

1 **SENATE FLOOR VERSION**

2 February 27, 2012

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1627

By: Bingman of the Senate

and

Peters of the House

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9 [energy - creating the Oklahoma Energy Initiative
10 Act - codification - emergency]

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

14 SECTION 1. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 802.1 of Title 17, unless there
16 is created a duplication in numbering, reads as follows:

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

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

22 A. There is hereby created the Oklahoma Energy Initiative,
23 referred to in this act as the Initiative, which shall serve as a
24 strategic program designed to create, advance, and promote new and

1 existing energy research and development efforts related to
2 Oklahoma's core energy competencies by:

3 1. Promoting research and development in the areas of
4 conventional and unconventional oil and natural gas development and
5 production, CO₂ enhanced oil recovery, wind forecasting, advanced
6 biofuels, energy storage, water management, energy policy and
7 economic analysis, energy system optimization, renewable energy
8 integration into the electrical grid, and similar energy
9 technologies;

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

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

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

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

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

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

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

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

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

16 A. The Oklahoma Energy Initiative shall be administered and
17 governed by the Oklahoma Energy Initiative Board, made up of
18 representatives of the contributing institutions of the Initiative
19 which initially shall be the University of Oklahoma, Oklahoma State
20 University, Oklahoma City University, Tulsa University, and the
21 Noble Foundation. Additional contributing institutions may be added
22 at the discretion of the Board, as such institutions contribute to
23 the purpose, objectives and research coordinated by the Initiative.
24 Additional contributing institutions may include state, federal, and

1 private agencies, institutions of higher education, nonprofit
2 research institutions, and private entities.

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

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

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

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

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

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

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

21 7. One member shall be the Vice President of Research from
22 Oklahoma City University or a member otherwise appointed by the
23 President of Oklahoma City University; and

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

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

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

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

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

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

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

18 SECTION 4. 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. There is hereby created the in the State Treasury a
22 revolving fund for the Oklahoma Energy Initiative to be designated
23 as the "Oklahoma Energy Initiative Revolving Fund". The fund shall
24 be a continuing fund, not subject to fiscal year limitations, and

1 shall consist of all monies received by the Secretary of Energy or
2 any other entity authorized to accept or expend funds on behalf of
3 the Oklahoma Energy Initiative from any authorized source. All
4 monies accruing to the credit of the fund are hereby appropriated
5 and may be budgeted and expended by the Oklahoma Energy Initiative
6 for the purpose of satisfying the objectives of the Oklahoma Energy
7 Initiative Act.

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

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

16 SECTION 5. It being immediately necessary for the preservation
17 of the public peace, health and safety, an emergency is hereby
18 declared to exist, by reason whereof this act shall take effect and
19 be in full force from and after its passage and approval.

20 COMMITTEE REPORT BY: COMMITTEE ON ENERGY, dated 2-23-12 - DO PASS,
21 As Amended and Coauthored.

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