

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 HOUSE BILL 1075

By: Morrissette

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5  
6 AS INTRODUCED

7 An Act relating to cedar trees; amending 2 O.S. 2011,  
8 Sections 18-401, 18-403, 18-404, 18-406, 18-407, as  
9 amended by Section 19, Chapter 304, O.S.L. 2012 and  
10 18-408 (2 O.S. Supp. 2014, Section 18-407), which  
11 relate to the Eastern Red Cedar Registry Board Act;  
12 changing name of the act; terminating the Eastern Red  
13 Cedar Registry Board; providing for transfer to the  
14 Office of the Eastern Red Cedar Registry Coordinator;  
15 changing references to the Eastern Red Cedar Registry  
16 Board; creating the Office of the Eastern Red Cedar  
17 Registry Coordinator; moving administration, support  
18 and expenditure of funds related to the Eastern Red  
19 Cedar Registry Act from the Oklahoma Department of  
20 Agriculture, Food, and Forestry to the Department of  
21 Environmental Quality; deleting membership and  
22 appointments to the Board; providing for employment  
23 and authority of the Coordinator; setting salary of  
24 the Coordinator; providing for budgeting and funding  
of the salary of the Coordinator; adding certain  
duties; creating the Oklahoma Resource Reclamation  
Act; providing for implementation of the act;  
defining terms; declaring the public interest in  
managing private lands in the state for certain  
purpose; specifying certain goals; providing for  
determination of infestation; requiring notification  
by the Oklahoma Tax Commission; allowing  
municipalities to create certain lists; authorizing  
the Tax Commission to post certain lists on its  
website; encouraging certain insurers to offer  
incentives for policyholders who implement a certain  
program; defining term; allowing an owner of certain  
property to have the property reclassified; directing  
the county assessor to reclassify certain property;  
providing for reassessment upon certain conditions;  
providing in lieu tax treatment for certain property;

1 requiring verification by the county assessor;  
2 setting limit on the number of acres that may be  
3 approved; requiring the county assessor to verify  
4 limit; directing the Oklahoma Tax Commission to keep  
5 certain records; requiring filing of approval and  
6 election with county assessor; setting in lieu tax  
7 rate; setting filing deadline; providing for payment  
8 to county treasurer; providing for apportionment  
9 according to existing millage levies; providing for  
10 in lieu tax treatment; disqualifying property for  
11 certain exemption; providing penalty for nonpayment;  
12 amending 68 O.S. 2011, Section 2805, which relates to  
13 ad valorem taxes; expanding list of in lieu taxes;  
14 allowing a tax credit for certain qualified biomass  
15 expenditures; defining terms; establishing amount of  
16 credit; allowing credit to be carried forward;  
17 allowing credit to be claimed separately in certain  
18 cases; authorizing the Oklahoma Tax Commission to  
19 promulgate rules; creating the Oklahoma Woody Biomass  
20 Energy Initiative Act of 2015; making legislative  
21 findings; defining certain term; creating the Woody  
22 Biomass Energy Initiative Council; establishing  
23 termination date; providing for membership; requiring  
24 appointments by a certain date; providing for  
meetings, a quorum, vacancies and staffing; providing  
for travel reimbursement; making reimbursement and  
staffing contingent upon funding; requiring the  
Council to comply with certain acts; specifying  
duties; authorizing the Council to apply for and use  
certain funds; amending 74 O.S. 2011, Section 85.44D,  
as amended by Section 757, Chapter 304, O.S.L. 2012  
(74 O.S. Supp. 2014, Section 85.44D), which relates  
to purchasing preferences for products made from  
Oklahoma-harvested trees; modifying certain date;  
requiring the Purchasing Division of the Office of  
Management and Enterprise Services to register  
certain manufacturers into the vendor registration  
system; directing the Division to waive certain fees;  
amending Section 2, Chapter 247, O.S.L. 2012 and  
Section 3, Chapter 247, O.S.L. 2012, as amended by  
Section 1, Chapter 232, O.S.L. 2014 (17 O.S. Supp.  
2014, Sections 802.2 and 802.3), which relate to the  
Oklahoma Energy Initiative Act; adding certain duties  
to the Oklahoma Energy Initiative relating to woody  
biomass energy production; expanding the membership  
of the Oklahoma Energy Initiative Board; directing  
the Board to establish a woody biomass working group;

1           repealing 2 O.S. 2011, Section 18-405, which relates  
2           to support, resources and supplies from the  
3           Department of Agriculture, Food, and Forestry;  
4           providing for codification; providing for  
5           noncodification; providing for recodification; and  
6           providing an effective date.

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BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1.           AMENDATORY           2 O.S. 2011, Section 18-401, is  
amended to read as follows:

Section 18-401. Sections 3 through ~~9~~ 7 of this act shall be  
known and may be cited as the "Eastern Red Cedar Registry ~~Board~~  
Act".

SECTION 2.           NEW LAW           A new section of law not to be  
codified in the Oklahoma Statutes reads as follows:

The activities and operations of the Eastern Red Cedar Registry  
Board shall terminate on the effective date of this act. The Board  
shall cease to exist after the effective date of this act. All  
documents, records, property, fund balances, encumbrances,  
obligations and other resources of the Board shall be transferred to  
the Office of the Eastern Red Cedar Registry Coordinator. The  
Office of the Eastern Red Cedar Registry Coordinator shall succeed  
to any contractual rights and responsibilities incurred by the  
Board.

SECTION 3.           AMENDATORY           2 O.S. 2011, Section 18-403, is  
amended to read as follows:

1 Section 18-403. A. There is hereby created the Office of the  
2 Eastern Red Cedar Registry ~~Board~~ Coordinator. The ~~Board~~ Coordinator  
3 shall be under the authority of the ~~State Board of Agriculture~~  
4 Department of Environmental Quality. The ~~Board~~ shall consist of the  
5 ~~following members:~~

6 ~~1. The Governor shall appoint three members as follows:~~

- 7 a. ~~one member representing a property owner in the state,~~
- 8 b. ~~one member engaged in the business of harvesting~~  
9 ~~Eastern Red Cedar trees in the state, and~~
- 10 c. ~~one member engaged in the business of manufacturing~~  
11 ~~products from Eastern Red Cedar trees;~~

12 ~~2. The Speaker of the House of Representatives shall appoint~~  
13 ~~two members as follows:~~

- 14 a. ~~one member with a background or experience in~~  
15 ~~marketing agricultural products, and~~
- 16 b. ~~one member with a background or experience in~~  
17 ~~renewable energy;~~

18 ~~3. The President Pro Tempore of the State Senate shall appoint~~  
19 ~~two members as follows:~~

