



- 1           b.    that create competitive advantages for the State of  
2                   Oklahoma in attracting and retaining industries and  
3                   thus jobs, and
- 4           c.    that hold the promise of significant modernization and  
5                   retooling that will assure the growth of the industry  
6                   in Oklahoma and, by doing so, help enlarge the tax  
7                   base and stabilize the economy of the State of  
8                   Oklahoma when there is a direct threat to the existing  
9                   revenue base and wealth of the state because existing  
10                  establishments are at risk of being lost to other  
11                  states or nations;

12        2.    The amount of incentives provided pursuant to this act in  
13    connection with a particular establishment be directly related to  
14    benefits caused by retention of jobs and investment and the placing  
15    of new investment, created as a result of the establishment  
16    modernizing and retooling in, and thereby remaining and growing in  
17    the State of Oklahoma as reflected by the economic impact,  
18    historical contributions trends, and tax revenue projections  
19    analyses;

20        3.    The Quality Investment Committee created by this act, the  
21    Oklahoma Department of Commerce and the Oklahoma Tax Commission  
22    implement the provisions of this act and exercise all powers as  
23    authorized in this act. The exercise of powers conferred by this

1 act shall be deemed and held to be the performance of essential  
2 public purposes; and

3 4. Nothing herein shall be construed to constitute a guarantee  
4 or assumption by the State of Oklahoma of any debt of any  
5 individual, company or corporation or association. Nor does this  
6 act authorize the credit of the State of Oklahoma to be given,  
7 pledged or loaned to any individual, company, corporation or  
8 association. Nothing herein shall be construed to constitute a gift  
9 by the State of Oklahoma to any individual, company, corporation or  
10 association.

11 SECTION 3. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 4203 of Title 68, unless there  
13 is created a duplication in numbering, reads as follows:

14 For purposes of the Oklahoma Quality Investment Act:

15 1. "At-risk establishments" are those manufacturing  
16 establishments presently existing in Oklahoma which the Quality  
17 Investment Committee, as defined in paragraph 7 of this section,  
18 finds would be lost within the state based on changes in global  
19 economies, establishment structure, consolidation attempts of  
20 establishments, and which are structurally noncompetitive but such  
21 position can be offset with new investment in plant and such other  
22 factors as determined on a case-by-case basis, unless incentives are  
23 offered;

1        2. "Capital costs" means costs for land, buildings,  
2        improvements to buildings, fixtures and for machinery and equipment  
3        as those terms are described in Section 2902 of Title 68 of the  
4        Oklahoma Statutes;

5        3. "Oklahoma Department of Commerce" means that agency of the  
6        state created in Section 5003.2 of Title 74 of the Oklahoma  
7        Statutes;

8        4. "Economic impact" means economic impact analyses that  
9        identify the value, in terms of sales tax and income tax revenues to  
10       the state and to the local community, that the retention, expansion  
11       or modernization of the manufacturing site provides. The Oklahoma  
12       Department of Commerce may contract for the performance of an  
13       economic impact analysis to aid it in determining whether to enter  
14       into a quality investment agreement with a particular establishment,  
15       upon recommendation of the Quality Investment Committee;

16       5. "Historical contributions trends" means analyses of  
17       historical contributions to the state and local economies that an  
18       establishment has had on growth in jobs, tax base, payroll and tax  
19       revenue. Analyses shall include consideration of positive trends  
20       attributable to suppliers of the establishment. The Oklahoma  
21       Department of Commerce may contract for the performance of a  
22       historical contributions analysis to aid it in determining whether  
23       to enter into a quality investment agreement with a particular

1 establishment, upon recommendation of the Quality Investment  
2 Committee;

3 6. "Local community" means the town or city and the county of  
4 the location of the establishment; provided, a city or town and a  
5 county may jointly constitute the local community;

6 7. "Quality Investment Committee" means a state board that  
7 consists of the following members:

