

**DRAFT ONLY  
NOT APPROVED FOR  
INTRODUCTION**

HOUSE BILL NO.

Carbon dioxide-enhanced oil recovery stimulus.

Sponsored by: Joint Minerals, Business & Economic  
Development Interim Committee

A BILL

for

1 AN ACT relating to the administration of the government;  
2 providing an enhanced oil recovery stimulus for the use of  
3 carbon dioxide in enhanced oil recovery; specifying  
4 conditions and requirements for the stimulus; providing for  
5 the administration of the stimulus; creating an account;  
6 requiring reports; requiring transfers of funds;  
7 authorizing rulemaking; providing an appropriation; and  
8 providing for an effective date.

9

10 *Be It Enacted by the Legislature of the State of Wyoming:*

11

1           **Section 1.** W.S. 9-25-101 through 9-25-104 are created  
2 to read:

3

4

CHAPTER 25

5

CARBON DIOXIDE AND ENHANCED OIL RECOVERY STIMULUS

6

7

**9-25-101. Definitions.**

8

9

(a) As used in this chapter:

10

11

(i) "Authority" means the Wyoming energy  
12 authority;

13

14

(ii) "Carbon capture, utilization and storage  
15 technology" means technology that has the principal purpose  
16 of capturing, reusing, storing, sequestering or using  
17 carbon dioxide emissions to prevent carbon dioxide from  
18 entering the atmosphere;

19

20

(iii) "Carbon dioxide provider" means a person  
21 that captures generated, emitted or produced carbon  
22 dioxide;

23

1           (iv) "Enhanced oil and gas recovery" means all  
2 existing and future technologies or methods to recover oil  
3 and gas beyond traditional primary and secondary methods,  
4 including technology to optimize development and recovery  
5 of oil and gas resources;

6

7           (v) "Stimulus" means the enhanced oil recovery  
8 stimulus created by this chapter.

9

10           **9-25-102. Enhanced oil recovery stimulus;**  
11 **requirements; qualifications.**

12

13           (a) Any carbon dioxide provider may apply for and  
14 receive an enhanced oil recovery stimulus in accordance  
15 with all of the following:

16

17           (i) The carbon dioxide provider seeking the  
18 stimulus shall complete an application for the stimulus on  
19 a form and in intervals prescribed by the authority. A  
20 carbon dioxide provider may request from the authority a  
21 preapplication determination of eligibility for the  
22 stimulus under this chapter;

23

1           (ii) To qualify for the stimulus:

2

3           (A) The carbon dioxide shall be captured by  
4 the carbon dioxide provider through the use of carbon  
5 capture, utilization and storage technology;

6

7           (B) The carbon dioxide provider shall sell,  
8 deliver or provide the captured carbon dioxide for use in  
9 enhanced oil and gas recovery projects in Wyoming; and

10

11           (C) The crude oil or natural gas produced  
12 from enhanced oil and gas recovery shall be produced using  
13 carbon dioxide specified in subparagraphs (A) and (B) of  
14 this paragraph.

15

16           (iii) The captured carbon dioxide provided by  
17 the carbon dioxide provider and used in the enhanced oil  
18 and gas recovery production of the crude oil or natural gas  
19 shall be from a carbon dioxide source originating within  
20 the state of Wyoming;

21

22           (iv) The carbon capture, utilization and storage  
23 technology and the captured carbon dioxide specified in

1 paragraph (iii) of this subsection that is used in the  
2 enhanced oil and gas recovery production of the crude oil  
3 or natural gas shall qualify for the federal tax credit  
4 available for carbon oxide sequestration under 26 U.S.C.  
5 45Q, as amended as of January 1, 2023;

6

7 (v) The carbon dioxide provider shall qualify  
8 for and receive the federal tax credit under 26 U.S.C. 45Q  
9 before receiving the stimulus authorized under this  
10 chapter;

11

12 (vi) To ensure that the enhanced oil and gas  
13 recovery production and the use of a carbon dioxide  
14 provider's captured carbon dioxide satisfies the conditions  
15 specified in this subsection, the authority may consult  
16 with any federal or state agency necessary before approving  
17 the stimulus authorized under this chapter.

18

19 (b) Subject to available funding, the stimulus that  
20 is available to a carbon dioxide provider shall, subject to  
21 subsection (d) of this section, be equal to ten dollars  
22 (\$10.00) for every one (1) ton of carbon dioxide that:

23

1           (i) The carbon dioxide provider sells or  
2 delivers for use in enhanced oil and gas recovery; and

3

4           (ii) Is stored through the enhanced oil and gas  
5 recovery production that meets the requirements of this  
6 section.