- 20 a. ~~one member from a higher education institution in The~~  
21 ~~Oklahoma State System of Higher Education who~~  
22 ~~specializes in agricultural production, and~~

1           ~~b. one member from a higher education institution in The~~  
2           ~~Oklahoma State System of Higher Education who~~  
3           ~~specializes in forestry and forest management;~~

4           ~~4. The Commissioner of Agriculture, or a designee;~~

5           ~~5. The Executive Director of the Oklahoma Conservation~~  
6           ~~Commission;~~

7           ~~6. The Executive Director of the Department of Environmental~~  
8           ~~Quality, or designee;~~

9           ~~7. A member of the Corporation Commission, or designee; and~~

10           ~~8. A member appointed by and representing the Natural Resources~~  
11           ~~Conservation Service of the United States Department of Agriculture.~~

12           ~~B. The initial appointment for each member appointed by the~~  
13           ~~Governor shall be for progressive terms of one (1) through three (3)~~  
14           ~~years. The initial appointment for each member appointed by the~~  
15           ~~Speaker of the House of Representatives shall be for progressive~~  
16           ~~terms of one (1) and two (2) years. The initial appointment for~~  
17           ~~each member appointed by the President Pro Tempore of the State~~  
18           ~~Senate shall be for progressive terms of one (1) and two (2) years.~~  
19           ~~Subsequent appointments shall be for three-year terms. Members~~  
20           ~~shall continue to serve until their successors are appointed. Any~~  
21           ~~vacancy shall be filled in the same manner as the original~~  
22           ~~appointment. No member shall serve more than two consecutive terms~~  
23           ~~The Executive Director of the Department of Environmental Quality~~  
24           ~~shall employ a person in the position of the Eastern Red Cedar~~

1 Registry Coordinator. The position of the Coordinator shall be a  
2 state employee position subject to the Oklahoma Personnel Act. The  
3 Coordinator shall have authority as provided for in the Eastern Red  
4 Cedar Registry Act as well as any other authority established by the  
5 Executive Director. The salary of the Coordinator shall not be less  
6 than Thirty Thousand Dollars (\$30,000.00) nor more than Forty  
7 Thousand Dollars (\$40,000.00). The salary and any other expenses  
8 for the Coordinator shall be budgeted as a separate line item  
9 through the Department of Environmental Quality. All or part of the  
10 funds for the salary of the Coordinator may be from monies in the  
11 Eastern Red Cedar Revolving Fund created in Section 6 of this act.

12 ~~C. The members of the Board appointed pursuant to paragraphs 1,~~  
13 ~~2 and 3 of subsection A of this section may nominate up to sixteen~~  
14 ~~persons who are residents of the state to serve on a citizens'~~  
15 ~~auxiliary group. The nominations shall be approved by a majority~~  
16 ~~vote of the Board. Members of the citizens' auxiliary group shall~~  
17 ~~not have voting rights and privileges on the Board and shall serve~~  
18 ~~three-year terms. The citizens' auxiliary group will provide~~  
19 ~~information and feedback to the Board on issues related to the~~  
20 ~~Eastern Red Cedar tree and shall assist the Board in achieving its~~  
21 ~~duties as set forth in the Eastern Red Cedar Registry Board Act.~~

22 SECTION 4. AMENDATORY 2 O.S. 2011, Section 18-404, is  
23 amended to read as follows:  
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1 Section 18-404. A. The Office of the Eastern Red Cedar  
2 Registry ~~Board~~ Coordinator shall establish procedures and standards  
3 and oversee the following:

4 1. The administration of the Eastern Red Cedar Registry for  
5 Eastern Red Cedar trees in the state. The registry shall be a new  
6 online field registry developed in cooperation with the Oklahoma  
7 Department of Agriculture, Food, and Forestry. Private landowners  
8 in the state may register the location of their property, the level  
9 of infestation of Eastern Red Cedar trees on the property, and  
10 average size of the trees on the property. The ~~Board~~ Coordinator  
11 shall develop and implement an application and registration process  
12 for landowners;

13 2. Promote the harvesting of Eastern Red Cedar trees. Persons  
14 or entities involved in the harvesting of Eastern Red Cedar trees or  
15 the manufacturing of products from Eastern Red Cedar trees may apply  
16 for registration with the ~~Board~~ Coordinator. The ~~Board~~ Coordinator  
17 shall develop and implement ~~an~~ a field and online application and  
18 registration process for harvesters and manufacturers;

19 3. Maintain harvesting records of Eastern Red Cedar trees in  
20 the state;

21 4. Promote the development of new uses and markets for Eastern  
22 Red Cedar trees and Eastern Red Cedar products;

23 5. Promote marketing, research and education efforts concerning  
24 the Eastern Red Cedar tree and Eastern Red Cedar products;

1           6. Cooperate with any local, state, regional, or nationwide  
2 organization or agency engaged in work or activities consistent with  
3 the objectives of the Eastern Red Cedar Registry ~~Board~~ Act;

4           7. Assist communities located in any county in the state to  
5 organize and establish community-owned Eastern Red Cedar projects in  
6 the community and to recruit and locate private for-profit Eastern  
7 Red Cedar businesses in the community including but not limited to  
8 harvesting operations, biofuel plants, cedar oil manufacturing  
9 facilities, or other cedar product manufacturing facilities. The  
10 ~~Board~~ Coordinator shall assist in securing financing, infrastructure  
11 and other resources. The ~~Board~~ Coordinator shall also provide  
12 direction and assistance to the community-based projects and  
13 individually owned businesses on steps to take in order to qualify  
14 for existing sales tax credits and income tax credits;

15           8. Provide a process for the transfer of donated Eastern Red  
16 Cedar trees from landowners registered with the ~~Board~~ Coordinator to  
17 registered harvesters and manufacturers;

18           9. Establish a limit on the number of acres of private property  
19 and the number of harvesters that may be registered on the registry  
20 during a calendar year; ~~and~~

21           10. Travel to all counties in the state identified by the  
22 Oklahoma Department of Agriculture, Food, and Forestry as having  
23 known infestations or developing infestations of Eastern Red Cedar  
24 for the purpose of hosting community-based meetings to inform local



1 governments and private landowners or lessors of land of the  
2 opportunities for cedar control;

3 11. Work with local governments and private landowners or  
4 lessors of land requesting assistance with referrals to existing  
5 resources and to assist in the development of a long-range  
6 management plan and in securing grants to assist with implementation  
7 of the long-range management plan;

8 12. Work with cedar associations to provide no-cost training in  
9 the area of cedar infestation control; and

10 13. Take any other actions necessary to implement the Eastern  
11 Red Cedar Registry Board Act.