- 8 a. the Director of the Oklahoma Department of Commerce,
- 9 b. the Dean of Engineering of Oklahoma State University,
- 10 c. the Director of the Oklahoma Alliance for  
11 Manufacturing Excellence,
- 12 d. the Dean of the Price Business College of the  
13 University of Oklahoma,
- 14 e. the President of the Oklahoma Center for the  
15 Advancement of Science and Technology,
- 16 f. one business representative from the Board of the  
17 Oklahoma Center for the Advancement of Science and  
18 Technology, and
- 19 g. the State Director of the Oklahoma Department of  
20 Career Technology Education;

21 8. "Tax revenue projections" means an analysis of historic  
22 taxes collected from the establishment in the local community and in

1 the state overall over the previous ten (10) years in order to  
2 determine:

- 3 a. the average of the growth percentages to determine the  
4 projected growth in such revenues to the community and  
5 the state over the following ten (10) years if no  
6 retooling occurs but retention is assumed to be a  
7 constant and remains stagnant,
- 8 b. the modernization or retooling project's estimated  
9 impact on tax revenues and growth rates over the  
10 following ten (10) years, and
- 11 c. the projections of loss in tax revenues should the  
12 plant location close and operations, in whole or in  
13 part, are removed from the state.

14 The Oklahoma Department of Commerce may contract for performance  
15 of tax revenue projections analyses to aid it in determining whether  
16 to enter into an agreement upon recommendation of the Quality  
17 Investment Committee;

18 9. "Establishment" means a manufacturer that is a partnership,  
19 limited partnership, corporation, limited liability company, limited  
20 liability partnership, or sole proprietorship. The establishment  
21 shall enter into an agreement pertaining to only one manufacturing  
22 site as that term is defined in Section 1352 of Title 68 of the  
23 Oklahoma Statutes. No combination of other locations of the

1 establishment, or any related entities of the establishment is  
2 contemplated. An establishment may have multiple contracts due to  
3 multiple sites or multiple expansions due to retooling and  
4 modernization at one site;

5 10. "NAICS Manual" means any manual, book or other publication  
6 containing the North American Industry Classification System, United  
7 States, 1997, or as updated or amended from time to time,  
8 promulgated by the Office of Management and Budget of the United  
9 States of America; and

10 11. "Start date" means the date on which an establishment may  
11 begin accruing benefits for investment of new capital costs in a  
12 manufacturing site that is assigned in the agreement with the  
13 Oklahoma Department of Commerce.

14 SECTION 4. NEW LAW A new section of law to be codified  
15 in the Oklahoma Statutes as Section 4204 of Title 68, unless there  
16 is created a duplication in numbering, reads as follows:

17 A. An establishment which meets the qualifications specified in  
18 the Oklahoma Quality Investment Act may enter into a quality  
19 investment agreement to receive annual investment payments over a  
20 five-year period from the Oklahoma Tax Commission pursuant to the  
21 provisions of the Oklahoma Quality Investment Act in an amount which  
22 shall not exceed ten percent (10%) of the amount of actual capital  
23 costs invested pursuant to a quality investment contract developed

1 and executed pursuant to this act. Economic impacts, historical  
2 contributions trends, and tax revenue projections analyses conducted  
3 by or on behalf of the Oklahoma Department of Commerce may be  
4 performed and reviewed for the purposes of determining the  
5 desirability of offering a quality investment agreement and the  
6 percentage of investment payments. Provided, investment payments  
7 shall in no event exceed ten percent (10%) of the retooling or  
8 modernization capital costs actually purchased and existing on the  
9 Oklahoma site that is the subject of the agreement. The Quality  
10 Investment Committee and the Oklahoma Department of Commerce are  
11 directed to give equal weight to retention benefits and growth  
12 benefits reflected in these analyses. Provided, a county, town or  
13 municipality in which an establishment eligible to receive annual  
14 investment payments pursuant to this section is located may join in  
15 the quality investment agreement with the state and the  
16 establishment and set out that it intends to annually appropriate a  
17 portion of local sales tax revenue that shall be included in the  
18 quality investment payments.

