

1 ENGROSSED SENATE  
2 BILL NO. 1569

By: Rader of the Senate

3 and

4 Boles of the House

5  
6 An Act relating to the Oklahoma Carbon Sequestration  
7 Enhancement Act; amending 27A O.S. 2021, Sections 3-  
8 4-101, 3-4-102, and 3-4-105, which relate to duties  
9 of the Oklahoma Conservation Commission; clarifying  
jurisdiction of the Commission as it relates to  
carbon sequestration; conforming language; updating  
statutory reference; and providing an effective date.

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

13 SECTION 1. AMENDATORY 27A O.S. 2021, Section 3-4-101, is  
14 amended to read as follows:

15 Section 3-4-101. A. This article shall be known and may be  
16 cited as the "Oklahoma Carbon Sequestration Enhancement Act".

17 B. The Oklahoma Legislature finds that:

18 1. Increasing levels of carbon dioxide and other gases in the  
19 atmosphere have led to growing interest in national and  
20 international forums for implementing measures to slow and reverse  
21 the buildup of such atmospheric constituents. These measures may  
22 include, but are not limited to, the establishment of systems of  
23 trading in carbon dioxide credits or adoption of practices,

1 technologies, or other measures which decrease the concentration of  
2 carbon dioxide in the atmosphere and improve air quality;

3 2. Carbon sequestration practices have great potential to  
4 increase carbon sequestration and help offset the impact of carbon  
5 dioxide emissions on carbon dioxide concentrations in the  
6 atmosphere; and

7 3. It is in the interest of the citizens of this state that the  
8 Oklahoma Conservation Commission document and quantify carbon  
9 sequestration associated with terrestrial and agricultural carbon  
10 sequestration practices. The provisions of this act shall not  
11 include geologic carbon sequestration occurring in Underground  
12 Injection Control (UIC) Class II or Class VI projects.

13 C. It is the intent of the Legislature that such efforts to  
14 document and quantify carbon sequestration associated with  
15 terrestrial and agricultural carbon sequestration practices will  
16 enhance the ability of the state's landowners, ~~well owners and~~  
17 ~~mineral owners~~ to participate in any system of carbon dioxide  
18 emissions marketing or trading that may be developed in the future.

19 D. For purposes of ~~this act~~ the Oklahoma Carbon Sequestration  
20 Enhancement Act, "carbon sequestration practices" and "carbon  
21 capture and storage practices" shall mean and include:

22 1. Improved agricultural practices, including, but not limited  
23 to, decreasing soil tillage, planting and managing vegetation,  
24 growing agricultural crops, or managing any existing vegetated area;

2. Improved natural resources conservation practices, including, but not limited to, vegetation, revegetation, forestation, afforestation, and reforestation on rangeland and other agricultural and nonagricultural lands;

~~3. Practices involving the capture and sequestration or storage of carbon dioxide emissions through carbon dioxide injection in producing oil or gas wells, abandoned oil or gas wells, or other wells;~~

~~4.~~ Other improved methods of stewardship for the natural resources of ~~Oklahoma~~ this state; and

~~5.~~ 4. Other terrestrial and agricultural methods of sequestering, displacing, or avoiding carbon dioxide emissions approved by the Oklahoma Conservation Commission.

SECTION 2. AMENDATORY 27A O.S. 2021, Section 3-4-102, is amended to read as follows:

Section 3-4-102. The Oklahoma Conservation Commission shall:

1. Encourage the production of educational and advisory materials regarding terrestrial and agricultural carbon sequestration and storage and the opportunities to participate in ~~any~~ a related system of carbon dioxide emissions trading or marketing that may be developed in the future; and

2. Identify areas of research needed to better understand and quantify terrestrial and agricultural carbon sequestration and

1 storage involved in terrestrial and agricultural carbon  
2 sequestration practices within the state.

3 SECTION 3. AMENDATORY 27A O.S. 2021, Section 3-4-105, is  
4 amended to read as follows:

5 Section 3-4-105. A. The Oklahoma Conservation Commission is  
6 hereby authorized to establish and administer the terrestrial and  
7 agricultural carbon sequestration certification program. The  
8 purposes of the program are to provide a mechanism for creating and  
9 preserving carbon reserves in this state by encouraging voluntary  
10 practices that protect or improve natural resources, to enable  
11 Oklahomans to participate in market-based programs for natural  
12 resource protection, to provide a mechanism for Oklahomans to  
13 benefit from the ecosystem services they provide, to verify carbon  
14 sequestration or storage associated with terrestrial and  
15 agricultural carbon sequestration practices, and to issue carbon  
16 sequestration certificates associated with terrestrial and  
17 agricultural carbon sequestration practices that the Commission  
18 determines qualify for such certificates.

19 B. The Commission, in consultation with the Department of  
20 Environmental Quality and with the advice of the terrestrial and  
21 agricultural carbon sequestration stakeholder groups appointed by  
22 the Commission, shall develop and promulgate rules as necessary to  
23 administer, implement, and enforce the provisions of ~~this act~~  
24 Section 3-4-101 et seq. of this title, including, but not limited

1 to, developing and implementing uniform standards and criteria for  
2 verifying carbon sequestration and storage associated with  
3 terrestrial and agricultural carbon sequestration practices and  
4 issuing carbon sequestration certificates associated with approved  
5 terrestrial and agricultural carbon sequestration practices. In  
6 promulgating the rules, the Commission shall develop the program to  
7 be as consistent as possible with other governmental programs  
8 designed to create carbon reserves for the purpose of voluntarily  
9 reducing greenhouse gases or designed to certify terrestrial and  
10 agricultural carbon sequestration practices.

11 C. In order for terrestrial and agricultural carbon  
12 sequestration to be verified and certified under this section, an  
13 applicant shall file an application with the Commission. Along with  
14 the application, the applicant shall submit a resource management  
15 plan, or a project plan as applicable, detailing activities that  
16 will increase or maintain existing trapped carbon including, but not  
17 limited to, improved forest management, alteration of or changes in  
18 silviculture practices, and growing of designated crops and any  
19 other such terrestrial and agricultural carbon sequestration  
20 ~~practices including, but not limited to, the capture and~~  
21 ~~sequestration of carbon dioxide emissions through injection of~~  
22 ~~carbon dioxide underground.~~

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1 D. The Commission shall require applicants to submit such  
2 information, forms, and reports as are necessary to properly and  
3 efficiently administer the program.

4 E. Prior to granting a carbon sequestration certificate, the  
5 Commission shall adopt criteria associated with the approved  
6 terrestrial and agricultural carbon sequestration practice for which  
7 an application is submitted. In addition, the Commission shall  
8 determine, based upon compliance with the site criteria, the volume  
9 or numerical amount of credits or offsets achievable by the specific  
10 terrestrial and agricultural carbon sequestration practice.

11 F. Applications for a terrestrial and agricultural carbon  
12 sequestration certificate shall be approved or denied in accordance  
13 with criteria promulgated by the Commission.

14 G. The Commission is authorized to establish fees associated  
15 with the terrestrial and agricultural carbon sequestration  
16 certification program.

17 SECTION 4. This act shall become effective November 1, 2024.  
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1 Passed the Senate the 7th day of March, 2024.

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3 \_\_\_\_\_  
4 Presiding Officer of the Senate

5 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
6 2024.

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9 Presiding Officer of the House  
10 of Representatives