12 B. The ~~Board~~ Coordinator and all landowners and harvesters  
13 registered with the ~~Board~~ Coordinator shall comply with all  
14 applicable provisions of Article 16 of Title 2 of the Oklahoma  
15 Statutes, known as the Oklahoma Forestry Code, when managing and  
16 harvesting Eastern Red Cedar trees.

17 C. ~~The Board shall annually elect a chair from among the~~  
18 ~~members. The Board shall meet regularly, but in no case shall it~~  
19 ~~meet less than one time per calendar quarter, and shall meet at any~~  
20 ~~other times as called by the chair, or upon request of three or more~~  
21 ~~members of the Board.~~

22 D. Upon the availability of funds, the ~~Board~~ Coordinator shall  
23 prepare an annual report of all activities for each fiscal year.  
24 The annual report shall be filed with the Governor, Speaker of the

1 House of Representatives, and the President Pro Tempore of the State  
2 Senate.

3 SECTION 5. AMENDATORY 2 O.S. 2011, Section 18-406, is  
4 amended to read as follows:

5 Section 18-406. A. Eastern Red Cedar trees removed from lands  
6 owned by any state agency or any person or entity with authority to  
7 remove the trees from state-owned lands may be provided to  
8 harvesters registered with the Office of the Eastern Red Cedar  
9 Registry Board Coordinator in a manner consistent with law.

10 B. A state agency may cooperate with the Office of the Eastern  
11 Red Cedar Registry Board Coordinator to issue permits to registered  
12 harvesters to allow the harvesting of Eastern Red Cedar trees on  
13 land owned by the state agency.

14 SECTION 6. AMENDATORY 2 O.S. 2011, Section 18-407, as  
15 amended by Section 19, Chapter 304, O.S.L. 2012 (2 O.S. Supp. 2014,  
16 Section 18-407), is amended to read as follows:

17 Section 18-407. There is hereby created in the State Treasury a  
18 revolving fund ~~for the Eastern Red Cedar Registry Board~~ to be  
19 designated the "Eastern Red Cedar Revolving Fund". The fund shall  
20 be a continuing fund, not subject to fiscal year limitations, and  
21 shall consist of all monies received by the ~~State Board of~~  
22 ~~Agriculture~~ Department of Environmental Quality for the Office of  
23 the Eastern Red Cedar Registry Board Coordinator from the state  
24 income tax checkoff as provided for in Section ~~18-408~~ 7 of this

1 ~~title~~ act, the special license plate issued pursuant to Section  
2 1135.5 of Title 47 of the Oklahoma Statutes, any state-appropriated  
3 funds, federal funds, donations, grants, contributions, and gifts  
4 from any public or private source. All monies accruing to the  
5 credit of said fund are hereby appropriated and may be budgeted and  
6 expended by the ~~State Board of Agriculture~~ Department of  
7 Environmental Quality for payment of the salary of the Office of the  
8 Eastern Red Cedar Registry Coordinator and as otherwise directed by  
9 ~~the Eastern Red Cedar Registry Board~~ and for the purposes set forth  
10 in the Eastern Red Cedar Registry ~~Board~~ Act. Expenditures from said  
11 fund shall be made upon warrants issued by the State Treasurer  
12 against claims filed as prescribed by law with the Director of the  
13 Office of Management and Enterprise Services for approval and  
14 payment.

15 SECTION 7. AMENDATORY 2 O.S. 2011, Section 18-408, is  
16 amended to read as follows:

17 Section 18-408. A. Each individual taxpayer required to file a  
18 state income tax return who desires to contribute to the Eastern Red  
19 Cedar Revolving Fund, as created in Section ~~§~~ 6 of this act, may  
20 designate the contribution on the appropriate income tax form. The  
21 contribution may not increase or decrease the income or liability of  
22 the taxpayer and may be made by reducing the income tax refund of a  
23 taxpayer by the amount designated or by accepting additional payment  
24

1 from the taxpayer by the amount designated, whichever is  
2 appropriate.

3 B. 1. The Oklahoma Tax Commission shall include on each state  
4 individual income tax return form for tax years beginning after  
5 December 31, 2010, an opportunity for the taxpayer to donate for the  
6 benefit of the Eastern Red Cedar Revolving Fund. The instructions  
7 accompanying the income tax form shall be provided to the Oklahoma  
8 Tax Commission by the Office of the Eastern Red Cedar Registry Board  
9 Coordinator and shall contain a description of the purpose for which  
10 the Eastern Red Cedar Revolving Fund was established and information  
11 on the use of monies from the income tax contribution.

12 2. Taxpayers who are entitled to refunds shall have the refunds  
13 reduced by the amount designated by the taxpayer. The Oklahoma Tax  
14 Commission shall annually determine the total amount designated plus  
15 the amount received in excess payments and shall report the total  
16 amount to the Office of the State Treasurer. The State Treasurer  
17 shall credit the total amount to the Eastern Red Cedar Revolving  
18 Fund ~~created in Section 8 of this act~~ at the earliest possible time.

19 C. The incremental cost of administration of contributions  
20 shall be paid out of the fund to the Oklahoma Tax Commission from  
21 amounts received pursuant to this section before funds are expended  
22 for the purposes of the fund.

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1 SECTION 8. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 5-2-101 of Title 27A, unless  
3 there is created a duplication in numbering, reads as follows:

4 Sections 8 through 11 of this act shall be known and may be  
5 cited as the "Oklahoma Resource Reclamation Act".

6 SECTION 9. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 5-2-102 of Title 27A, unless  
8 there is created a duplication in numbering, reads as follows:

9 The provisions of the Oklahoma Resource Reclamation Act shall be  
10 implemented in accordance with the provisions of Sections 22-110.1  
11 and 22-112.4 of Title 11 of the Oklahoma Statutes, also known as the  
12 Protect Property Rights Act.

13 SECTION 10. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 5-2-103 of Title 27A, unless  
15 there is created a duplication in numbering, reads as follows:

16 A. For purposes of the Oklahoma Resource Reclamation Act:

17 1. "Eastern Red Cedar" shall mean only the *Juniperus Virginiana*  
18 tree; and

19 2. "Infestation of Eastern Red Cedar" means not less than fifty  
20 trees five (5) feet in height per acre.