7

8           (c) The stimulus shall be available to a carbon  
9 dioxide provider until the date that the carbon dioxide  
10 provider no longer qualifies for the federal tax credit  
11 under 26 U.S.C. 45Q.

12

13           (d) The stimulus shall be paid from funds in the  
14 enhanced oil recovery stimulus account created in W.S.  
15 9-25-104, subject to available funds within the account.  
16 The stimulus shall not be paid from any other source except  
17 upon express approval by legislative act. In the event of  
18 insufficient funds in the enhanced oil recovery stimulus  
19 account established in W.S. 9-25-104 for any one (1) fiscal  
20 year, stimulus payments shall be prorated.

21

22           **9-25-103. Enhanced oil recovery stimulus;**  
23 **administration; reporting.**

1

2 (a) The authority shall administer the stimulus and  
3 shall ensure that each carbon dioxide provider applying to  
4 receive a stimulus meets all qualifications under this  
5 chapter before receiving a stimulus. The authority shall  
6 promulgate all rules necessary to implement the stimulus  
7 program.

8

9 (b) Upon determining each carbon dioxide provider's  
10 eligibility to receive a stimulus, the authority shall  
11 report the eligibility to the governor and the state  
12 auditor. Upon receiving a report from the authority, the  
13 state auditor shall disburse funds from the enhanced oil  
14 recovery stimulus account established in W.S. 9-25-104 to  
15 the carbon dioxide provider in an amount equal to the  
16 stimulus to which the provider is entitled under this  
17 chapter.

18

19 (c) Not later than November 1 of each year, the  
20 authority shall report to the joint revenue interim  
21 committee and the joint minerals, business and economic  
22 development interim committee on the amount of stimulus  
23 funds paid from the enhanced oil recovery stimulus account

1 for the immediately preceding fiscal year and any  
2 associated revenue impacts from the stimulus payments.

3

4 **9-25-104. Enhanced oil recovery stimulus account;**  
5 **administration; fund transfers; severance tax reporting.**

6

7 (a) There is created the enhanced oil recovery  
8 stimulus account. Funds in the account shall be invested by  
9 the state treasurer in accordance with law. All earnings  
10 earned on funds within the account shall be deposited in  
11 the account. Subject to subsection (b) of this section,  
12 funds within the account are continuously appropriated to  
13 the governor to be expended only for providing stimulus  
14 payments to carbon dioxide providers in accordance with  
15 this chapter.

16

17 (b) If there is no expenditure of any funds from the  
18 enhanced oil recovery stimulus account before July 1, 2034,  
19 then all funds in the enhanced oil recovery stimulus  
20 account shall revert to the legislative stabilization  
21 reserve account on July 1, 2034.

22



1           (c) Not later than August 1, 2025 and each August 1  
2 thereafter, the department of revenue shall report to the  
3 governor, the state auditor, the authority, the joint  
4 appropriations committee and the joint minerals, business  
5 and economic development interim committee on the amount of  
6 severance taxes remitted to the department under W.S.  
7 39-14-204(a)(iv), plus one-half (1/2) of the amount of  
8 severance tax remitted under W.S. 39-14-204(a)(iii), as a  
9 result of crude oil and natural gas produced using enhanced  
10 oil and gas recovery techniques and using captured carbon  
11 dioxide for which a stimulus is provided under this  
12 chapter.

13

14           (d) Not later than September 1, 2025 and each  
15 September 1 thereafter, the state auditor shall transfer  
16 the amount of funds reported by the department of revenue  
17 under subsection (c) of this section for the immediately  
18 preceding fiscal year from the general fund to:

19

20           (i) The legislative stabilization reserve  
21 account, subject to paragraph (ii) of this subsection;

22

1           (ii) After a total of ten million dollars  
2 (\$10,000,000.00) is transferred to the legislative  
3 stabilization reserve account under paragraph (i) of this  
4 subsection, the enhanced oil recovery stimulus account.

5

6           **Section 2.** There is appropriated from the legislative  
7 stabilization reserve account to the enhanced oil recovery  
8 stimulus account established by W.S. 9-25-104, as created  
9 by section 1 of this act, ten million dollars  
10 (\$10,000,000.00). This appropriation shall be expended only  
11 for purposes of providing stimulus payments for the  
12 enhanced oil recovery stimulus established in W.S. 9-25-101  
13 through 9-25-104, as created by section 1 of this act. This  
14 appropriation shall not be transferred or expended for any  
15 other purpose. Notwithstanding W.S. 9-2-1008, 9-2-1012(e)  
16 and 9-4-207, this appropriation shall not revert except as  
17 otherwise provided in W.S. 9-25-104(b), as created by  
18 section 1 of this act.

19

20           **Section 3.** This act is effective July 1, 2025.

21

22

(END)