

2022 -- S 2293

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

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A N A C T

RELATING TO WATERS AND NAVIGATION – THE OCEAN STATE CLIMATE
ADAPTION AND RESILIENCE FUND

Introduced By: Senators Pearson, Euer, Sosnowski, DiMario, Kallman, Valverde,
Acosta, Zurier, and Murray

Date Introduced: February 15, 2022

Referred To: Senate Environment & Agriculture

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 46-23.3-4 of the General Laws in Chapter 46-23.3 entitled "The
2 Ocean State Climate Adaptation and Resilience Fund" is hereby amended to read as follows:

3 **46-23.3-4. Establishment -- The Ocean State Climate Adaptation and Resilience fund.**

4 (a) Establishment. There is established within the Rhode Island infrastructure bank, the
5 Ocean State Climate Adaptation and Resilience fund (the "OSCAR fund").

6 (b) Financing. The fund shall consist of the following sources:

7 (1) Sums the general assembly may appropriate;

8 (2) Monies received from federal, state, or other sources, including bond funds, for the
9 purposes of the OSCAR fund;

10 (3) Monies received from any private donor for the OSCAR fund; ~~and~~

11 (4) Any interest earned on the monies in the fund; ~~and~~

12 [\(5\) The fees required pursuant to § 46-23.3-8.](#)

13 (c) Allocation of OSCAR funds. OSCAR funds shall be used to carry out the purposes of
14 this chapter as follows:

15 (1) The administrative expenses required to carry out the activities of the program as
16 described in this chapter shall not exceed fifty thousand dollars (\$50,000) each for the Rhode Island
17 infrastructure bank, coastal resources management council, and the department of environmental
18 management annually, which sum shall not include the cost of issuing bonds or notes, if any. The

1 department and the council shall be responsible for submitting annual budget requests for its
2 administrative and implementation costs of the program to the bank;

3 (2) The planning, design, engineering, construction, and monitoring of adaptation and
4 resilience projects as defined in this chapter; and

5 (3) The OSCAR projects approved by the department and the council upon
6 recommendation of the technical advisory committee. Only grants approved through the process
7 established by the department and council shall be eligible for funding under this program. Subject
8 to the availability of funds in the OSCAR fund, the bank shall award funding upon receipt of written
9 approval of the department and council.

10 (d) OSCAR fund grants. Factors to be taken into consideration by the technical advisory
11 committee for the purposes of granting monies to municipalities and the state for OSCAR grants,
12 for determining the eligibility of projects for financial assistance, and in prioritizing the selection
13 of projects by the technical committee shall include, but need not be limited to:

14 (1) Consistency with the following where applicable: the council's most recent projections
15 for sea level rise, the coastal habitat restoration strategy, the state nonpoint source pollution control
16 plan; and other applicable state and federal laws;

17 (2) The ability and authority of the applicant to carry out and properly maintain the
18 adaptation and resilience project;

19 (3) Whether the project will enhance public access to public land;

20 (4) The severity to, or the risk and/or extent of, infrastructure degradation on public land;

21 (5) The extent of the use by the public of the public land;

22 (6) The proposed milestones to ensure that the project is completed as designed and
23 approved;

24 (7) Whether the adaptation and resilience project can also be shown to create or replace
25 habitat losses that benefit fish and wildlife resources;

26 (8) Potential water quality improvements;

27 (9) Potential improvements to fish and wildlife habitats for species that are identified as
28 rare or endangered by the Rhode Island natural history survey or the Federal Endangered Species
29 Act, 16 U.S.C. § 1531 et seq.;

30 (10) The level and extent of collaboration by partners (e.g., municipality, nongovernment
31 organization, watershed council, federal agency, etc.); and

32 (11) Overall potential benefits to the public and estimated length of time frame of benefit.

33 SECTION 2. Chapter 46-23.3 of the General Laws entitled "The Ocean State Climate and
34 Resilience Fund" is hereby amended by adding thereto the following section:

1 **46-23.3-8. Uniform climate change adaptation fee.**

2 (a) A uniform climate change adaptation fee in an amount not exceeding five cents (\$.05)
3 for each barrel of petroleum products, as set by the director pursuant to subsection (d) of this
4 section, shall be imposed upon every person owning petroleum products at the time the petroleum
5 products are received at a marine terminal within this state by means of a vessel from a point of
6 origin outside this state. The fee shall be remitted to the division of taxation on the thirtieth day of
7 each month based upon the number of barrels of petroleum products received during the preceding
8 month.

9 (b) Every owner of petroleum products shall be liable for the fee until it has been paid to
10 the state, except that payment to a marine terminal operator registered under this chapter is
11 sufficient to relieve the owner from further liability for the fee; provided, however, that the fee for
12 asphalt products and asphalt derivatives shall be one cent (\$.01) per barrel of asphalt products or
13 derivatives.

14 (c) Whenever the director, in consultation with the department and the division of taxation,
15 estimates that the amount in either fund will reach the amount specified in subsection (e) of this
16 section, and the money in the fund is not required for the purposes of this chapter, the director shall
17 instruct the division of taxation to cease collecting the fee.

18 (d) The division of taxation, except for the fee set out in subsection (b) of this section, shall
19 not set the amount of the fee at less than five cents (\$.05) for each barrel of petroleum products or
20 crude oil, unless the director finds that the assessment of a lesser fee will cause the fund to reach
21 the designated amount within six (6) months.

22 (e) For the purposes of this chapter, "designated amount" means an amount equal to ten
23 million dollars (\$10,000,000), adjusted for inflation after January 1, 2023, according to an index
24 which the director may reasonably choose.

25 (f) All fees collected pursuant to this section shall be deposited in the Rhode Island climate
26 change and adaptation fund, and shall be disbursed according to the purposes of this chapter.

27 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO WATERS AND NAVIGATION – THE OCEAN STATE CLIMATE
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1 This act would impose an adaption fee on every barrel of petroleum products at five cents
2 (\$0.05) and asphalt products at one cent (\$.01) received at a marine terminal within this state to fund
3 the purposes of this chapter set forth in § 46-23.3-4, until the fund reaches the amount of ten million
4 dollars (\$10,000,000).

5 This act would take effect upon passage.

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