

FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend amendment number 6 to SB1819
Page 94 Section 6 Lines 3
Of the printed Bill
Of the Engrossed Bill

By adding a new Section 6 and 7 to read as follows:

(See Attached)

and by renumbering subsequent sections.

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Mike Brown

Adopted: _____

Reading Clerk

1 "SECTION 6. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 3604.1a of Title 68, unless
3 there is created a duplication in numbering, reads as follows:

4 In addition to the cost/benefit analysis required by subsection
5 I of Section 3604 of Title 68 of the Oklahoma Statutes and for
6 purposes of the transfer of funds required by subsection C of
7 Section 7 of this act, the Department shall conduct a cost/benefit
8 analysis for any establishment defined or classified in the NAICS
9 Manual under U.S. Industry No. 711211 (2007 version) at the end of
10 the first twelve-month period after such establishment begins
11 receiving incentive payments pursuant to the Quality Jobs Program
12 Act and at the end of every twelve-month period thereafter. In
13 addition to estimating the actual level of direct new tax revenues
14 to the state along with the added cost to the state of providing
15 services, the Department shall also consider indirect new tax
16 revenues which have accrued to the state, including but not limited
17 to revenues derived from sales of concessions at the facility where
18 events are held and hotel, motel and transportation revenue
19 generated and revenues derived from ancillary support jobs directly
20 related to the location of such establishment. Based on the results
21 of such analysis, the Department shall certify the net amount of
22 both state sales and income tax revenue generated as the result of
23 the location of such establishment in this state, excluding the
24 amount of any incentive payments which were made to the

1 establishment pursuant to the Quality Jobs Program Act during the
2 preceding year.

3 SECTION 7. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 48A of Title 62, unless there is
5 created a duplication in numbering, reads as follows:

6 A. This act shall be known and may be cited as the "Rural
7 Oklahoma Opportunity Fund Act".

8 B. It is the intent of the Legislature that when the use of
9 state incentives is provided to a professional sports organization
10 which will locate in a specified area but provide benefits for the
11 entire state, that such benefits be shared to the extent possible by
12 rural areas.

13 C. There is hereby created in the State Treasury a revolving
14 fund for the Oklahoma Department of Commerce to be designated the
15 "Rural Oklahoma Opportunity Fund". The fund shall be a continuing
16 fund, not subject to fiscal year limitations and shall consist of
17 all monies deposited to the credit of the fund by the Oklahoma Tax
18 Commission. The Tax Commission is hereby authorized and directed to
19 withhold a portion of the taxes levied and collected pursuant to
20 Sections 1354 and 2355 of Title 68 of the Oklahoma Statutes equal to
21 the net amount determined pursuant to Section 6 of this act, and to
22 deposit such amount to the credit of the Rural Oklahoma Opportunity
23 Fund.

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1 D. At the beginning of the first fiscal year after the Oklahoma
2 Department of Commerce conducts a cost/benefit analysis and makes a
3 determination pursuant to Section 6 of this act, and every year
4 thereafter, the Oklahoma Tax Commission shall transfer to the Rural
5 Oklahoma Opportunity Fund an amount determined by the Department of
6 Commerce as the net amount of state sales and income tax revenue
7 generated by the location in this state of an establishment defined
8 or classified in the NAICS Manual under U.S. Industry No. 711211
9 (2007 version) and participating in the Quality Jobs program. For
10 the purposes of this act, "net amount of state sales and income tax
11 revenue" shall mean a determination by the Department of the direct
12 and indirect tax revenues which have accrued, less the costs which
13 have accrued and the amounts of any incentive payments made pursuant
14 to the Quality Jobs Program Act, as a result of new direct jobs
15 which result from the location in this state of an establishment
16 defined or classified in the NAICS Manual under U.S. Industry No.
17 711211 (2007 version) and participating in the Quality Jobs program.

18 E. 1. There is hereby created a seven-member Rural Oklahoma
19 Opportunity Fund Committee. The membership of the Committee shall
20 be as follows:

- 21 a. the Director of the Oklahoma Department of
22 Transportation,
- 23 b. the Chairman of the Oklahoma Tax Commission,
- 24 c. the Director of the Oklahoma Department of Commerce,

- 1 d. one county commissioner from a county with a
2 population of less than seventy-five thousand (75,000)
3 according to the last preceding Federal Decennial
4 Census or any future Federal Census, which is located
5 north of Interstate Highway 40, to be appointed by the
6 Governor from a list of three qualified persons
7 submitted by the Association of County Commissioners
8 of Oklahoma,
- 9 e. one county commissioner from a county with a
10 population of less than seventy-five thousand (75,000)
11 according to the last preceding Federal Decennial
12 Census or any future Federal Census, which is located
13 south of Interstate Highway 40, to be appointed by the
14 Governor from a list of three qualified persons
15 submitted by the Association of County Commissioners
16 of Oklahoma,
- 17 f. one mayor from a city which is in a county with a
18 population of less than seventy-five thousand (75,000)
19 according to the last preceding Federal Decennial
20 Census or any future Federal Census, which is located
21 west of Interstate Highway 35, to be appointed by the
22 Governor from a list of three qualified persons
23 submitted by the Oklahoma Municipal League, and
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1 g. one mayor from a city which is in a county with a
2 population of less than seventy-five thousand (75,000)
3 according to the last preceding Federal Decennial
4 Census or any future Federal Census, which is located
5 east of Interstate Highway 35, to be appointed by the
6 Governor from a list of three qualified persons
7 submitted by the Oklahoma Municipal League.

