ENROLLED SENATE
BILL NO. 1627

By: Bingman and Fields of the Senate

and

Peters of the House

An Act relating to energy; creating the Oklahoma Energy Initiative Act; providing short title; stating purpose; authorizing Initiative to receive assistance from certain entities; creating governing Board; stating membership; providing for appointments; stating terms; providing for travel reimbursement; stating duties of Board; requiring annual report; stating exception from certain purchasing act; limiting Board liability; creating revolving funds; authorizing Initiative to accept certain donations; providing for codification; and declaring an emergency.

SUBJECT: Energy development

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".

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

A. There is hereby created the Oklahoma Energy Initiative, referred to in this act as the Initiative, which shall serve as a

strategic program designed to create, advance, and promote new and existing energy research and development efforts related to Oklahoma's core energy competencies by:

1. Promoting research and development in the areas of conventional and unconventional oil and natural gas development and production, $CO_2$ enhanced oil recovery, wind forecasting, advanced biofuels, energy storage, water management, energy policy and economic analysis, energy system optimization, renewable energy integration into the electrical grid, and similar energy technologies;

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

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

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

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

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

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

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

B. The Initiative may receive assistance from any state agency or public entity to implement the provisions of the Oklahoma Energy Initiative Act, including, but not limited to, administrative

assistance, staffing or legal counsel and provision of office space or equipment as necessary. Assistance agreements may be made by memorandums of understanding or as otherwise provided by law.

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

A. The Oklahoma Energy Initiative shall be administered and governed by the Oklahoma Energy Initiative Board, made up of representatives of the contributing institutions of the Initiative which initially shall be the University of Oklahoma, Oklahoma State University, Oklahoma City University, the University of Tulsa, and the Noble Foundation. Additional contributing institutions may be added at the discretion of the Board, as such institutions contribute to the purpose, objectives and research coordinated by the Initiative. Additional contributing institutions may include state, federal, and private agencies, institutions of higher education, nonprofit research institutions, and private entities.

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

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

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

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

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

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

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

7. One member shall be the Vice President of Research from Oklahoma City University or a member otherwise appointed by the Speaker of the House of Representatives; and

8. One member who shall represent the Samuel Roberts Noble Foundation appointed by the President Pro Tempore of the Senate.

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

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

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

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

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

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

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 802.4 of Title 17, unless there is created a duplication in numbering, reads as follows:

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

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

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

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

declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 7th day of May, 2012.

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Presiding Officer of the Senate

Passed the House of Representatives the 24th day of April, 2012.

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Presiding Officer of the House
of Representatives