21 B. For the purposes of the Oklahoma Resource Reclamation Act,  
22 it is in the public interest that private occupied and unoccupied  
23 lands within the state be managed to:

24 1. Discourage the proliferation of wildfires;

1           2. Reduce and control the infestation of Eastern Red Cedar  
2 trees on lands;

3           3. Modify the growth of Eastern Red Cedar trees from areas  
4 within one hundred (100) feet of homes or other structures, so as to  
5 reduce the threat and severity of wildfires by creating a defensible  
6 zone in accordance with the Firewise Program guidelines adopted by  
7 the National Fire Protection Association;

8           4. Observe and protect all land-use rights of adjacent private  
9 property landowners and public property to include methods and  
10 programs to discourage passive land-management practices;

11          5. To protect water rights, including the demise of farm ponds,  
12 naturally occurring or manmade lakes, naturally occurring streams  
13 and adequate surface and subsurface water tables; and

14          6. To protect the real property rights of established  
15 categories of property as defined by the Oklahoma Tax Commission and  
16 county assessors to include the preservation of grazing land,  
17 cropland, wildlife habitat, commercial stands of naturally occurring  
18 timberland consisting of valuable timbers other than Eastern Red  
19 Cedar trees at infestation levels.

20          C. It is in the public interest that local county and municipal  
21 governments, including county assessors, be allowed to engage the  
22 Oklahoma Tax Commission in a process of property-owner notification  
23 of the infestation of Eastern Red Cedar. A determination of  
24 infestation shall not require a census but shall be determined by

1 observational analysis made by representatives of local governments  
2 gathering and recording observational and estimated infestation  
3 data. The data may be submitted to the Tax Commission, which shall  
4 upon receipt issue by mail a notification of infestation to the  
5 landowner of record. The notification shall include the data  
6 gathered by local governments. Nothing in this section shall  
7 prohibit a municipality from creating a list of the property owners  
8 or the designees of property owners of residential, commercial or  
9 leased real property to ensure the public safety and welfare of its  
10 citizens. The Tax Commission may post upon its website a list of  
11 private and public landowners which have been issued notices of  
12 infestation. The provisions of this section shall not subvert,  
13 preclude or interfere with the right of any public or private  
14 property owner under existing law to pursue damages and compensation  
15 in a court of law.

16 SECTION 11. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 5-2-104 of Title 27A, unless  
18 there is created a duplication in numbering, reads as follows:

19 Insurers duly licensed in the state writing property insurance  
20 are hereby encouraged to provide incentives to policyholders who  
21 implement and conform to Firewise Program guidelines adopted by the  
22 National Fire Protection Association, including creating a one-  
23 hundred-foot defensible zone free of *Juniperus Virginiana*, commonly  
24 known as the Eastern Red Cedar, around homes and other structures.

1 SECTION 12. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 2902.5 of Title 68, unless there  
3 is created a duplication in numbering, reads as follows:

4 A. As used in this section, "qualifying Eastern Red Cedar  
5 property" means property:

6 1. Either:

7 a. classified as cropland, improved pasture, native  
8 pasture or timber waste which does not have  
9 improvements such as a homestead exemption filed on  
10 the property and is infested with Eastern Red Cedar  
11 encroachment of more than fifty trees per acre which  
12 are at least five (5) feet tall or less than one (1)  
13 acre with half of the surface area containing Eastern  
14 Red Cedar in close proximity, or

15 b. classified as nonagricultural and which is infested  
16 with Eastern Red Cedar encroachment of more than fifty  
17 trees per acre which are at least five (5) feet tall  
18 or less than one (1) acre with half of the surface  
19 area containing Eastern Red Cedar in close proximity;

20 2. Registered pursuant to the Eastern Red Cedar Registry Act;  
21 and

22 3. On which the owner is actively engaged in the removal of  
23 Eastern Red Cedar.

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1 B. As used in this section "Eastern Red Cedar" shall mean only  
2 the Juniperus Virginiana tree.

3 C. An owner of qualifying Eastern Red Cedar property may apply  
4 to the county assessor for the county in which the property is  
5 located to have the property reclassified to timber waste or the  
6 lowest classification category allowed in the county. If the county  
7 assessor verifies that the property is qualifying Eastern Red Cedar  
8 property, the county assessor shall reclassify the property at the  
9 regular interval of reassessment, with or without visual inspection,  
10 as timber waste. The qualifying Eastern Red Cedar property shall  
11 remain at the reclassified category until the owner has removed the  
12 infestation of Eastern Red Cedar, at which time the county assessor  
13 may reassess the property and assign a different classification. If  
14 the county assessor verifies that the property is free of  
15 infestation and has assigned a classification other than timber  
16 waste the property owner may apply for the in lieu tax treatment  
17 pursuant to this section.

18 D. An owner of qualifying Eastern Red Cedar property who has  
19 removed the infestation may apply for the in lieu tax treatment for  
20 a single tax year pursuant to this section.

21 E. A total of not more than three hundred thousand (300,000)  
22 acres of qualifying Eastern Red Cedar property statewide shall be  
23 approved during any one (1) tax year for the in lieu tax treatment.  
24 Prior to approval of an application by an owner of qualifying

1 Eastern Red Cedar property for the in lieu tax treatment, the county  
2 assessor shall report the number of acres seeking the in lieu tax  
3 treatment to the Oklahoma Tax Commission and verify with the  
4 Commission that the statewide cap of three hundred thousand  
5 (300,000) acres has not been met. The Oklahoma Tax Commission shall  
6 keep a record of the total number of acres approved statewide during  
7 each tax year.

8 F. Beginning January 1, 2016, an owner of qualifying Eastern  
9 Red Cedar property that has been approved pursuant to subsection D  
10 of this section who then files an election with the county assessor  
11 of the county in which the property is located to be subject to the  
12 in lieu tax payment requirements imposed by this section shall be  
13 subject to an in lieu tax which shall be levied at the rate of One  
14 Dollar (\$1.00) per acre of qualifying Eastern Red Cedar property for  
15 the applicable tax year. An election authorized by this subsection  
16 shall be filed not later than March 15 of the applicable tax year.  
17 Once the election to be subject to the in lieu tax treatment  
18 provided by this section has been filed, it shall be irrevocable and  
19 the in lieu tax treatment for the applicable tax year shall not be  
20 subject to modification.

21 G. The in lieu tax payment required by this section shall be  
22 paid to the county treasurer of the county or counties in which  
23 qualifying Eastern Red Cedar property is located not later than  
24 December 1 of the applicable tax year.

1 H. The revenue derived from the in lieu tax required by this  
2 section shall be apportioned by the county treasurer each year based  
3 upon the ratio that the millage levy of each local taxing  
4 jurisdiction in which the qualifying Eastern Red Cedar property is  
5 located bears to the total amount of all millage levies imposed by  
6 all local taxing jurisdictions in which the qualifying Eastern Red  
7 Cedar property is located. The provisions of this subsection shall  
8 be applicable to general fund millage levies, building fund millage  
9 levies and sinking fund millage levies imposed each year.