19        Provided further, the Department of Commerce may not enter into  
20 contracts that would result in payments from state revenues to all  
21 establishments in the program in an amount in excess of Ten Million  
22 Dollars (\$10,000,000.00) in any fiscal year. The maximum amount of



1 projected investment for purposes of a contract made pursuant to  
2 this act shall not exceed Fifty Million Dollars (\$50,000,000.00).

3 B. In order to receive investment payments, an establishment  
4 shall apply to and enter into a quality investment agreement with  
5 the Oklahoma Department of Commerce on behalf of the state and the  
6 local community when the town, city or county resolve to join with  
7 the agreement. The application shall be on a form prescribed by the  
8 Quality Investment Committee and shall contain such information as  
9 may be required by the Committee and the Oklahoma Department of  
10 Commerce to determine if the applicant is qualified.

11 C. In order to qualify to receive such payments, the  
12 establishment applying shall be required to:

13 1. Be engaged in manufacturing in activities described under  
14 Industry Group Nos. 31 through 33 of the NAICS Manual;

15 2. Incur capital costs for new retooling or modernization  
16 projected to equal or exceed One Million Dollars (\$1,000,000.00)  
17 within twenty-four (24) months; and

18 3. Enter into a quality investment agreement specifying:

19 a. the amount of capital investment the establishment  
20 must make within twenty-four (24) months of the start  
21 date in order to remain qualified to receive payments,

- 1           b.    the total minimum amount of Oklahoma taxable payroll  
2                   it will maintain in this state during the course of  
3                   the agreement,
- 4           c.    the total amount in investment payments it may receive  
5                   from state revenues,
- 6           d.    if applicable, the amount of local sales tax revenues  
7                   a county or municipality intends to apportion to the  
8                   establishment annually, and
- 9           e.    that it will offer "basic health insurance" as defined  
10                  in the Oklahoma Quality Jobs Program Act, within  
11                  twelve (12) months of entering into a quality  
12                  investment agreement.

13       SECTION 5.       NEW LAW       A new section of law to be codified  
14   in the Oklahoma Statutes as Section 4205 of Title 68, unless there  
15   is created a duplication in numbering, reads as follows:

16       There is hereby created within the State Treasury a special fund  
17   for the Oklahoma Tax Commission to be designated the "Quality  
18   Investment Payment Fund". The Tax Commission is hereby authorized  
19   and directed to withhold a portion of the taxes levied and collected  
20   pursuant to Sections 1354 and 2355 of Title 68 of the Oklahoma  
21   Statutes for deposit into the fund. Provided, for taxes collected  
22   on behalf of a municipality or county that are specified by an  
23   appropriation by the city, town or county as part of the local

1 community to be included in the quality investment payments in  
2 accordance with Section 4 of this act, then those amounts shall also  
3 be deposited into the fund. The amount deposited shall equal the  
4 sum of an amount provided by the Quality Investment Committee as  
5 determined pursuant to the provisions of this act. All of the  
6 amounts deposited in such fund shall be used and expended by the Tax  
7 Commission solely for the purposes and in the amounts authorized by  
8 the Oklahoma Quality Investment Act. The liability of the State of  
9 Oklahoma to make the incentive payments under this act shall be  
10 limited to the balance contained in the fund created by this  
11 section.

12 SECTION 6. NEW LAW A new section of law to be codified  
13 in the Oklahoma Statutes as Section 4206 of Title 68, unless there  
14 is created a duplication in numbering, reads as follows:

15 A. As soon as practicable after the end of a calendar year for  
16 which an establishment has qualified to receive an investment  
17 payment, the establishment shall file a claim for the payment with  
18 the Oklahoma Tax Commission for one-tenth (1/10) or less of the  
19 total amount of investment identified and specified in its quality  
20 investment agreement. Provided, in the event the establishment  
21 applies for a payment before all investment for retooling or  
22 modernization has occurred, the payment shall be reduced by the  
23 percentage of investment costs predicted but not incurred at the

1 time of the claim as those costs bear to the whole investment. In  
2 no event shall the first claim for investment payment be filed later  
3 than two (2) years from the start date designated by the Quality  
4 Investment Committee. The Tax Commission shall verify for each  
5 calendar year the actual amount of capital investment in Oklahoma  
6 and the amounts of local communities' sales tax rebates for the  
7 establishment. If the Tax Commission is not able to provide such  
8 verification utilizing all available resources, the Tax Commission  
9 may request such additional information from the establishment as  
10 may be necessary or may reject the establishments' claim.

