

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 SUBCOMMITTEE RECOMMENDATION  
4 FOR ENGROSSED

5 SENATE BILL NO. 1451

By: Ballenger and Rice of the  
Senate

6 and

7 Hickman and Brown of the  
8 House

9 SUBCOMMITTEE RECOMMENDATION

10 An Act relating to environment and natural resources;  
11 creating the Oklahoma Energy Efficiency and Emission  
12 Reduction Program; stating purpose of the Program;  
13 stating legislative findings; specifying use of funds  
14 for matching grants; limiting amount of grants to  
15 certain percentage of project costs; directing the  
16 Department of Environmental Quality to enter into a  
17 contract or memorandum of agreement with grantees;  
18 specifying certain conditions and safeguards;  
19 requiring grant recipients to make certain reports  
20 and notice; requiring the Department to make certain  
21 determination; limiting award to a single entity;  
22 limiting administrative and technical assistance  
23 costs; directing the Department to issue an annual  
24 report; specifying contents of the report; amending  
27A O.S. 2001, Section 2-8-202, which relates to the  
Central Interstate Low-Level Radioactive Waste  
Compact Commission; authorizing the Department of  
Environmental Quality to use available funds to pay  
certain annual fees to the Commission; providing for  
codification; providing an effective date; and  
declaring an emergency.

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

1           SECTION 1.           NEW LAW           A new section of law to be codified  
2 in the Oklahoma Statutes as Section 2-3-109 of Title 27A, unless  
3 there is created a duplication in numbering, reads as follows:

4           A. There is hereby created the "Oklahoma Energy Efficiency and  
5 Emission Reduction Program", to be administered by the Department of  
6 Environmental Quality. The purpose of the Oklahoma Energy  
7 Efficiency and Emission Reduction Program is to fund activities and  
8 projects designed to reduce regional air pollution.

9           B. The Oklahoma Legislature finds that any activity or project  
10 that reduces regional air pollution is desirable and advantageous  
11 and serves a compelling public interest. Further, improved air  
12 quality enhances the health and quality of life for the citizens of  
13 Oklahoma, helps maintain the abundant natural beauty and resources  
14 of the state, and fosters the economic well-being of the state by  
15 reducing the potential that the federal government will designate  
16 some or all of the state as in air-quality "nonattainment" status,  
17 resulting in extremely burdensome additional regulatory  
18 requirements.

19           C. 1. Funds appropriated for the Oklahoma Energy Efficiency  
20 and Emission Reduction Program shall be used by the Department for  
21 matching grants to governmental and nongovernmental entities in  
22 Oklahoma to encourage the implementation of recognized air pollution  
23 reduction measures, including, but not limited to, the retrofitting  
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1 of truck and bus fleets to use cleaner fuels and the installation  
2 and implementation of energy efficiency measures.

3 2. Grants awarded under the Program shall be limited to ninety-  
4 five percent (95%) of the direct project costs in the case of  
5 governmental entities and seventy-five percent (75%) of the direct  
6 project costs in the case of nongovernmental entities.

7 3. In making grant awards, the Department shall enter into a  
8 contract or memorandum of agreement with the grantee that includes  
9 conditions and safeguards to ensure that the matching funds are  
10 expended for the purposes specified and that the state receives a  
11 clear benefit from the expenditure. In addition to any other  
12 conditions and safeguards deemed necessary and appropriate:

13 a. the Department shall require grant recipients to  
14 submit a report within a reasonable time after  
15 construction, installation, or implementation of the  
16 project that summarizes the results, including  
17 emissions reductions achieved and "lessons learned".  
18 Information from the reports may be used by the  
19 Department in evaluation of future grant applications  
20 or proposals for the Oklahoma Energy Efficiency and  
21 Emission Reduction Program or any similar grant  
22 program and to determine the viability of other  
23 projects or programs that may be proposed to control  
24 or reduce air pollution in the state, and

1           b.    to secure the maximum possible benefit by increasing  
2                    awareness of the Oklahoma Energy Efficiency and  
3                    Emission Reduction Program, the Department may require  
4                    any grant recipient to post notice in a conspicuous  
5                    place of participation in the Program and the nature  
6                    of the funded project.

7           4.    Before making any grants, the Department shall determine to  
8                    its satisfaction that the proposed project will significantly reduce  
9                    air pollution within the state. The Department is authorized to set  
10                   a deadline for grant applications, and if the total grant funding  
11                   sought exceeds the amount available under the Program, the  
12                   Department shall give priority to those projects that appear to  
13                   achieve the maximum public health benefit for citizens of the state.

14           5.    Not more than twenty-five percent (25%) of the total sum  
15                   available for grants under the Program shall be awarded to any  
16                   single entity. Application of this limit shall not preclude  
17                   participation by the recipient in any similar grant program in the  
18                   future.

19           D.    If funds are appropriated by the Legislature for the  
20                   Oklahoma Energy Efficiency and Emission Reduction Program, not more  
21                   than One Hundred Thousand Dollars (\$100,000.00) annually shall be  
22                   used by the Department for personnel and other costs associated with  
23                   administration and management of the Program, and for providing  
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1 technical assistance to entities applying for and participating in  
2 the Program.

3 E. On or before September 1, 2009, and by September 1 each year  
4 thereafter, the Department shall submit to the Governor, the Speaker  
5 of the House of Representatives, and the President Pro Tempore of  
6 the Senate a report on the Oklahoma Energy Efficiency and Emission  
7 Reduction Program. The report shall outline program expenditures,  
8 estimate emission reductions achieved, and health or environmental  
9 benefits associated with those reductions for the previous fiscal  
10 year, and any other information the Department determines is  
11 necessary to aid the Governor and Legislature in evaluating the  
12 Program.

13 SECTION 2. AMENDATORY 27A O.S. 2001, Section 2-8-202, is  
14 amended to read as follows:

15 Section 2-8-202. A. The Board of Environmental Quality, with  
16 the assistance of the Radiation Management Advisory Council, shall  
17 promulgate, in accordance with the Administrative Procedures Act,  
18 for the purpose of the compact, rules for the generating, storing,  
19 packaging and transporting of low-level radioactive waste generated  
20 within Oklahoma and the packaging and transporting of such waste  
21 passing through this state.

22 B. The Board rules shall be consistent with and may incorporate  
23 such standards of the U.S. Nuclear Regulatory Commission and of the  
24 U.S. Department of Transportation by reference. The Department

1 shall administer and enforce the provisions of the Central  
2 Interstate Low-Level Radioactive Waste Compact and the rules of the  
3 Board.

4 C. The annual fees of the State of Oklahoma due the Central  
5 Interstate Low-Level Radioactive Waste Compact Commission shall be  
6 apportioned among those generators disposing of low-level  
7 radioactive waste as determined by the Central Interstate Low-Level  
8 Radioactive Waste Compact Commission unless the Department  
9 determines to use other funds available to it for that purpose.

10 SECTION 3. This act shall become effective July 1, 2008.

11 SECTION 4. It being immediately necessary for the preservation  
12 of the public peace, health and safety, an emergency is hereby  
13 declared to exist, by reason whereof this act shall take effect and  
14 be in full force from and after its passage and approval.

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