10 I. The payment of the tax imposed pursuant to the provisions of  
11 this section shall be in lieu of any and all ad valorem taxes that  
12 would otherwise be imposed as a result of the millage levied against  
13 the taxable value of the qualifying Eastern Red Cedar property for  
14 the applicable tax year.

15 J. If qualifying Eastern Red Cedar property is subject to the  
16 in lieu tax payment required by the provisions of this section, the  
17 qualifying Eastern Red Cedar property owner shall not be eligible  
18 for the exemption for qualifying manufacturing concerns otherwise  
19 authorized pursuant to Section 2902 of Title 68 of the Oklahoma  
20 Statutes.

21 K. If the in lieu tax payment required by this section is not  
22 paid by December 31 of the applicable tax year, the principal amount  
23 of the in lieu tax payment shall bear interest at the rate of  
24 fifteen percent (15%) per annum and there shall be imposed an

1 additional penalty of Five Hundred Dollars (\$500.00) for each month  
2 after December that the in lieu tax is not paid. The penalty shall  
3 accrue at the end of each month if the in lieu tax has not been paid  
4 as of that date. Interest and penalty shall be apportioned in the  
5 same manner as prescribed by this section for the principal amount  
6 of the in lieu tax payment.

7 SECTION 13. AMENDATORY 68 O.S. 2011, Section 2805, is  
8 amended to read as follows:

9 Section 2805. The following fees or taxes levied by the  
10 provisions of the Oklahoma Statutes shall be in lieu of ad valorem  
11 tax, whether in lieu of real property tax, personal property tax, or  
12 both as provided by law:

13 1. The registration fees and taxes imposed upon aircraft by  
14 Section 251 et seq. of Title 3 of the Oklahoma Statutes;

15 2. Registration fees for motor vehicles as provided in Section  
16 1103 of Title 47 of the Oklahoma Statutes, except as otherwise  
17 specifically provided;

18 3. The fee imposed upon transfers of used vehicles in lieu of  
19 the ad valorem tax upon inventories of used motor vehicles by  
20 Section 1137.1 of Title 47 of the Oklahoma Statutes;

21 4. The registration and license fees imposed upon vessels and  
22 motors pursuant to the Oklahoma Vessel and Motor Registration Act,  
23 Section 4001 et seq. of Title 63 of the Oklahoma Statutes;

24

1           5. The taxes levied upon the gross production of substances  
2 pursuant to Section 1001 of this title;

3           6. The taxes levied upon the gross production of substances  
4 pursuant to Section 1020 of this title;

5           7. The tax imposed upon gross receipts pursuant to Section 1803  
6 of this title;

7           8. The tax imposed upon certain textile products pursuant to  
8 Section 2001 of this title;

9           9. The tax imposed upon certain freight cars pursuant to  
10 Section 2202 of this title;

11          10. The tax imposed on certain parts of the inventories, both  
12 new and used items, owned and/or possessed for sale by retailers of  
13 farm tractors and other equipment pursuant to Sections ~~±~~ 5401  
14 through ~~4~~ 5404 of this ~~act~~ title;

15          11. The tax imposed upon inventories of new vehicles and  
16 certain vessels pursuant to Section 5301 of this title; ~~and~~

17          12. The tax imposed on qualifying Eastern Red Cedar property  
18 pursuant to Section 12 of this act; and

19          13. Such other fees or taxes as may be expressly provided by  
20 law to be in lieu of ad valorem taxation.

21          SECTION 14.        NEW LAW        A new section of law to be codified  
22 in the Oklahoma Statutes as Section 2357.501 of Title 68, unless  
23 there is created a duplication in numbering, reads as follows:  
24

1 A. For tax years beginning before January 1, 2025, there shall  
2 be allowed a one-time credit against the income tax imposed by  
3 Section 2355 of Title 68 of the Oklahoma Statutes for qualified  
4 biomass fuel property expenditures and qualified biomass heating  
5 property expenditure made after December 31, 2014.

6 B. As used in this section:

7 1. "Qualified biomass fuel property expenditure" means an  
8 expenditure for property which:

9 a. uses the burning of biomass fuel to heat a dwelling  
10 unit located in the state and used as a residence by  
11 the taxpayer, or to heat water for use in such a  
12 dwelling unit, and

13 b. has a thermal efficiency rating of at least seventy-  
14 five percent (75%) as measured by the higher heating  
15 value of the fuel;

16 2. "Qualified biomass heating property expenditure" means an  
17 expenditure for open-loop biomass heating property, including  
18 boilers or furnaces which operate at a thermal output efficiency of  
19 not less than sixty-five percent (65%) as measured by the higher  
20 heating value of the fuel and which provides thermal energy in the  
21 form of heat, hot water or steam for space heating, air  
22 conditioning, domestic hot water or industrial-process heat; and

23 3. "Biomass fuel" means any plant-derived fuel available on a  
24 renewable or recurring basis, including agricultural crops and

1 trees, wood, wood waste, wood residues and plants including aquatic  
2 plants, grasses, residues, and fibers. The term shall include  
3 densified biomass fuels such as wood pellets.

4 C. The credit provided for in subsection A of this section  
5 shall be:

6 1. For qualified biomass fuel property expenditures as defined  
7 in paragraph 1 of subsection B of this section, thirty percent (30%)  
8 of the cost of the qualified biomass fuel property expenditure; and

9 2. For qualified biomass heating property expenditures as  
10 defined in paragraph 2 of subsection B of this section, thirty  
11 percent (30%) of the cost of the qualified biomass heating property  
12 expenditure.

13 D. If the tax credit allowed pursuant to subsection A of this  
14 section exceeds the amount of income taxes due or if there are no  
15 state income taxes due on the income of the taxpayer, the amount of  
16 the credit not used as an offset against the income taxes of a  
17 taxable year may be carried forward as a credit against subsequent  
18 income tax liability for a period not to exceed five (5) years.

19 E. A husband and wife who file separate returns for a taxable  
20 year in which they could have filed a joint return may each claim  
21 only one-half (1/2) of the tax credit that would have been allowed  
22 for a joint return.

23 F. The Oklahoma Tax Commission is herein empowered to  
24 promulgate rules by which the purpose of this section shall be

1 administered, including the power to establish and enforce penalties  
2 for violations thereof.

3 SECTION 15. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 5-3-101 of Title 27A, unless  
5 there is created a duplication in numbering, reads as follows:

6 Sections 15 and 16 of this act shall be known and may be cited  
7 as the "Oklahoma Woody Biomass Energy Initiative Act of 2015".

