

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 SENATE BILL 205

By: Dahm

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6 AS INTRODUCED

7 An Act relating to oil and gas; creating the State
8 Strategic Petroleum Reserve; directing certain funds
9 to be appropriated for certain purpose; establishing
10 maximum reserve amount; directing the Corporation
11 Commission to maintain Reserve; defining term;
12 establishing conditions to be met for release of oil
13 from Reserve; providing for codification; and
14 declaring an emergency.

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

16 SECTION 1. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 281 of Title 52, unless there is
18 created a duplication in numbering, reads as follows:

19 A. 1. Beginning July 1, 2023, and each fiscal year thereafter,
20 the Legislature is hereby directed to appropriate any surplus funds
21 that are not constitutionally required to be deposited into the
22 Constitutional Reserve Fund and are not otherwise encumbered to
23 establish and maintain a State Strategic Petroleum Reserve. The
24 Reserve shall contain up to fifteen million barrels of crude oil.
25 The Corporation Commission shall maintain the Reserve and is

1 authorized to promulgate rules necessary to effectuate the
2 provisions of this act.

3 2. For the purposes of this act, "State Strategic Petroleum
4 Reserve" means state-owned oil stocks maintained in oil wells within
5 the boundaries of this state.

6 B. Oil may be released from the Reserve by executive order of
7 the Governor or by direction of the Legislature if a measure
8 directing the release is enacted; provided, evidence of one or more
9 of the following conditions or circumstances for release shall be
10 established:

11 1. The state or any oil-producing entity operating in the state
12 faces a disruption in supply;

13 2. An exchange agreement with another country, state, political
14 subdivision, or oil company is entered into;

15 3. The Governor has declared a state of emergency;

16 4. Non-emergency sales are deemed necessary to raise revenue or
17 lessen supply disruptions; and

18 5. The price of gas has increased by more than twenty-five
19 percent (25.0%) within a three-month period; provided, oil released
20 to service stations under this act shall be used to lower the cost
21 of gas and diesel to consumers in this state.

22 SECTION 2. It being immediately necessary for the preservation
23 of the public peace, health or safety, an emergency is hereby
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1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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