8 The members appointed pursuant to subparagraphs d, e, f and g of
9 this paragraph shall serve four-year terms unless such member leaves
10 elected office, in which case the appointing authority shall appoint
11 a new member to serve out the remainder of the unexpired term;
12 provided, the initial term for members initially appointed pursuant
13 to subparagraphs d and f shall be six (6) years.

14 2. The Director of the Department of Commerce shall chair the
15 Committee. The chair shall call the first meeting of the Committee
16 by July 1, 2009, or by July 1 of the first year following the
17 location in this state of an establishment defined or classified in
18 the NAICS Manual under U.S. Industry No. 711211 (2007 version).
19 Thereafter, the Committee shall meet at the call of the chair. Five
20 of the members of the Committee shall constitute a quorum to
21 transact business and no action may be taken by the Committee unless
22 it receives the approval of at least five members. Any member
23 experiencing a conflict of interest on consideration of an
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1 application shall refrain from deliberation and abstain from voting
2 on the matter.

3 3. The Department of Commerce shall provide such staff support
4 as is required by the Committee.

5 4. The members of the Committee shall receive no compensation
6 for serving, but shall receive travel reimbursement by their
7 appointing authorities for necessary travel expenses incurred in the
8 performance of their duties in accordance with the State Travel
9 Reimbursement Act.

10 5. It is the duty of the Committee to consider applications
11 from eligible jurisdictions for grants. If the Committee approves
12 an application, it may grant funds available in the Rural Oklahoma
13 Opportunity Fund to one or more eligible jurisdictions for:

14 a. payment of costs associated with infrastructure which
15 will be directly related to the location of an
16 eligible establishment, or

17 b. to provide funds to an eligible jurisdiction for
18 direct payments to an eligible establishment which are
19 considered necessary to secure the location of the
20 establishment in the jurisdiction.

21 6. In order to apply for a grant pursuant to paragraph 5 of
22 this subsection, a jurisdiction shall:

23 a. be either a county with a population of less than
24 seventy-five thousand (75,000) according to the last

1 preceding Federal Decennial Census or any future
2 Federal Census or be a city or town entirely located
3 within such a county, and

4 b. demonstrate by a written agreement between the
5 jurisdiction and an eligible establishment, and to the
6 satisfaction of the Department, that the establishment
7 intends to:

8 (1) locate within the jurisdiction,

9 (2) compensate employees with an average wage which
10 is at least one hundred percent (100%) of the
11 average county wage as that percentage is
12 determined by the Oklahoma State Data Center
13 based upon the most recent U.S. Department of
14 Commerce data for the county in which the jobs
15 are located, and

16 (3) invest or create new direct jobs, as defined in
17 paragraph 3 of subsection A of Section 3603 of
18 Title 68 of the Oklahoma Statutes, as follows:

19 (a) in a city or town with a population of no
20 more than five thousand (5,000) according to
21 the last preceding Federal Decennial Census
22 or any future Federal Census, make an
23 investment of at least Two Hundred Fifty
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1 Thousand Dollars (\$250,000.00) or create at
2 least five new direct jobs,

3 (b) in a city or town with a population of
4 greater than five thousand (5,000) and less
5 than ten thousand (10,000) according to the
6 last preceding Federal Decennial Census or
7 any future Federal Census, make an
8 investment of at least Five Hundred Thousand
9 Dollars (\$500,000.00) or create at least ten
10 new direct jobs,

11 (c) in a city or town with a population of
12 greater than ten thousand (10,000) and less
13 than forty thousand (40,000) according to
14 the last preceding Federal Decennial Census
15 or any future Federal Census, make an
16 investment of at least Seven Hundred Fifty
17 Thousand Dollars (\$750,000.00) or create at
18 least fifteen new direct jobs, or

19 (d) in a city or town with a population of
20 greater than forty thousand (40,000)
21 according to the last preceding Federal
22 Decennial Census or any future Federal
23 Census, make an investment of at least One
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1 Million Dollars (\$1,000,000.00) or create at
2 least twenty new direct jobs.

3 7. For purposes of this section, an "eligible establishment"
4 is:

5 a. one which meets the definition of a basic industry as
6 provided in paragraph 1 of subsection A of Section
7 3603 of Title 68 of the Oklahoma Statutes,

8 b. a medical service provider, physician, or dentist
9 defined or classified in the NAICS Manual under U.S.
10 Industry Nos. 621111, 621112, and 621210,

11 c. a single family housing construction business defined
12 or classified in the NAICS Manual under U.S. Industry
13 No. 233210 and an office building construction
14 business defined or classified in the NAICS Manual
15 under U.S. Industry No. 233320, and

16 d. a veterinarian animal health care provider defined or
17 classified in the NAICS Manual under U.S. Industry No.
18 541940.

19 8. The Oklahoma Department of Commerce shall prepare annually a
20 report which shall include, but not be limited to, documentation of
21 the number of applications made and funds granted from the Rural
22 Oklahoma Opportunity Fund as well as the number and type of new jobs
23 or investment resulting from such funds. The report shall be
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1 submitted to the President Pro Tempore of the Senate, the Speaker of
2 the House of Representatives and the Governor of this state.”

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