8 SECTION 16. NEW LAW A new section of law to be codified  
9 in the Oklahoma Statutes as Section 5-3-102 of Title 27A, unless  
10 there is created a duplication in numbering, reads as follows:

11 A. The Legislature makes the following findings:

12 1. That Oklahoma has an abundance of biomass which is defined  
13 as organic material that is available on a renewable or recurring  
14 basis including:

15 a. materials, precommercial thinnings, or invasive  
16 species from National Forest System land, Department  
17 of Defense lands or public lands, as defined by law,  
18 that:

19 (1) are byproducts of preventive treatments or are  
20 removed to reduce hazardous fuels, to reduce or  
21 contain disease or insect infestation or to  
22 restore ecosystem health,

23 (2) would not otherwise be used for higher-value  
24 products, and



1 (3) are harvested in accordance with applicable law  
2 and a state or federally approved sustainable  
3 forest management plan,

4 b. plant material from nonfederal land or land belonging  
5 to a Native American or Native Tribe that is held in  
6 trust by the United States or subject to a restriction  
7 against alienation imposed by the United States,  
8 including:

9 (1) feed grains,

10 (2) other agricultural commodities,

11 (3) other plants and trees harvested in accordance  
12 with applicable law and a state or federally  
13 approved sustainable forest management plan, and

14 (4) algae, and

15 c. residual material from nonfederal land or land  
16 belonging to a Native American or Native Tribe that is  
17 held in trust by the United States or subject to a  
18 restriction against alienation imposed by the United  
19 States, including:

20 (1) crop residue,

21 (2) other vegetative material including wood waste  
22 and wood residues,

23 (3) animal waste and byproducts including fats, oils,  
24 greases, and manure,

1 (4) gas derived from the biodegradation of solid  
2 waste, and

3 (5) the organic portion of municipal solid materials  
4 including all cellulosic residuals segregated  
5 from waste material, food waste, wastewater  
6 treatment plants and yard waste;

7 2. That for purposes of the Oklahoma Woody Biomass Energy  
8 Initiative Act of 2015, "woody biomass" means a material derived  
9 from trees, shrubs, bushes, grasses including switch grass,  
10 miscanthus or products made from woody plants;

11 3. That the *Juniperus Virginiana*, commonly known as the Eastern  
12 Red Cedar tree, is a native tree which, due to conditions, is  
13 encroaching upon ecosystems outside of its historic habitat at a  
14 rate of seven hundred (700) acres per day in Oklahoma, contributing  
15 to loss of water, grazing lands and wildlife habitat, fire loss and  
16 allergic illness;

17 4. That the objectives of the provisions of the Eastern Red  
18 Cedar Registry Act do not include the development of a specific  
19 biomass energy use plan, but are specifically to assist state and  
20 private landowners with gaining information regarding the control of  
21 the Eastern Red Cedar tree and to provide educational support;

22 5. That woody biomass is a renewable energy source which can be  
23 used to diversify the energy portfolio of the state when converted  
24 to fuel known as biofuel and which can be pelleted or liquefied to

1 mix with natural gas and coal and burned in energy-efficient  
2 boilers;

3 6. That based on a per million British Thermal Unit (BTU) by  
4 fuel type, the rates for biofuel from woody biomass averaged in 2010  
5 Two Dollars and fifty cents (\$2.50) for wood chips with forty  
6 percent (40%) moisture as compared with electricity which averaged  
7 Sixteen Dollars and fifty cents (\$16.50);

8 7. That in order for biofuel projects to be successful, there  
9 must be a sustainable supply of woody biomass and a well-developed  
10 supply-chain formula, making cover crops of switch grass or plants  
11 such as miscanthus that can be harvested and pelletized an essential  
12 part of the woody biomass statewide plan;

13 8. That harvested woody biomass can be produced for use as  
14 chips, pellets and other forms which have energy values higher than  
15 all traditional fuel sources, with Eastern Red Cedar having a  
16 considerably higher BTU value;

17 9. That nearly every state in the United States now has some  
18 type of public woody biomass project operating in either pilot  
19 project or full-functioning form, with most focusing on the use of  
20 woody biomass as an economical energy resource or as a means to  
21 reduce energy costs for public facilities and state agencies which  
22 now account for nearly two-thirds (2/3) of all energy produced;

23 10. That under Section 35-206 of Title 11 of the Oklahoma  
24 Statutes the expenditure of funds for the purpose of conservation of

1 electricity or natural gas by public agencies is in the public  
2 interest; and

3 11. That in Oklahoma woody biomass could be used to reduce  
4 energy costs for public facilities such as the state correctional  
5 facilities, and all other public facilities. The Department of  
6 Corrections paid these high energy costs while at the same time  
7 employees at the correctional facilities were forced to undergo  
8 furloughs and staffing reductions. Further, the Department of  
9 Corrections is authorized under Section 222 of Title 57 of the  
10 Oklahoma Statutes to use prisoners on public purpose projects  
11 including harvesting Eastern Red Cedar trees.

12 B. There is hereby created to continue until July 1, 2018, the  
13 Woody Biomass Energy Initiative Council.

14 C. The Council shall be composed of members as follows:

15 1. A member of the House of Representatives, appointed by the  
16 Speaker of the House of Representatives;

17 2. A member of the State Senate, appointed by the President Pro  
18 Tempore of the State Senate;

19 3. Two members who are engaged in the business of manufacturing  
20 or selling biofuel furnaces, one member to be appointed by the  
21 Speaker of the House of Representatives and one member to be  
22 appointed by the President Pro Tempore of the State Senate;

23 4. The Eastern Red Cedar Registry Coordinator;

24

1           5. The Executive Director of the Department of Environmental  
2 Quality, or designee;

3           6. An employee in the Forestry Services Division of the  
4 Oklahoma Department of Agriculture, Food, and Forestry appointed by  
5 the Commissioner of Agriculture;

6           7. The Director of the Department of Corrections, or designee;

7           8. The Director of the Oklahoma Department of Commerce, or  
8 designee;

9           9. A member appointed by the Director of the Oklahoma State  
10 Energy Office within the Oklahoma Department of Commerce and  
11 representing the Oklahoma Renewable Energy Council;

12          10. A member of the Corporation Commission, or designee;

13          11. The Executive Director of the Oklahoma Conservation  
14 Commission, or designee;

15          12. A member appointed by and representing the Natural  
16 Resources Conservation Service of the United States Department of  
17 Agriculture;

18          13. A member appointed by and representing the United States  
19 Environmental Protection Agency; and

20          14. A member appointed by and representing the United States  
21 Department of Energy.

22          D. Appointments to the Council shall be made within thirty (30)  
23 days after the effective date of this act. Meetings of the Council  
24 shall be held at least quarterly at the call of the chair. Members

1 shall serve at the pleasure of their appointing authorities. A  
2 majority of the members of the Council shall constitute a quorum to  
3 transact business, but no vacancy shall impair the right of the  
4 remaining members to exercise all of the powers of the Council. A  
5 vacancy on the Council shall be filled by the original appointing  
6 authority. Contingent upon the availability of funding, the  
7 Department of Environmental Quality shall provide staff, support and  
8 information as requested by the Council.

