

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

HOUSE BILL NO. 1639

By: Turner

AS INTRODUCED

An Act relating to economic development; enacting the Industrial Facilities Development Act; defining terms; authorizing applications by communities for certain funds; requiring demonstration by communities; requiring estimate of total project costs; requiring matching funds to be provided by community; requiring State Department of Agriculture to prescribe form; requiring evaluation of applications within certain period of time; prescribing procedures for approval or rejection of applications; creating the Industrial Facilities Development Fund; prohibiting relocation of manufacturing activity within state; stating purpose of expenditures from Industrial Facilities Development Fund; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2101 of Title 62, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Industrial Facilities Development Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2102 of Title 62, unless there is created a duplication in numbering, reads as follows:

As used in this act:

1. "Community" means a county, city, town or unincorporated place located within the State of Oklahoma having a population of less than ten thousand (10,000) persons, according to the latest Federal Decennial Census;

2. "Establishment" means any legally recognized business entity engaged in manufacturing;

3. "Industrial facility" means real property or personal property or fixtures attached to real property at which an establishment engages in a manufacturing activity within a community if the total area in which the manufacturing takes place does not exceed one hundred thousand (100,000) square feet; and

4. "Manufacturing" means any activity described under any Major Group classification of Division D of the Standard Industrial Classification Manual, latest version.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2103 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. A community shall be eligible to apply for matching funds from the Industrial Facilities Development Fund through the State Department of Agriculture.

B. In order to be eligible for any funding, the community must establish to the State Department of Agriculture that it:

1. Has previously demonstrated an ability to recruit new manufacturing business activity. A community may satisfy this requirement by proving that an establishment has located a manufacturing activity within the community employing at least ten

persons not more than one (1) year prior to the date as of which the community makes application for funding; or

2. Employs at least one person on a full-time basis or is benefitted by the efforts of at least one full-time employee of a local chamber of commerce or similar organization whose principal duty is the recruitment of new business activity to the community.

C. The community shall include in the application a statement of the estimated total project cost for the industrial facility. The community, or a combination of the community and the establishment for whose benefit the industrial facility will be constructed or improved, shall be required to provide matching funds equal to twenty-five percent (25%) of the total cost of the project in order to receive any funds from the Industrial Facilities Development Fund. SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2104 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. Communities making application for funds from the Industrial Facilities Development Fund shall use a form to be prescribed by the State Department of Agriculture.

B. The State Department of Agriculture shall have a period of sixty (60) days from the date an application is received in order to evaluate the application and to inform the applicant whether the application has been approved or rejected. If the application is rejected, the Department shall state the reason for the rejection.

C. Upon approval of an application, the Department shall cause the amount of the matching grant to be paid to the applicant. All funds paid pursuant to this act shall be paid to the community and shall not be paid directly to the legal entity engaged in the manufacturing activity.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2105 of Title 62, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a fund for the State Department of Agriculture to be designated the "Industrial Facilities Development Fund". The fund shall be subject to legislative appropriation and shall consist of all monies received by the Department for the implementation of the Industrial Facilities Development Act.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2106 of Title 62, unless there is created a duplication in numbering, reads as follows:

No business establishment which locates a manufacturing activity within a facility financed in any part with funding from the Industrial Facilities Development Fund shall relocate the manufacturing activity conducted at the site within the State of Oklahoma.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2107 of Title 62, unless there is created a duplication in numbering, reads as follows:

The expenditures from the Industrial Facilities Development Fund and other expenditures governed by this act, if made in accordance with the requirements of this act, shall be construed as an expenditure of public funds in furtherance of governmental functions and for the purpose of conferring general and uniform benefits resulting from the expenditures upon the residents and other legal entities located in or near the community qualifying for the receipt of the funds pursuant to this act.

SECTION 8. This act shall become effective July 1, 1997.

SECTION 9. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby

declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

46-1-5677

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