

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                                   STATE OF OKLAHOMA

3                                   2nd Session of the 59th Legislature (2024)

4 COMMITTEE SUBSTITUTE  
5 FOR ENGROSSED  
6 SENATE BILL NO. 1370

By: Paxton of the Senate

and

Boles of the House

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10                                   COMMITTEE SUBSTITUTE

11                   An Act relating to the Oklahoma Low Carbon Energy  
12 Initiative; amending 17 O.S. 2021, Section 802.2, as  
13 amended by Section 1, Chapter 27, O.S.L. 2022 (17  
14 O.S. Supp. 2023, Section 802.2), amending duties;  
15 amending 17 O.S. 2021, Section 802.4; amending  
16 sources of funds; providing an effective date; and  
17 declaring an emergency.

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

19                   SECTION 1.           AMENDATORY           17 O.S. 2021, Section 802.2, as  
20 amended by Section 1, Chapter 27, O.S.L. 2022 (17 O.S. Supp. 2023,  
21 Section 802.2), is amended to read as follows:

22                   Section 802.2 A. There is hereby created the Oklahoma Low  
23 Carbon Energy Initiative, referred to in Section 802.1 et seq. of  
24 this title as the Initiative, which shall serve as a strategic  
program designed to create, advance, and promote new and existing

1 energy research and development, use, supply chain activity, and  
2 infrastructure related to Oklahoma's core energy competencies by:

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

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

13 3. Advancing research and development programs and growing  
14 production, supply chain activity, and infrastructure that provide  
15 benefits to all industries and regions of the state;

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

19 5. Establishing Oklahoma as a regional resource and  
20 clearinghouse for transformative energy technologies in the areas of  
21 traditional energy, hydrogen production, storage, and distribution,  
22 and renewable resource research and development;

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

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

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

7 9. Satisfying equipment needs related to monitoring seismic  
8 activity.

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

15 SECTION 2. AMENDATORY 17 O.S. 2021, Section 802.4, is  
16 amended to read as follows:

17 Section 802.4 A. There is hereby created in the State Treasury  
18 a revolving fund for the Oklahoma Energy Initiative to be designated  
19 as the "Oklahoma Energy Initiative 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 Secretary of Energy and  
22 Environment or any other entity authorized to accept or expend funds  
23 on behalf of the Oklahoma Energy Initiative from any authorized  
24 source. All monies accruing to the credit of the fund are hereby

1 appropriated and may be budgeted and expended by the Oklahoma Energy  
2 Initiative for the purpose of satisfying the objectives of the  
3 Oklahoma Energy Initiative Act.

4 B. State appropriations for the Initiative shall be made as  
5 otherwise provided by law and shall be directed to the Secretary of  
6 Energy, or to an agency otherwise directed by the Governor, which  
7 shall directly allocate the appropriations to the Initiative.

8 C. The Initiative is authorized to accept donations, grants ~~or~~,  
9 endowments, or other funding from any person, corporation or entity  
10 to achieve the purpose and satisfy the objectives of the Initiative  
11 as provided by this act.

12 SECTION 3. This act shall become effective July 1, 2024.

13 SECTION 4. It being immediately necessary for the preservation  
14 of the public peace, health or safety, an emergency is hereby  
15 declared to exist, by reason whereof this act shall take effect and  
16 be in full force from and after its passage and approval.

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18 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
19 04/04/2024 - DO PASS, As Amended.  
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