11 B. If the capital costs for investment in retooling or  
12 investment does not meet or exceed One Million Dollars  
13 (\$1,000,000.00) within twenty-four (24) months of the start date of  
14 the establishment as set out in its agreement with the Quality  
15 Investment Committee, investment payments shall cease and shall not  
16 be resumed.

17 C. An establishment that has qualified pursuant to Section 5 of  
18 this act may receive payments only in accordance with the provisions  
19 under which it initially applied and was approved.

20 D. An establishment that is receiving investment payments may  
21 not apply for additional investment payments for any new capital  
22 improvement projects until twelve (12) quarters after receipt of the  
23 first investment payment, or until the establishment's actual

1 verified capital costs of retooling and modernization equals or  
2 exceeds One Million Dollars (\$1,000,000.00), whichever comes first.  
3 After meeting the requirements of this subsection, an establishment  
4 may apply for additional investment payments based upon additional  
5 retooling and modernization capital costs and investment.

6 E. As soon as practicable after verification of the eligibility  
7 of the manufacturer as required by this section, the Tax Commission  
8 shall issue a warrant to the establishment.

9 SECTION 7. NEW LAW A new section of law to be codified  
10 in the Oklahoma Statutes as Section 4207 of Title 68, unless there  
11 is created a duplication in numbering, reads as follows:

12 Notwithstanding any other provision of law, if a qualified  
13 establishment receives an investment payment pursuant to the  
14 provisions of this act, neither the qualified establishment nor its  
15 contractors or subcontractors shall be eligible to receive the  
16 credits or exemptions provided for in the following provisions of  
17 law in connection with the activity for which the investment payment  
18 was received:

19 1. Section 625.1 of Title 36 of the Oklahoma Statutes (premium  
20 tax credits);

21 2. Paragraph 7 of Section 1359 of Title 68 of the Oklahoma  
22 Statutes (construction materials sales tax refunds);

- 1        3. Section 2357.4 of Title 68 of the Oklahoma Statutes (new  
2 jobs/investment income tax credits);
- 3        4. Section 2357.7 of Title 68 of the Oklahoma Statutes (venture  
4 capital investment credits);
- 5        5. Section 2-11-303 of Title 27A of the Oklahoma Statutes  
6 (pollution control equipment investment income tax credits);
- 7        6. Section 2357.22 of Title 68 of the Oklahoma Statutes (income  
8 tax credits for investment in clean burning motor fuel vehicles);
- 9        7. Section 2357.31 of Title 68 of the Oklahoma Statutes (small  
10 business income tax credits);
- 11       8. Section 54003 of Title 68 of the Oklahoma Statutes (research  
12 and development or computer services sales tax refunds);
- 13       9. Subsections C and D of Section 2357.29 of Title 68 of the  
14 Oklahoma Statutes (income tax credits for property damaged by  
15 tornado);
- 16       10. Section 2902 of Title 68 of the Oklahoma Statutes (state  
17 reimbursement to communities for property tax exemptions to  
18 manufacturers);
- 19       11. Section 3601 et seq. of Title 68 of the Oklahoma Statutes  
20 (Oklahoma Quality Jobs Program Act);
- 21       12. Section 3701 et seq. of Title 68 of the Oklahoma Statutes  
22 (Saving Quality Jobs Act);

1        13. Section 3801 et seq. of Title 68 of the Oklahoma Statutes  
2 (Former Military Facility Development Act);

3        14. Section 3901 et seq. of Title 68 of the Oklahoma Statutes  
4 (Small Employer Quality Jobs Incentive Act);

5        15. Sections 3651 through 3659 of Title 68 of the Oklahoma  
6 Statutes (Oklahoma Quality Jobs Incentive Leverage Act); and

7        16. Sections 4101 et seq. of Title 68 of the Oklahoma Statutes  
8 (Oklahoma Specialized Quality Investment Act).

