

Department of Planning and Budget 2021 Fiscal Impact Statement

1. Bill Number: SB1374

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Lewis

3. Committee: Agriculture, Conservation and Natural Resources

4. Title: Carbon Sequestration Task Force; report.

5. Summary: Directs the Secretary of Natural Resources, jointly with the Secretary of Agriculture and Forestry, to convene a task force for the purpose of studying carbon sequestration in the Commonwealth and submit a report of its findings before the first day of the 2022 Session of the General Assembly. The bill directs the task force to (i) consider possible methods of increasing carbon sequestration within the natural environment through state land and marine resources use policies; agricultural, aquacultural, and silvicultural practices; and other practices to achieve restoration of natural resources and long term conservation; (ii) recommend short-term and long-term benchmarks for increasing carbon sequestration; (iii) develop a standardized methodology to establish baseline carbon levels and account for increases in carbon sequestration over time; (iv) identify existing carbon markets and considerations relevant to potential participation by the Commonwealth; and (v) identify other potential funding mechanisms to encourage carbon sequestration practices in the Commonwealth.

6. Budget Amendment Necessary: Yes, to Item 372 of HB1800/SB1100.

7. Fiscal Impact Estimates: Preliminary.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2021			
2022	\$11,250	n/a	GF

8. Fiscal Implications: The bill requires the Secretary of Natural Resources, along with the Secretary of Agriculture and Forestry, to convene the Carbon Sequestration Task Force. The Secretary of Natural Resources anticipates that a wage staff will be required to coordinate among members of the task force, plan and execute meetings, vet and refine policy recommendations, and draft, edit, and finalize the report before the first day of the 2022 Session of the General Assembly at an estimated cost of \$11,250. According to the Secretary of Agriculture and Forestry, costs associated with the task force can be absorbed within current resources.

The task force shall be composed of the Secretary of Natural Resources and the Secretary of Agriculture and Forestry; the Director of the Department of Environmental Quality or his designee; the Director of the Department of Conservation and Recreation or his designee; the Director of the Department of Wildlife Resources or his designee; the Commissioner of Agriculture and Consumer Services or his designee; the Virginia State Forester or his designee; the Marine Resources Commissioner or his designee; technical experts from the Virginia Polytechnic Institute and State University, the Virginia Institute of Marine Sciences, and Virginia State University; a representative from each of the Virginia Farm Bureau, the Virginia Agribusiness Council, the Virginia Association of Soil and Water Conservation Districts, the Virginia Cooperative Extension, the Chesapeake Bay Foundation, and the Nature Conservancy and other conservation organizations; and other technical experts, as needed.

Each of these agencies may incur costs in fulfilling their responsibilities under the provisions of the bill; however, any costs are expected to be minimal and absorbable within existing resources.

- 9. Specific Agency or Political Subdivisions Affected:** Secretaries of Agriculture and Forestry and Natural Resources; Department of Environmental Quality; Department of Conservation and Recreation; Department of Wildlife Resources; Department of Agriculture and Consumer Services; Department of Forestry; Marine Resources Commission; Virginia Polytechnic Institute and State University; Virginia Institute of Marine Sciences; Virginia State University.
- 10. Technical Amendment Necessary:** Yes. The bill references the Secretary of Agriculture and Consumer Services; the title should be the Secretary of Agriculture and Forestry.
- 11. Other Comments:** None.