

1 STATE OF OKLAHOMA

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

3 SENATE BILL 1391

By: Crutchfield

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6 AS INTRODUCED

7 An Act relating to environment and natural resources;  
8 creating the Oklahoma Energy Efficiency and Emission  
9 Reduction Program; stating purpose; stating  
10 legislative findings and intent; stating purpose for  
11 certain funds; providing for Department to award  
12 grants for certain purposes; stating procedures;  
13 restricting amount of certain grants; providing for  
14 administration; requiring Department of Environmental  
15 Quality to produce certain reports by certain date;  
16 providing for codification; providing an effective  
17 date; and declaring an emergency.

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

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

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

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

11 C. 1. The Oklahoma Legislature states its intent to fund the  
12 Oklahoma Energy Efficiency and Emission Reduction Program initially  
13 with an appropriation of Five Million Dollars (\$5,000,000.00) from  
14 the General Revenue Fund of the State Treasury for the fiscal year  
15 ending June 30, 2009.

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

23 3. Grants awarded under the Program shall be limited to ninety-  
24 five percent (95%) of the direct project costs in the case of

1 governmental entities and seventy-five percent (75%) of the direct  
2 project costs in the case of nongovernmental entities.

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

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

1 place of participation in the Program and the nature  
2 of the funded project.

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

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

15 D. Not more than One Hundred Thousand Dollars (\$100,000.00)  
16 annually of the amount appropriated by the Legislature for the  
17 Oklahoma Energy Efficiency and Emission Reduction Program shall be  
18 used by the Department for personnel and other costs associated with  
19 administration and management of the Program, and for providing  
20 technical assistance to entities applying for and participating in  
21 the Program.

22 E. On or before September 1, 2009, and by September 1 each year  
23 thereafter, the Department shall submit to the Governor, the Speaker  
24 of the House of Representatives, and the President Pro Tempore of

1 the Senate a report on the Oklahoma Energy Efficiency and Emission  
2 Reduction Program. The report shall outline program expenditures,  
3 estimate emission reductions achieved, and health or environmental  
4 benefits associated with those reductions for the previous fiscal  
5 year, and any other information the Department determines is  
6 necessary to aid the Governor and Legislature in evaluating the  
7 program.

8 SECTION 2. This act shall become effective July 1, 2008.

9 SECTION 3. 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.

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