9        SECTION 8.        NEW LAW        A new section of law to be codified  
10 in the Oklahoma Statutes as Section 4208 of Title 68, unless there  
11 is created a duplication in numbering, reads as follows:

12        The Oklahoma Department of Commerce and the Oklahoma Tax  
13 Commission shall promulgate rules necessary to implement their  
14 respective duties and responsibilities under the provisions of this  
15 act.

16        SECTION 9.        NEW LAW        A new section of law to be codified  
17 in the Oklahoma Statutes as Section 4209 of Title 68, unless there  
18 is created a duplication in numbering, reads as follows:

19        Any person making an application, claim for payment or any  
20 report, return, statement or other instrument or providing any other  
21 information pursuant to the provisions of this act who willfully  
22 makes a false or fraudulent application, claim, report, return,  
23 statement, invoice or other instrument or who willfully provides any

1 false or fraudulent information, or any person who willfully aids or  
2 abets another in making such false or fraudulent application, claim,  
3 report, return, statement, invoice or other instrument or who  
4 willfully aids or abets another in providing any false or fraudulent  
5 information, upon conviction, shall be guilty of a felony punishable  
6 by the imposition of a fine not less than One Thousand Dollars  
7 (\$1,000.00) and not more than Fifty Thousand Dollars (\$50,000.00) or  
8 imprisonment in the State Penitentiary for not less than two (2)  
9 years and not more than five (5) years, or by both such fine and  
10 imprisonment. Any person convicted of a violation of this section  
11 shall be liable for the repayment of all investment payments which  
12 were paid to the establishment. Interest shall be due on such  
13 payments at the rate of ten percent (10%) per annum.

14 SECTION 10. AMENDATORY 25 O.S. 2001, Section 307, as  
15 amended by Section 1, Chapter 175, O.S.L. 2003 (25 O.S. Supp. 2004,  
16 Section 307), is amended to read as follows:

17 Section 307. A. No public body shall hold executive sessions  
18 unless otherwise specifically provided in this section.

19 B. Executive sessions of public bodies will be permitted only  
20 for the purpose of:

21 1. Discussing the employment, hiring, appointment, promotion,  
22 demotion, disciplining or resignation of any individual salaried  
23 public officer or employee;



1        2. Discussing negotiations concerning employees and  
2 representatives of employee groups;

3        3. Discussing the purchase or appraisal of real property;

4        4. Confidential communications between a public body and its  
5 attorney concerning a pending investigation, claim, or action if the  
6 public body, with the advice of its attorney, determines that  
7 disclosure will seriously impair the ability of the public body to  
8 process the claim or conduct a pending investigation, litigation, or  
9 proceeding in the public interest;

10       5. Permitting district boards of education to hear evidence and  
11 discuss the expulsion or suspension of a student when requested by  
12 the student involved or the student's parent, attorney or legal  
13 guardian;

14       6. Discussing matters involving a specific handicapped child;

15       7. Discussing any matter where disclosure of information would  
16 violate confidentiality requirements of state or federal law;

17       8. Engaging in deliberations or rendering a final or  
18 intermediate decision in an individual proceeding pursuant to  
19 Article II of the Administrative Procedures Act; or

20       9. Discussing the following:

21           a. the investigation of a plan or scheme to commit an act  
22           of terrorism,

- 1           b.    assessments of the vulnerability of government  
2                facilities or public improvements to an act of  
3                terrorism,
- 4           c.    plans for deterrence or prevention of or protection  
5                from an act of terrorism,
- 6           d.    plans for response or remediation after an act of  
7                terrorism,
- 8           e.    information technology of the public body but only if  
9                the discussion specifically identifies:
- 10               (1) design or functional schematics that demonstrate  
11                 the relationship or connections between devices  
12                 or systems,
- 13               (2) system configuration information,
- 14               (3) security monitoring and response equipment  
15                 placement and configuration,
- 16               (4) specific location or placement of systems,  
17                 components or devices,
- 18               (5) system identification numbers, names, or  
19                 connecting circuits,
- 20               (6) business continuity and disaster planning, or  
21                 response plans, or
- 22               (7) investigation information directly related to  
23                 security penetrations or denial of services, or

1           f.    the investigation of an act of terrorism that has  
2                already been committed.

