

1 **SENATE FLOOR VERSION**

2 March 3, 2022

3 COMMITTEE SUBSTITUTE  
4 FOR

5 SENATE BILL NO. 1852

By: David of the Senate

and

McBride of the House

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8  
9 An Act relating to Oklahoma Energy Initiative Act;  
10 amending 17 O.S. 2021, Sections 802.2 and 802.3,  
11 which relate to the Oklahoma Energy Initiative duties  
12 and Board; modifying Initiative name; requiring  
13 Initiative to add certain energy practices to scope;  
14 conforming language; modifying Board name and  
15 membership; removing certain institutions from Board;  
16 adding certain members to Board; establishing  
17 provisions for establishment of Advisory Council;  
18 updating statutory reference; and providing an  
19 effective date.

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

21 SECTION 1. AMENDATORY 17 O.S. 2021, Section 802.2, is  
22 amended to read as follows:

23 Section 802.2. A. There is hereby created the Oklahoma Low  
24 Carbon Energy Initiative, referred to in ~~this act~~ 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, ~~efforts~~ use, supply chain

1 activity, and infrastructure related to Oklahoma's core energy  
2 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,  
12 ~~nonprofit research institutions,~~ and private entities located  
13 throughout Oklahoma;

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

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

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

24

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

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

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

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 802.3, is  
16 amended to read as follows:

17           Section 802.3. A. The Oklahoma Low Carbon Energy Initiative  
18 shall be administered and governed by the Oklahoma Low Carbon Energy  
19 Initiative Board, made up of representatives of the contributing  
20 institutions and entities of the Initiative which ~~initially~~ shall ~~be~~  
21 include but not be limited to the University of Oklahoma, Oklahoma  
22 State University, ~~Oklahoma City University,~~ and the University of  
23 Tulsa, ~~and the Noble Foundation.~~ Additional contributing  
24 ~~institutions~~ members may be added at the discretion of the Board, ~~as~~

1 ~~such institutions~~ if they contribute to the purpose, objectives, and  
2 research coordinated by the Initiative. ~~Additional contributing~~  
3 ~~institutions may include state, federal, and private agencies,~~  
4 ~~institutions of higher education, nonprofit research institutions,~~  
5 ~~and private entities.~~

6 B. The Board shall ~~initially~~ consist of ~~six (6)~~ eleven (11)  
7 members as follows:

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

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

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

17 4. One member shall be the Vice President ~~of~~ for Research from  
18 the University of Tulsa or a member otherwise appointed by the  
19 ~~Governor~~ President of the University of Tulsa;

20 5. One member who shall ~~be the Vice President of Research from~~  
21 ~~Oklahoma City University or a member otherwise~~ represent the  
22 Oklahoma Department of Commerce, appointed by the ~~Speaker of the~~  
23 ~~House of Representatives~~ Director of the Department of Commerce; and  
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1           6. One member who shall represent the ~~Samuel Roberts Noble~~  
2 ~~Foundation~~ Department of Labor, appointed by the ~~President Pro~~  
3 ~~Tempore of the Senate~~ Commissioner of Labor;

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

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

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

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

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

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

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

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

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

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

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

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

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

20        SECTION 3.    This act shall become effective November 1, 2022.

21        COMMITTEE REPORT BY: COMMITTEE ON ENERGY  
22        March 3, 2022 - DO PASS AS AMENDED  
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