9 E. Members of the Council shall receive no compensation for  
10 serving on the Council, but contingent upon the availability of  
11 funding shall receive travel reimbursement as follows:

12 1. State employees who are members of the Council shall be  
13 reimbursed for travel expenses incurred in the performance of their  
14 duties by their respective agencies in accordance with the State  
15 Travel Reimbursement Act;

16 2. Legislative members shall be reimbursed in accordance with  
17 Section 456 of Title 74 of the Oklahoma Statutes; and

18 3. All other members of the Council shall be reimbursed by the  
19 Department of Environmental Quality for travel expenses incurred in  
20 the performance of their duties in accordance with the State Travel  
21 Reimbursement Act.

22 F. The Council shall act in accordance with the provisions of  
23 the Oklahoma Open Meeting Act and the Oklahoma Open Records Act.

24 G. The Council shall:

1           1. Develop an Oklahoma Renewable Woody Biomass Energy Usage  
2 Plan which will:

- 3           a. include appropriate harvesting and fuel burning  
4           guidelines, equipment and techniques that are in  
5           compliance with any laws governing the use of biomass  
6           for energy production,
- 7           b. include recommendations for the creation of an  
8           adequate supply chain and adequate levels of available  
9           biomass from naturally occurring or cultivated cover  
10          crops,
- 11          c. take into consideration all environmental quality and  
12          energy standards,
- 13          d. include a funding plan for utilization,
- 14          e. identify state lands suitable for use in the  
15          production of biomass, and
- 16          f. identify available private resources to implement the  
17          plan, including resources for implementing the duties  
18          of the Office of the Eastern Red Cedar Registry  
19          Coordinator;

20           2. Investigate the feasibility of constructing and installing  
21 woody biomass furnaces in correctional facilities operated by the  
22 Department of Corrections, public schools, and other state agencies,  
23 which furnaces can use woody biomass harvested exclusively within  
24 Oklahoma from state and private lands;

1           3. Investigate the feasibility of using woody biomass for the  
2 purpose of blending with natural gas, coal, cogeneration or  
3 gasification methods, as well as other emerging applications; and

4           4. Make recommendations to the Legislature and the Governor on  
5 the findings of the Council.

6           H. The Council is hereby authorized to make application for,  
7 seek and utilize any funds received including, but not limited to,  
8 any state or federal funds, grants including renewable energy grants  
9 available through the United States Department of Energy and the  
10 United States Department of Agriculture, or private donations.

11           SECTION 17.           AMENDATORY           74 O.S. 2011, Section 85.44D, as  
12 amended by Section 757, Chapter 304, O.S.L. 2012 (74 O.S. Supp.  
13 2014, Section 85.44D), is amended to read as follows:

14           Section 85.44D A. It is the intent of the Legislature that all  
15 state agencies procure and use products or materials made from or  
16 utilizing materials from trees harvested in Oklahoma when such  
17 products or materials are available.

18           B. By ~~July 1, 2011~~ November 1, 2015, the Purchasing Division of  
19 the Office of Management and Enterprise Services when accepting bids  
20 for state purchases of products and materials shall give preference  
21 to the suppliers of wood products made from or products manufactured  
22 utilizing materials from trees harvested in Oklahoma if the price  
23 for the products and materials is not substantially higher than the  
24



1 price for other wood products and materials and the quality and  
2 grade requirements are otherwise comparable.

3 C. The Purchasing Division of the Office of Management and  
4 Enterprise Services shall register any manufacturer of products made  
5 from trees harvested in Oklahoma which is registered with the Office  
6 of the Eastern Red Cedar Registry Coordinator on the central  
7 purchasing vendor registration system for state agency purchasing,  
8 in the appropriate category or categories of commodities. The  
9 Division shall waive any registration fee for the manufacturer for  
10 the first year of registration.

11 D. By July 1, 2011, the Purchasing Division of the Office of  
12 Management and Enterprise Services shall promulgate rules and  
13 implement a program for extending state procurement specifications  
14 to products made from or manufactured utilizing materials from trees  
15 harvested in Oklahoma and identifying the products.

16 SECTION 18. AMENDATORY Section 2, Chapter 247, O.S.L.  
17 2012 (17 O.S. Supp. 2014, Section 802.2), is amended to read as  
18 follows:

19 Section 802.2 A. There is hereby created the Oklahoma Energy  
20 Initiative, referred to in this act as the Initiative, which shall  
21 serve as a strategic program designed to create, advance, and  
22 promote new and existing energy research and development efforts  
23 related to Oklahoma's core energy competencies by:

24

1 1. Promoting research and development in the areas of  
2 conventional and unconventional oil and natural gas development and  
3 production, CO<sub>2</sub> enhanced oil recovery, wind forecasting, advanced  
4 biofuels, biofuels from woody biomass, energy storage, water  
5 management, energy policy and economic analysis, energy system  
6 optimization, renewable energy integration into the electrical grid,  
7 and similar energy technologies;

8 2. Fostering communication and collaboration between state and  
9 federal governmental agencies, institutions of higher education,  
10 nonprofit research institutions, and private entities located  
11 throughout Oklahoma;

12 3. Advancing research and development programs that provide  
13 benefits to all industries and regions of the state;

14 4. Streamlining research and development efforts between  
15 private and public industry to create synergistic relationships that  
16 coordinate, not duplicate, research efforts;

17 5. Establishing Oklahoma as a regional resource and  
18 clearinghouse for transformative energy technologies in the areas of  
19 traditional energy and renewable resource research and development;

20 6. Developing a renewable woody biomass energy usage plan that  
21 will include appropriate harvesting and fuel-burning guidelines and  
22 techniques for the use of biomass for energy production;

23 7. Attracting best-in-class researchers to Oklahoma in  
24 competency areas aligned with Oklahoma's natural resource base;

1       ~~7.~~ 8. Coordinating with the Oklahoma Department of Commerce to  
2 enhance venture capital investment in energy-related research and  
3 business opportunities; and

4       ~~8.~~ 9. Promoting seed funding that can be leveraged against  
5 state, federal, and private-source funding to establish sufficient  
6 startup resources.

7       B. The Initiative may receive assistance from any state agency  
8 or public entity to implement the provisions of the Oklahoma Energy  
9 Initiative Act, including, but not limited to, administrative  
10 assistance, staffing or legal counsel and provision of office space  
11 or equipment as necessary. Assistance agreements may be made by  
12 memorandums of understanding or as otherwise provided by law.

