or before January 31, 2004, the
14 commissioner of natural resources, in consultation with the Carbon Sequestration Advisory
15 Committee established under AS 44.37.200, enacted by sec. 2 of this Act, shall prepare a
16 report to the legislature. The report must include a discussion of

17 (1) the potential for, and potential forms of, greenhouse emissions regulation;

18 (2) the potential for development of a system or systems of carbon emissions
19 trading or markets for carbon sequestered on state and private land;

20 (3) agricultural, forest, and soil management systems or land uses that increase
21 stored soil carbon;

22 (4) methods for measuring and modeling net carbon sequestration associated
23 with various agricultural, forestry, and soil practices, management systems, or land uses
24 occurring on state and private land;

25 (5) areas of scientific uncertainty with respect to quantifying and
26 understanding carbon sequestration associated with soil and forest management activities;

27 (6) recommendations of the Carbon Sequestration Advisory Committee
28 developed under AS 44.37.200;

29 (7) the assessment as described in AS 44.37.210.

30 * **Sec. 4.** This Act takes effect July 1, 2003.