

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

SENATE BILL 1569

By: Rader

AS INTRODUCED

An Act relating to the Oklahoma Carbon Sequestration Enhancement Act; amending 27A O.S. 2021, Sections 3-4-101, 3-4-102, and 3-4-105, which relate to duties 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.

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

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

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

B. The Oklahoma Legislature finds that:

1. Increasing levels of carbon dioxide and other gases in the atmosphere have led to growing interest in national and international forums for implementing measures to slow and reverse the buildup of such atmospheric constituents. These measures may include, but are not limited to, the establishment of systems of 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;

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

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

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

11 ~~5.~~ 4. Other terrestrial and agricultural methods of
12 sequestering, displacing, or avoiding carbon dioxide emissions
13 approved by the Oklahoma Conservation Commission.

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

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

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

22 2. Identify areas of research needed to better understand and
23 quantify terrestrial and agricultural carbon sequestration and
24

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.~~

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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