

THE STATE SENATE
Monday, April 7, 2008

Committee Substitute for
ENGROSSED

House Bill No. 3098

COMMITTEE SUBSTITUTE FOR ENGROSSED HOUSE BILL NO. 3098 - By: Banz, Covey, McCullough, McNiell, Pittman, Walker, Collins and Jackson of the House and Aldridge of the Senate.

[aerospace - Oklahoma Aerospace Institute - Aerospace Development Act of 2008 - recodification - effective date]

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

SECTION 1. AMENDATORY Section 1, Chapter 263, O.S.L.

2006 (74 O.S. Supp. 2007, Section 5060.3a), is amended to read as follows:

Section 5060.3a A. This act shall be known and may be cited as the "Aerospace Development Act of 2008".

B. There is hereby created within the Oklahoma ~~Center for the Advancement of Science and Technology (OCAST), Aeronautics Commission, the Center for Aerospace Supplier Quality (CASQ), and the Oklahoma Aerospace Institute (OAI) to serve as a strategic partnership that~~ whose purpose shall be to create a partnership of service providers to more effectively respond to the needs of the aerospace industry in the areas of education and training, research, and economic development. The CASQ and OAI will focus available resources to promote cooperation and collaboration among Oklahoma

1 businesses, manufacturers, military installations, commercial
2 aviation, ~~higher education~~ educational institutions, nonprofit
3 research institutions, and state government for the purpose of
4 strengthening ~~Oklahoma's~~ the economy of the State of Oklahoma.

5 Contingent upon the availability of funds, OCAST may employ
6 established program processes or may contract with other qualified
7 entities to operate the CASQ and the OAI ~~which will consist of the~~
8 ~~following initiatives:~~

- 9 ~~1. Center of Excellence for Aerospace Technology (COEAT); and~~
- 10 ~~2. Center for Aerospace Supplier Quality (CASQ).~~

11 ~~B.~~ C. The CASQ is designed to serve as a conduit between
12 Oklahoma's military installations and aerospace industry to promote
13 quick response to opportunities that will:

- 14 1. Increase Department of Defense ~~awards in~~ contracts with
15 Oklahoma aerospace companies and contracts between Oklahoma
16 aerospace companies and prime contractors in the aerospace and
17 defense industries;

- 18 2. Create and retain more high-wage, high-skill jobs;

- 19 3. Strengthen collaborations between businesses and aerospace
20 interests;

- 21 4. Reduce the flow of federal defense contract dollars to out-
22 of-state businesses;

1 5. ~~Increase Oklahoma's small~~ Expand the aerospace firms
2 industry in Oklahoma;

3 6. Provide engineering/ and technical assistance;

4 7. Provide more manufacturing sources for Oklahoma military
5 installations and the aerospace industry; and

6 8. Reduce costs and increase competitiveness for Oklahoma
7 military installations and the aerospace industry.

8 C. ~~The COEAT will be a center of excellence for applied~~
9 ~~research and will primarily undertake applied research, development~~
10 ~~and technology transfer that has long term potential for commercial~~
11 ~~development. The center should build on institutional strengths and~~
12 ~~conduct activity in areas of research in which the participating~~
13 ~~research institutions and businesses have achieved or have true~~
14 ~~promise of attaining a standard of excellence in applied research~~
15 ~~and development.~~

16 D. ~~OCAST shall award funding to the Center of Excellence for~~
17 ~~Aerospace Technology (COEAT) contingent on the availability of funds~~
18 ~~and only after:~~

19 1. ~~Developing, adopting and publishing the criteria it shall~~
20 ~~use when evaluating centers of excellence; and~~

21 2. ~~Reviewing proposals for new or established centers of~~
22 ~~excellence containing:~~

- 1 a. ~~documentation that not less than fifty percent (50%)~~
- 2 ~~of the center's total funding will be provided by~~
- 3 ~~sources other than OCAST and other than~~
- 4 ~~state appropriated money,~~
- 5 b. ~~a description of the proposed center's potential~~
- 6 ~~contribution to the state's economic development~~
- 7 ~~interests,~~
- 8 c. ~~an itemized operations budget, and~~
- 9 d. ~~other information that may be required by the OCAST~~
- 10 ~~board~~

11 D. In order to streamline the use of resources with the goal of
12 eliminating duplication of efforts, the OAI shall act as a
13 clearinghouse of information and activities concerning the aerospace
14 industry. The OAI will provide a focal point to coordinate the
15 plans and activities of state agencies, task forces, departments,
16 boards, commissions, and other entities that have responsibilities
17 or duties regarding the aerospace industry with the goal of
18 eliminating duplication of effort.

19 E. The OAI shall create a partnership of education and training
20 providers to meet the specific needs of the aerospace industry to
21 build a credentialed work force for the future. Participating
22 educational institutions shall act cooperatively to create
23 complementary activities.

1 F. ~~The board may approve proposals to establish the Center of~~
2 ~~Excellence for Aerospace Technology (COEAT) only after the board~~
3 ~~finds, based upon the proposal submitted, external peer reviews, and~~
4 ~~such additional investigation as the staff of OCAST shall make and~~
5 ~~incorporate in its minutes that:~~

6 1. ~~The proposed center of excellence involves higher education~~
7 ~~institution(s), nonprofit research institution(s), and private~~
8 ~~enterprise;~~

9 2. ~~The proposed center of excellence is funded at Nine Hundred~~
10 ~~Thousand Dollars (\$900,000.00), or so much thereof as is needed, per~~
11 ~~year for five (5) years, above the annual appropriation for OCAST;~~

12 3. ~~The proposed center of excellence has the potential to~~
13 ~~stimulate economic development in Oklahoma by fostering partnership~~
14 ~~between Oklahoma military installations, higher education~~
15 ~~institutions, nonprofit research institutions, and businesses; and~~

16 4. ~~The proposed center has the long term potential to benefit~~
17 ~~Oklahoma's military installations and the state's aerospace industry~~
18 ~~through innovation and development of new technology~~ OAI shall
19 include a center for applied research and will primarily undertake
20 applied research, development and technology transfer that have
21 long-term potential for commercial development. The center shall
22 build upon institutional strengths and conduct activity in areas of
23 research in which the participating research institutions and

1 businesses have achieved or have true promise of attaining a
2 standard of excellence in applied research and development.

3 ~~F. Any commercialized research that results from the funding of~~
4 ~~the Center of Excellence for Aerospace Technology shall be subject~~
5 ~~to negotiations and policies pursuant to the provisions of this act~~

6 G. The OAI shall support and foster the growth of the aerospace
7 industry. The OAI shall acquire aerospace executive expertise and
8 provide consulting services to the aerospace industry, government
9 agencies and organizations across the State of Oklahoma in order to
10 strengthen the policy framework, economic development initiatives
11 and activities of the state.

12 H. The OAI may accept funding that includes, but is not limited
13 to:

- 14 1. Monetary contributions;
- 15 2. Contractual arrangements;
- 16 3. In-kind services;
- 17 4. Federal- and state-appropriated dollars;
- 18 5. Private and public foundation grants; and
- 19 6. Fee-for-service products.

20 SECTION 2. RECODIFICATION Section 1, Chapter 263, O.S.L.
21 2006 (74 O.S. Supp. 2007, Section 5060.3a), as amended by Section 1
22 of this act, shall be recodified as Section 85.3 of Title 3 of the

1 Oklahoma Statutes, unless there is created a duplication in
2 numbering.

3 SECTION 3. This act shall become effective November 1, 2008.

4 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 4-2-08 - DO
5 PASS, As Amended.