3           For the purposes of this subsection, the term "terrorism" means  
4   any act encompassed by the definitions set forth in Section 1268.1  
5   of Title 21 of the Oklahoma Statutes.

6           C.   Notwithstanding the provisions of subsection B of this  
7   section, the following public bodies may hold executive sessions:

8           1.   The State Banking Board, as provided for under Section 306.1  
9   of Title 6 of the Oklahoma Statutes;

10          2.   The Oklahoma Industrial Finance Authority, as provided for  
11   in Section 854 of Title 74 of the Oklahoma Statutes;

12          3.   The Oklahoma Development Finance Authority, as provided for  
13   in Section 5062.6 of Title 74 of the Oklahoma Statutes;

14          4.   The Oklahoma Center for the Advancement of Science and  
15   Technology, as provided for in Section 5060.7 of Title 74 of the  
16   Oklahoma Statutes;

17          5.   The Oklahoma Savings and Loan Board, as provided for under  
18   subsection A of Section 381.74 of Title 18 of the Oklahoma Statutes;

19          6.   The Oklahoma Health Research Committee for purposes of  
20   conferring on matters pertaining to research and development of  
21   products, if public disclosure of the matter discussed would  
22   interfere with the development of patents, copyrights, products, or  
23   services;

1        7. A review committee, as provided for in Section 855 of Title  
2 62 of the Oklahoma Statutes;

3        8. The Child Death Review Board for purposes of receiving and  
4 conferring on matters pertaining to materials declared confidential  
5 by law;

6        9. The Domestic Violence Fatality Review Board as provided in  
7 Section 1601 of Title 22 of the Oklahoma Statutes;

8        10. All nonprofit foundations, boards, bureaus, commissions,  
9 agencies, trusteeships, authorities, councils, committees, public  
10 trusts, task forces or study groups supported in whole or part by  
11 public funds or entrusted with the expenditure of public funds for  
12 purposes of conferring on matters pertaining to economic  
13 development, including the transfer of property, financing, or the  
14 creation of a proposal to entice a business to remain or to locate  
15 within their jurisdiction if public disclosure of the matter  
16 discussed would interfere with the development of products or  
17 services or if public disclosure would violate the confidentiality  
18 of the business; ~~and~~

19        11. The Oklahoma Indigent Defense System Board for purposes of  
20 discussing negotiating strategies in connection with making possible  
21 counteroffers to offers to contract to provide legal representation  
22 to indigent criminal defendants and indigent juveniles in cases for

1 which the System must provide representation pursuant to the  
2 provisions of the Indigent Defense ~~System~~ Act; and

3 12. The Quality Investment Committee for purposes of discussing  
4 applications and confidential materials pursuant to the terms of the  
5 Oklahoma Quality Investment Act.

6 D. An executive session for the purpose of discussing the  
7 purchase or appraisal of real property shall be limited to members  
8 of the public body, the attorney for the public body, and the  
9 immediate staff of the public body. No landowner, real estate  
10 salesperson, broker, developer, or any other person who may profit  
11 directly or indirectly by a proposed transaction concerning real  
12 property which is under consideration may be present or participate  
13 in the executive session.

14 E. No public body may go into an executive session unless the  
15 following procedures are strictly complied with:

16 1. The proposed executive session is noted on the agenda as  
17 provided in Section 311 of this title;

18 2. The executive session is authorized by a majority vote of a  
19 quorum of the members present and the vote is a recorded vote; and

20 3. Except for matters considered in executive sessions of the  
21 State Banking Board and the Oklahoma Savings and Loan Board, and  
22 which are required by state or federal law to be confidential, any  
23 vote or action on any item of business considered in an executive

1 session shall be taken in public meeting with the vote of each  
2 member publicly cast and recorded.

