

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1627

6 By: Bingman of the Senate

7 and

8 Peters of the House

9 COMMITTEE SUBSTITUTE

10 An Act relating to energy; creating the Oklahoma
11 Energy Initiative Act; providing short title; stating
12 purpose; authorizing Initiative to accept funding
13 from certain sources for certain purposes; creating
14 the Oklahoma Energy Initiative Board; stating
15 membership; providing for appointments; stating
16 terms; providing for travel reimbursement; requiring
17 Board to establish procedures for Initiative;
18 authorizing Board to distribute funding; requiring
19 certain annual reports; providing exemption from
20 certain purchasing requirements; limiting liability
21 for board members; creating revolving fund; providing
22 for distribution of funds; authorizing Initiative to
23 accept certain donations; providing for codification;
24 and declaring an emergency.

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 802.1 of Title 17, unless there
is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Energy
Initiative Act".

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 802.2 of Title 17, unless there
3 is created a duplication in numbering, reads as follows:

4 A. There is hereby created the Oklahoma Energy Initiative,
5 referred to in this act as the Initiative, which shall serve as a
6 strategic program designed to create, advance, and promote new and
7 existing energy research and development efforts related to
8 Oklahoma's core energy competencies by:

9 1. Promoting research and development in the areas of
10 conventional and unconventional oil and natural gas development and
11 production, CO₂ enhanced oil recovery, wind forecasting, advanced
12 biofuels, energy storage, water management, energy policy and
13 economic analysis, energy system optimization, renewable energy
14 integration into the electrical grid, and similar energy
15 technologies;

16 2. Fostering communication and collaboration between state and
17 federal governmental agencies, institutions of higher education,
18 nonprofit research institutions, and private entities located
19 throughout Oklahoma;

20 3. Advancing research and development programs that provide
21 benefits to all industries and regions of the state;

22 4. Streamlining research and development efforts between
23 private and public industry to create synergistic relationships that
24 coordinate, not duplicate, research efforts;

1 5. Establishing Oklahoma as a regional resource and
2 clearinghouse for transformative energy technologies in the areas of
3 traditional energy and renewable resource research and development;

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

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

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

12 B. The Initiative may receive assistance from any state agency
13 or public entity to implement the provisions of the Oklahoma Energy
14 Initiative Act, including, but not limited to, administrative
15 assistance, staffing or legal counsel and provision of office space
16 or equipment as necessary. Assistance agreements may be made by
17 memorandums of understanding or as otherwise provided by law.

18 SECTION 3. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 802.3 of Title 17, unless there
20 is created a duplication in numbering, reads as follows:

21 A. The Oklahoma Energy Initiative shall be administered and
22 governed by the Oklahoma Energy Initiative Board, made up of
23 representatives of the contributing institutions of the Initiative
24 which initially shall be the University of Oklahoma, Oklahoma State

1 University, Oklahoma City University, Tulsa University, and the
2 Noble Foundation. Additional contributing institutions may be added
3 at the discretion of the Board, as such institutions contribute to
4 the purpose, objectives and research coordinated by the Initiative.
5 Additional contributing institutions may include state, federal, and
6 private agencies, institutions of higher education, nonprofit
7 research institutions, and private entities.

8 B. The Board shall initially consist of eight (8) members as
9 follows:

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

13 2. One member of the Senate shall be appointed by the President
14 Pro Tempore of the Senate;

15 3. One member of the House of Representatives shall be
16 appointed by the Speaker of the House of Representatives;

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

20 5. One member shall be the Vice President of Research from
21 Oklahoma State University or a member otherwise appointed by the
22 President of Oklahoma State University;

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1 6. One member shall be the Vice President of Research from
2 Tulsa University or a member otherwise appointed by the President of
3 the University of Tulsa;

4 7. One member shall be the Vice President of Research from
5 Oklahoma City University or a member otherwise appointed by the
6 President of Oklahoma City University; and

7 8. One member shall be appointed by the President of the Samuel
8 Roberts Noble Foundation.

9 C. Board members shall serve for a term of four (4) years,
10 which shall begin on January 1 of the first year of the appointment
11 and end on December 31 of the fourth year. There shall be no limit
12 to the number of consecutive terms served. If a vacancy should
13 occur during a member's term, the appointing authority for the
14 vacant position shall appoint a new member to fill the remainder of
15 the unexpired term. Board members shall serve without compensation
16 but may be eligible for necessary travel expenses pursuant to the
17 State Travel Reimbursement Act. Legislators appointed to the Board
18 shall be eligible to receive reimbursement pursuant to Section 456.3
19 of Title 74 of the Oklahoma Statutes.

20 D. The Board shall be responsible for establishing procedures
21 for the Initiative and operations of the Board. The rules may
22 provide for protection from public disclosure of trade secrets and
23 proprietary information of any kind, including, but not limited to,
24 data, processes and technology, as the Board determines necessary.

1 E. The Board shall undertake activities and commission
2 programs, through the contributing institutions, to achieve the
3 purpose and satisfy the objectives of the Initiative as provided in
4 the Oklahoma Energy Initiative Act. The Board shall have authority
5 to distribute funding for such activities and programs. The Board
6 may employ staff as it deems necessary.

7 F. The Board shall prepare an annual, written report to
8 summarize the annual progress of the Initiative, including summaries
9 of its programs and their progress and outcomes. The report shall
10 be made available to the public and shall be distributed to the
11 Governor, the President Pro Tempore of the Senate, and the Speaker
12 of the House of Representatives.

13 G. The provisions of the Oklahoma Central Purchasing Act shall
14 not apply to any project, activity or contract of the Initiative or
15 the Board.

16 H. No Board member or any person acting on behalf of the Board
17 or Initiative executing any contracts, commitments or agreements
18 issued by or on behalf of the Oklahoma Energy Initiative shall be
19 personally liable for the contracts, commitments, or agreements or
20 be subject to any personal liability or accountability by reason
21 thereof. No director or any person acting on behalf of the Board
22 or Initiative shall be personally liable for damage or injury
23 resulting from the performance of duties hereunder.

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1 SECTION 3. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 802.3 of Title 17, unless there
3 is created a duplication in numbering, reads as follows:

4 A. There is hereby created the in the State Treasury a
5 revolving fund for the Oklahoma Energy Initiative to be designated
6 as the "Oklahoma Energy Initiative Revolving Fund". The fund shall
7 be a continuing fund, not subject to fiscal year limitations, and
8 shall consist of all monies received by the Secretary of Energy or
9 any other entity authorized to accept or expend funds on behalf of
10 the Oklahoma Energy Initiative from any authorized source. All
11 monies accruing to the credit of the fund are hereby appropriated
12 and may be budgeted and expended by the Oklahoma Energy Initiative
13 for the purpose of satisfying the objectives of the Oklahoma Energy
14 Initiative Act.

15 B. State appropriations for the Initiative shall be made as
16 otherwise provided by law and shall be directed to the Secretary of
17 Energy, or to an agency otherwise directed by the Governor, which
18 shall directly allocate the appropriations to the Initiative.

19 C. The Initiative is authorized to accept donations, grants or
20 endowments from any person, corporation or entity to achieve the
21 purpose and satisfy the objectives of the Initiative as provided by
22 this act.

23 SECTION 5. It being immediately necessary for the preservation
24 of the public peace, health and safety, an emergency is hereby

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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