

An Act

ENROLLED SENATE
BILL NO. 1535

By: Burns and Rader of the
Senate

and

Boles, Munson, and Davis of
the House

An Act relating to the Oklahoma Low Carbon Energy Initiative; amending 17 O.S. 2021, Sections 802.2 and 802.3, as amended by Sections 1 and 2, Chapter 27, O.S.L. 2022 (17 O.S. Supp. 2023, Sections 802.2 and 802.3), which relate to the duties of the Initiative and the Oklahoma Low Carbon Energy Initiative Board membership; modifying duties and membership of the Board; requiring electronic reporting; updating statutory reference; and providing an effective date.

SUBJECT: Oklahoma Low Carbon Energy Initiative

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

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

Section 802.2. A. There is hereby created the Oklahoma Low Carbon Energy Initiative, referred to in Section 802.1 et seq. of this title as the Initiative, which shall serve as a strategic program designed to create, advance, and promote new and existing energy research and development, use, supply chain activity, and infrastructure related to Oklahoma's core energy competencies by:

1. Promoting research and development in the areas of conventional and unconventional oil and natural gas development and production, hydrogen production, storage, and distribution, CO₂ enhanced oil recovery, wind forecasting, advanced biofuels, energy

storage, water management, nuclear energy, energy policy and economic analysis, energy system optimization, renewable energy integration into the electrical grid, and similar energy technologies;

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

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

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

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

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

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

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

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

SECTION 2. AMENDATORY 17 O.S. 2021, Section 802.3, as amended by Section 2, Chapter 27, O.S.L. 2022 (17 O.S. Supp. 2023, Section 802.3), is amended to read as follows:

Section 802.3. A. The Oklahoma Low Carbon Energy Initiative shall be administered and governed by the Oklahoma Low Carbon Energy Initiative Board, made up of representatives of the contributing institutions and entities of the Initiative which shall include but not be limited to the University of Oklahoma, Oklahoma State University, and the University of Tulsa. Additional contributing members may be added at the discretion of the Board, if they contribute to the purpose, objectives, and research coordinated by the Initiative.

B. The Board shall consist of ~~eleven (11)~~ thirteen (13) members as follows:

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

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

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

4. One member shall be the Vice President for Research and Economic Development from the University of Tulsa or a member otherwise appointed by the President of the University of Tulsa;

5. One member who shall represent the Oklahoma Department of Commerce, appointed by the Director of the Department of Commerce;

6. One member who shall represent the Department of Labor, appointed by the Commissioner of Labor;

7. One member who shall represent the Department of Environmental Quality, appointed by the Executive Director of the Department of Environmental Quality;

8. One member who shall represent the Corporation Commission, appointed by the Chair of the Commission;

9. One member who shall represent the Department of Transportation, appointed by the Director of the Department of Transportation;

10. One member who shall represent the Oklahoma Water Resources Board, appointed by the Executive Director of the Oklahoma Water Resources Board; ~~and~~

11. One member who shall represent the Oklahoma Center for the Advancement of Science and Technology, appointed by the Executive Director of the Center for the Advancement of Science and Technology;

12. One member, who shall represent an electric utility or cooperative regulated by the Corporation Commission, appointed by the President Pro Tempore of the Senate; and

13. One member, who shall represent the nuclear energy industry, appointed by the Speaker of the House of Representatives.

C. 1. The Board shall establish an Energy Industry Advisory Council, appointed by the chair, for the purposes of providing industry expertise and knowledge, assisting the Board with annual report requirements, providing general recommendations, and other support as needed to advance the efforts of the Board.

2. Members appointed to the Council shall serve at the pleasure of the chair of the Board.

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

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

F. The Board shall undertake activities and commission programs, through the contributing institutions and entities, to achieve the purpose and satisfy the objectives of the Initiative as provided in the Oklahoma Energy Initiative Act. The Board shall have authority to distribute funding for such activities and programs. The Board may employ staff as it deems necessary.

G. The Board, in consultation with the Advisory Council and any other party deemed necessary, shall ~~prepare~~ submit and publish electronically an annual, written report to summarize the annual progress of the Initiative including summaries of its programs and their progress and outcomes. The report shall be made available to the public and shall be distributed electronically to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives.

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

I. No Board member or any person acting on behalf of the Board, Advisory Council, or Initiative executing any contracts, commitments or agreements issued by or on behalf of the Oklahoma Low Carbon Energy Initiative shall be personally liable for the contracts, commitments, or agreements or be subject to any personal liability or accountability by reason thereof. No director or any person acting on behalf of the Board or Initiative shall be personally liable for damage or injury resulting from the performance of duties hereunder.

SECTION 3. This act shall become effective November 1, 2024.

Passed the Senate the 14th day of March, 2024.

Presiding Officer of the Senate

Passed the House of Representatives the 15th day of April, 2024.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____