

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 54th Legislature (2013)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1656

By: Morrissette of the House

and

Wyrick of the Senate

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10 COMMITTEE SUBSTITUTE

11 An Act relating to woody biomass; amending Sections 2
12 and 3, Chapter 247, O.S.L. 2012 (17 O.S. Supp. 2012,
13 Sections 802.2 and 802.3), which relate to the
14 Oklahoma Energy Initiative Act; adding certain duties
15 to the Oklahoma Energy Initiative relating to woody
16 biomass energy production; expanding the membership
17 of the Oklahoma Energy Initiative Board; directing
18 the Board to establish a woody biomass working group;
19 and declaring an emergency.

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

21 SECTION 1. AMENDATORY Section 2, Chapter 247, O.S.L.
22 2012 (17 O.S. Supp. 2012, Section 802.2), is amended to read as
23 follows:
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1 Section 802.2 A. There is hereby created the Oklahoma Energy
2 Initiative, referred to in this act as the Initiative, which shall
3 serve as a strategic program designed to create, advance, and
4 promote new and existing energy research and development efforts
5 related to Oklahoma's core energy competencies by:

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

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

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

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

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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. Develop a renewable woody biomass energy usage plan that
5 will include appropriate harvesting and fuel-burning guidelines and
6 techniques for the use of biomass for energy production;

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

9 ~~7.~~ 8. Coordinating with the Oklahoma Department of Commerce to
10 enhance venture capital investment in energy-related research and
11 business opportunities; and

12 ~~8.~~ 9. Promoting seed funding that can be leveraged against
13 state, federal, and private-source funding to establish sufficient
14 startup resources.

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

21 SECTION 2. AMENDATORY Section 3, Chapter 247, O.S.L.
22 2012 (17 O.S. Supp. 2012, Section 802.3), is amended to read as
23 follows:
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1 Section 802.3 A. The Oklahoma Energy Initiative shall be
2 administered and governed by the Oklahoma Energy Initiative Board,
3 made up of representatives of the contributing institutions of the
4 Initiative which initially shall be the University of Oklahoma,
5 Oklahoma State University, Oklahoma City University, the University
6 of Tulsa, and the Noble Foundation. Additional contributing
7 institutions may be added at the discretion of the Board, as such
8 institutions contribute to the purpose, objectives and research
9 coordinated by the Initiative. Additional contributing institutions
10 may include state, federal, and private agencies, institutions of
11 higher education, nonprofit research institutions, and private
12 entities.

13 B. The Board shall initially consist of ~~eight (8)~~ fifteen (15)
14 members as follows:

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

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

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

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

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

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

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

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

14 9. One member shall be an employee of the Oklahoma Department
15 of Commerce appointed by the Director of the Oklahoma Department of
16 Commerce;

17 10. One member shall have experience in the financing of public
18 development projects to be appointed by the Governor;

19 11. One member shall have experience in marketing to be
20 appointed by the Governor;

21 12. Two members who have served on a board of directors of a
22 nonprofit entity and who have experience in strategic planning and
23 board development; and

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1 13. Two members who have served on a board of directors of a
2 corporation located in Oklahoma who have experience in strategic
3 planning and board development.

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

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

20 E. The Board shall undertake activities and commission
21 programs, through the contributing institutions, to achieve the
22 purpose and satisfy the objectives of the Initiative as provided in
23 the Oklahoma Energy Initiative Act. The Board shall establish a
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1 working group of members which shall be responsible for developing
2 the renewable woody biomass energy usage plan. The Board shall have
3 authority to distribute funding for such activities and programs.
4 The Board may employ staff as it deems necessary.

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

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

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

22 SECTION 3. It being immediately necessary for the preservation
23 of the public peace, health and safety, an emergency is hereby

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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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4 COMMITTEE REPORT BY: COMMITTEE ON ENERGY AND AEROSPACE, dated
5 02/28/2013 - DO PASS, As Amended and Coauthored.

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