3 F. A willful violation of the provisions of this section shall:

4 1. Subject each member of the public body to criminal sanctions  
5 as provided in Section 314 of this title; and

6 2. Cause the minutes and all other records of the executive  
7 session, including tape recordings, to be immediately made public.

8 SECTION 11. AMENDATORY Section 1, Chapter 391, O.S.L.  
9 2004 (68 O.S. Supp. 2004, Section 4101), is amended to read as  
10 follows:

11 Section 4101. This act shall be known and may be cited as the  
12 "Oklahoma Specialized Quality Investment Act".

13 SECTION 12. AMENDATORY Section 3, Chapter 391, O.S.L.  
14 2004 (68 O.S. Supp. 2004, Section 4103), is amended to read as  
15 follows:

16 Section 4103. For purposes of the Oklahoma Specialized Quality  
17 Investment Act:

18 1. "Capital costs" means costs for land, buildings,  
19 improvements to buildings, fixtures and for machinery, equipment and  
20 other personal property used in and for the manufacturing process  
21 incurred by a qualified establishment, on or after the effective  
22 date of this act, with respect to the manufacturing site located in  
23 this state and specified in a quality investment agreement;

1           2. "Department" means the Oklahoma Department of Commerce;

2           3. "Qualified establishment" means a business entity engaged in  
3 the activity described by Industry Number 3011, Industry Group  
4 Number 301, Major Group 30 of the Standard Industrial Classification  
5 manual, latest revision. No establishment that has been certified  
6 as eligible to participate in the Oklahoma Quality Jobs Incentive  
7 Leverage Act incentive program shall be eligible for any investment  
8 payment pursuant to the Oklahoma Specialized Quality Investment Act.

9 A qualified establishment shall enter into a quality investment  
10 agreement pertaining to a single manufacturing site as that term is  
11 defined in Section 1352 of ~~Title 68 of the Oklahoma Statutes~~ this  
12 title. No combination of other locations of an establishment or any  
13 related entities of an establishment shall be included in a quality  
14 investment agreement. An establishment may enter into additional  
15 quality investment agreements for additional sites;

16          4. "Fiscal year" means the state fiscal year, which shall begin  
17 on July 1 of a calendar year and end on June 30 of the next calendar  
18 year;

19          5. "Quality investment agreement" means an agreement with  
20 duration, for purposes of computing the total incentive payment  
21 amount, of not more than five (5) years entered into between a  
22 qualified establishment and the Department; and

1        6. "Start date" means the date on which a qualified  
2 establishment begins accruing benefits because of investment of new  
3 capital costs in a manufacturing site that is designated in a  
4 quality investment agreement with the Oklahoma Department of  
5 Commerce.

6        SECTION 13.        AMENDATORY        Section 5, Chapter 391, O.S.L.  
7 2004 (68 O.S. Supp. 2004, Section 4105), is amended to read as  
8 follows:

9        Section 4105. There is hereby created within the State Treasury  
10 a special fund for the Oklahoma Tax Commission to be designated the  
11 "Specialized Quality Investment Payment Fund". The Tax Commission  
12 is hereby authorized and directed to withhold a portion of the taxes  
13 levied and collected pursuant to Sections 1354 and 2355 of ~~Title 68~~  
14 ~~of the Oklahoma Statutes~~ this title for deposit into the fund. The  
15 amount deposited shall equal the sum of an amount required for  
16 making investment payments, as determined pursuant to the provisions  
17 of this act. All of the amounts deposited in such fund shall be  
18 used and expended by the Tax Commission solely for the purposes and  
19 in the amounts authorized by the Oklahoma Specialized Quality  
20 Investment Act. The liability of the State of Oklahoma to make the  
21 investment payments under this act shall be limited to the balance  
22 contained in the fund created by this section.

23        SECTION 14. This act shall become effective July 1, 2005.



1       SECTION 15. It being immediately necessary for the preservation  
2 of the public peace, health and safety, an emergency is hereby  
3 declared to exist, by reason whereof this act shall take effect and  
4 be in full force from and after its passage and approval.  
5 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 2-22-05 - DO PASS,  
6 As Amended and Coauthored.