

1 ENGROSSED HOUSE
2 BILL NO. 3003

By: Johnson (Rob) and Worthen
of the House

3 and

4 Bingman of the Senate
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8 An Act relating to oil and gas; creating the
9 Sustaining Oklahoma's Energy Resources Act; providing
10 short title; stating legislative findings; creating
11 board; stating purpose; stating membership; providing
12 for travel reimbursement; stating terms; providing
13 for appointments by certain date; providing for
14 vacancies; authorizing the Secretary of Energy to
15 determine meeting schedule; authorizing board to
16 promulgate rules; designating Secretary of Energy
17 responsible for administration of certain funds;
18 providing for codification; and declaring an
19 emergency.
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BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 290.1 of Title 52, unless there
is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Sustaining
Oklahoma's Energy Resources Act".

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 290.2 of Title 52, unless there
3 is created a duplication in numbering, reads as follows:

4 The State Legislature finds that while oil and gas exploration
5 has long been associated with the growth of our state and is
6 responsible for supplying over twenty percent (20%) of our state's
7 annual tax revenues, there is no reinvestment mechanism to help
8 ensure that current production levels, and thus high levels of tax
9 revenues which support critical governmental functions, are
10 sustained.

11 Resources devoted to upstream oil and gas research and
12 development and advances in production technologies are very
13 limited, even by large producers, and that information is largely
14 proprietary and unavailable to others in the industry.

15 The development of new technologies in oil and gas exploration
16 and production will facilitate the recovery of vast reserves of oil
17 and gas located in new and previously discovered fields and new
18 technologies will be critical for the continued development of gas
19 shales, coaled methane and tight sands which are found in our state.

20 In addition to seeking new oil and gas fields, maintaining and
21 increasing our marginal well production is critical to our state's
22 energy future. Advances in oilfield technology which will lower
23 costs and maximize production will ensure sustained oil and gas
24 revenues for our state.

1 By creating and funding the Sustaining Oklahoma's Energy
2 Resources Board, our state will be recognized nationally and
3 internationally for developing new technologies that will create
4 additional wealth for our citizens and increase our nation's energy
5 security.

6 SECTION 3. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 290.3 of Title 52, unless there
8 is created a duplication in numbering, reads as follows:

9 A. There is hereby created the Sustaining Oklahoma's Energy
10 Resources Board. The purpose of the Board is to direct state and
11 private funds for oil and gas research and development projects.
12 The Board shall oversee projects to develop new technologies capable
13 of maximizing the existing oil and gas production in this state and
14 facilitate the discovery and development of new exploration fields.

15 B. The Board shall be composed as follows:

16 1. Two independent producers, one small oil producer and one
17 larger natural gas producer, to be appointed by the President Pro
18 Tempore of the State Senate;

19 2. Two independent producers, one small oil producer and one
20 larger natural gas producer, to be appointed by the Speaker of the
21 Oklahoma House of Representatives;

22 3. Three well service industry representatives appointed by the
23 Governor;

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1 4. Three representatives appointed by the Presidents of the
2 University of Oklahoma, Oklahoma State University and the University
3 of Tulsa; and

4 5. The Secretary of Energy, who shall serve as the chair of the
5 Board.

6 C. Members of the Board shall receive no compensation for their
7 service but may be eligible for necessary and actual travel
8 reimbursement in accordance with the State Travel Reimbursement Act.
9 Appointments to the Board shall be made within ninety (90) days
10 following the effective date of this act. Appointments to the Board
11 shall be for two-year terms, and appointees shall be eligible to
12 serve for no more than two consecutive terms. Members shall serve
13 at the pleasure of their appointing authority. Vacancies on the
14 Board shall be filled by the original appointing authority within
15 thirty (30) days following such vacancy. The Secretary of Energy
16 shall call the first meeting of the Board and determine a meeting
17 schedule.

18 D. The Board is authorized to promulgate rules and shall be
19 responsible for establishing procedures and operations of the Board.
20 Such procedures and operations shall be established as rules
21 promulgated by the Board pursuant to the requirements of the
22 Administrative Procedures Act. Such rules may provide for
23 protection from public disclosure of trade secrets and proprietary
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1 information of any kind, including, but not limited to, data,
2 processes and technology, as the Board determines necessary.

3 E. The Secretary of Energy shall be responsible for
4 administration of public and private funds appropriated or donated
5 to this Board pursuant to the requirements of state law and the
6 provisions of this act. The Board may receive assistance and
7 cooperation from any other state entity as they deemed necessary and
8 appropriate.

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

13 Passed the House of Representatives the 12th day of March, 2008.

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Presiding Officer of the House of
Representatives

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18 Passed the Senate the ____ day of _____, 2008.

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Presiding Officer of the Senate

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