Bill No.:	**SB1505**
Version:	**FULLPCS1**
Request Number:	**10828**
Author:	**Rep. Boles**
Date:	**4/10/2024**
Impact:	**No Direct Impact to State Revenue**

Research Analysis

The proposed committee substitute for SB1505 expands the Oklahoma Emission Reduction Technology Rebate Program to include downstream oil and gas production, refining and distribution activities. The current program offers a 25 percent rebate for the cost of implementing a qualified emissions reduction project.

The measure also requires the Oklahoma Department of Environmental Quality to create an expenditure preapproval process for rebate applicants and creates a separate revolving fund for rebating downstream activities.

Prepared By: Quyen Do

Fiscal Analysis

In its current form, SB1505 expands the Oklahoma Emission Reduction Technology Rebate Program to include downstream oil and gas production, refining and distribution activities.

The engrossed version of SB1505 provides for a $30 million appropriation to the Midstream and Upstream Fund and a $20 million appropriation to the Downstream Fund. The appropriations are to be fulfilled using monies not otherwise appropriated from the General Revenue Fund for FY 2023.

The House proposed committee substitute removes the appropriations.

The measure also requires the Department of Environmental Quality to establish a preapproval process for rebate applicants.

Analysis by the Oklahoma Tax Commission:

REVENUE IMPACT:
An estimate of rebate claims for SB 1505 is currently unknown, however the funds used to pay the rebates are allocated with monies from donations, contributions or gifts or legislative appropriations. This may result in a reallocation of state funds dependent upon whether and how the Legislature makes an appropriation. There is no funding proposed at this time.

FY 25: none.
FY 26: none.

Prepared By: Zach Penrod, House Fiscal Staff

<u>Other Considerations</u>

None.