

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                   STATE OF OKLAHOMA

3                   1st Session of the 60th Legislature (2025)

4                   ENGROSSED SENATE  
5                   BILL NO. 897

6                   By: Bergstrom of the Senate

7                   and

8                   Kendrix of the House

9                   An Act relating to the Corporation Commission;  
10                  amending 17 O.S. 2021, Section 180.10, which relates  
11                  to the Corporation Commission Plugging Fund;  
12                  modifying termination date of fund; updating  
13                  statutory language; and providing an effective date.

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

15                  SECTION 1.       AMENDATORY       17 O.S. 2021, Section 180.10, is  
16                  amended to read as follows:

17                  Section 180.10. A. There is hereby created in the State  
18                  Treasury a fund for the Corporation Commission to be designated the  
19                  "Corporation Commission Plugging Fund". The plugging fund shall  
20                  consist of monies received by the Corporation Commission as required  
21                  by law to be deposited to the credit of said the fund. The fund  
22                  shall be a continuing fund not subject to fiscal year limitations  
23                  and shall not be subject to legislative appropriations.

24                  Expenditures from the plugging fund shall be made pursuant to the

1 laws of this state and the statutes relating to the Corporation  
2 Commission. For each fiscal year, the Commission may expend not  
3 more than eight percent (8%) of the total amount deposited to the  
4 credit of the plugging fund during the previous fiscal year for the  
5 purpose of responding to occurrences of seeping natural gas as  
6 provided for in Section 317.1 of Title 52 of the Oklahoma Statutes.  
7 In addition, expenditures from the plugging fund may be made  
8 pursuant to the Oklahoma Central Purchasing Act, Section 85.1 et  
9 seq. of Title 74 of the Oklahoma Statutes, for purposes of  
10 immediately responding to emergency situations, within the  
11 Commission's jurisdiction, having potentially critical environmental  
12 or public safety impact. Warrants for expenditures from the fund  
13 shall be drawn by the State Treasurer, based on claims signed by an  
14 authorized employee of the Corporation Commission and approved for  
15 payment by the Director of the Office of Management and Enterprise  
16 Services. The provisions of this act or rules promulgated pursuant  
17 thereto, shall not be construed to relieve or in any way diminish  
18 the surety bonding requirements required by Section 318.1 of Title  
19 52 of the Oklahoma Statutes.

20       B. Prior to ~~July 1, 2026~~ July 1, 2031, the plugging fund shall  
21 be maintained at Five Million Dollars (\$5,000,000.00). If the  
22 plugging fund falls below the five-million-dollar maintenance level,  
23 the Corporation Commission shall notify the Oklahoma Tax Commission  
24 that the plugging fund has fallen below the required maintenance

1 level and that the excise tax which has been levied by subsection A  
2 of Section 1101 of Title 68 of the Oklahoma Statutes and subsection  
3 A of Section 1102 of Title 68 of the Oklahoma Statutes which is  
4 credited and apportioned to the Corporation Commission Plugging Fund  
5 pursuant to Section 1103 of Title 68 of the Oklahoma Statutes is to  
6 be imposed. Such additional excise tax shall be imposed and  
7 collected until such time as is necessary to meet the additional  
8 five-million-dollar maintenance level. The Tax Commission shall  
9 notify the persons responsible for payment of the excise tax on oil  
10 and gas of the imposition of such tax. The provisions of this  
11 subsection shall terminate on ~~July 1, 2026~~ July 1, 2031.

12 SECTION 2. This act shall become effective November 1, 2025.

13  
14 COMMITTEE REPORT BY: COMMITTEE ON ADMINISTRATIVE RULES, dated  
04/08/2025 - DO PASS.  
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