13       SECTION 19.        AMENDATORY        Section 3, Chapter 247, O.S.L.  
14 2012, as amended by Section 1, Chapter 232, O.S.L. 2014 (17 O.S.  
15 Supp. 2014, Section 802.3), is amended to read as follows:

16       Section 802.3 A. The Oklahoma Energy Initiative shall be  
17 administered and governed by the Oklahoma Energy Initiative Board,  
18 made up of representatives of the contributing institutions of the  
19 Initiative which initially shall be the University of Oklahoma,  
20 Oklahoma State University, Oklahoma City University, the University  
21 of Tulsa, and the Noble Foundation. Additional contributing  
22 institutions may be added at the discretion of the Board, as such  
23 institutions contribute to the purpose, objectives and research  
24 coordinated by the Initiative. Additional contributing institutions

1 may include state, federal, and private agencies, institutions of  
2 higher education, nonprofit research institutions, and private  
3 entities.

4 B. The Board shall initially consist of ~~six (6)~~ thirteen (13)  
5 members as follows:

6 1. One member, who shall serve as the chair of the Board, shall  
7 be the Secretary of Energy and Environment or a member otherwise  
8 appointed by the Governor;

9 2. One member shall be the Vice President of Research from the  
10 University of Oklahoma or a member otherwise appointed by the  
11 President of the University of Oklahoma;

12 3. One member shall be the Vice President of Research from  
13 Oklahoma State University or a member otherwise appointed by the  
14 President of Oklahoma State University;

15 4. One member shall be the Vice President of Research from the  
16 University of Tulsa or a member otherwise appointed by the Governor;

17 5. One member shall be the Vice President of Research from  
18 Oklahoma City University or a member otherwise appointed by the  
19 Speaker of the House of Representatives; ~~and~~

20 6. One member who shall represent the Samuel Roberts Noble  
21 Foundation appointed by the President Pro Tempore of the Senate;

22 7. One member shall be an employee of the Oklahoma Department  
23 of Commerce appointed by the Director of the Oklahoma Department of  
24 Commerce;

1       8. One member shall have experience in the financing of public  
2 development projects to be appointed by the Governor;

3       9. One member shall have experience in marketing to be  
4 appointed by the Governor;

5       10. Two members who have served on a board of directors of a  
6 nonprofit entity and who have experience in strategic planning and  
7 board development; and

8       11. Two members who have served on a board of directors of a  
9 corporation located in Oklahoma who have experience in strategic  
10 planning and board development.

11       C. Board members shall serve for a term of four (4) years,  
12 which shall begin on January 1 of the first year of the appointment  
13 and end on December 31 of the fourth year. There shall be no limit  
14 to the number of consecutive terms served. If a vacancy should  
15 occur during a member's term, the appointing authority for the  
16 vacant position shall appoint a new member to fill the remainder of  
17 the unexpired term. Board members shall serve without compensation  
18 but may be eligible for necessary travel expenses pursuant to the  
19 State Travel Reimbursement Act.

20       D. The Board shall be responsible for establishing procedures  
21 for the Initiative and operations of the Board. The rules may  
22 provide for protection from public disclosure of trade secrets and  
23 proprietary information of any kind, including, but not limited to,  
24 data, processes and technology, as the Board determines necessary.

1 E. The Board shall undertake activities and commission  
2 programs, through the contributing institutions, to achieve the  
3 purpose and satisfy the objectives of the Initiative as provided in  
4 the Oklahoma Energy Initiative Act. The Board shall establish a  
5 working group of members which shall be responsible for developing  
6 the renewable woody biomass energy usage plan. The Board shall have  
7 authority to distribute funding for such activities and programs.  
8 The Board may employ staff as it deems necessary.

9 F. The Board shall prepare an annual, written report to  
10 summarize the annual progress of the Initiative, including summaries  
11 of its programs and their progress and outcomes. The report shall  
12 be made available to the public and shall be distributed to the  
13 Governor, the President Pro Tempore of the Senate, and the Speaker  
14 of the House of Representatives.

15 G. The provisions of The Oklahoma Central Purchasing Act shall  
16 not apply to any project, activity or contract of the Initiative or  
17 the Board.

18 H. No Board member or any person acting on behalf of the Board  
19 or Initiative executing any contracts, commitments or agreements  
20 issued by or on behalf of the Oklahoma Energy Initiative shall be  
21 personally liable for the contracts, commitments, or agreements or  
22 be subject to any personal liability or accountability by reason  
23 thereof. No director or any person acting on behalf of the Board  
24

1 or Initiative shall be personally liable for damage or injury  
2 resulting from the performance of duties hereunder.

3 SECTION 20. REPEALER 2 O.S. 2011, Section 18-405, is  
4 hereby repealed.

5 SECTION 21. RECODIFICATION 2 O.S. 2011, Section 18-401,  
6 as amended by Section 1 of this act, shall be recodified as Section  
7 5-1-101 of Title 27A of the Oklahoma Statutes, unless there is  
8 created a duplication in numbering.

9 SECTION 22. RECODIFICATION 2 O.S. 2011, Section 18-402,  
10 shall be recodified as Section 5-1-102 of Title 27A of the Oklahoma  
11 Statutes, unless there is created a duplication in numbering.

12 SECTION 23. RECODIFICATION 2 O.S. 2011, Section 18-403,  
13 as amended by Section 3 of this act, shall be recodified as Section  
14 5-1-103 of Title 27A of the Oklahoma Statutes, unless there is  
15 created a duplication in numbering.

16 SECTION 24. RECODIFICATION 2 O.S. 2011, Section 18-404,  
17 as amended by Section 4 of this act, shall be recodified as Section  
18 5-1-104 of Title 27A of the Oklahoma Statutes, unless there is  
19 created a duplication in numbering.

20 SECTION 25. RECODIFICATION 2 O.S. 2011, Section 18-406,  
21 as amended by Section 5 of this act, shall be recodified as Section  
22 5-1-105 of Title 27A of the Oklahoma Statutes, unless there is  
23 created a duplication in numbering.

24

1 SECTION 26. RECODIFICATION 2 O.S. 2011, Section 18-407,  
2 as last amended by Section 6 of this act, shall be recodified as  
3 Section 5-1-106 of Title 27A of the Oklahoma Statutes, unless there  
4 is created a duplication in numbering.

5 SECTION 27. RECODIFICATION 2 O.S. 2011, Section 18-408,  
6 as amended by Section 7 of this act, shall be recodified as Section  
7 5-1-107 of Title 27A of the Oklahoma Statutes, unless there is  
8 created a duplication in numbering.

9 SECTION 28. This act shall become effective November 1, 2015.

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