

1 **SENATE FLOOR VERSION**

2 February 15, 2024

3 SENATE BILL NO. 1535

By: Burns and Rader of the
Senate

4 and

5 Boles of the House
6

7
8 An Act relating to the Oklahoma Low Carbon Energy
9 Initiative; amending 17 O.S. 2021, Sections 802.2 and
10 802.3, as amended by Sections 1 and 2, Chapter 27,
11 O.S.L. 2022 (17 O.S. Supp. 2023, Sections 802.2 and
12 802.3), 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.
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15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

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

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

1 1. Promoting research and development in the areas of
2 conventional and unconventional oil and natural gas development and
3 production, hydrogen production, storage, and distribution, CO₂
4 enhanced oil recovery, wind forecasting, advanced biofuels, energy
5 storage, water management, nuclear energy, energy policy and
6 economic analysis, energy system optimization, renewable energy
7 integration into the electrical grid, and similar energy
8 technologies;

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

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

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

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

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

24

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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 D. Board members shall serve for a term of four (4) years,
24 which shall begin on January 1 of the first year of the appointment

1 and end on December 31 of the fourth year. There shall be no limit
2 to the number of consecutive terms served. If a vacancy should
3 occur during a member's term, the appointing authority for the
4 vacant position shall appoint a new member to fill the remainder of
5 the unexpired term. Board members shall serve without compensation
6 but may be eligible for necessary travel expenses pursuant to the
7 State Travel Reimbursement Act.

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

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

20 G. The Board, in consultation with the Advisory Council and any
21 other party deemed necessary, shall ~~prepare~~ submit and publish
22 electronically an annual, written report to summarize the annual
23 progress of the Initiative including summaries of its programs and
24 their progress and outcomes. The report shall be made available to

1 the public and shall be distributed electronically to the Governor,
2 the President Pro Tempore of the Senate, and the Speaker of the
3 House of Representatives.

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

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

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

17 COMMITTEE REPORT BY: COMMITTEE ON ENERGY AND TELECOMMUNICATIONS
18 February 15, 2024 - DO PASS
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