

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 SENATE BILL 1561

By: Bingman

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6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending
8 Section 2, Chapter 1, O.S.L. 2006 (68 O.S. Supp.
9 2007, Section 4202), which relates to the Oklahoma
Quality Investment Act; updating reference; and
providing an effective date.

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

13 SECTION 1. AMENDATORY Section 2, Chapter 1, O.S.L. 2006
14 (68 O.S. Supp. 2007, Section 4202), is amended to read as follows:

15 Section 4202. A. It is the purpose of this act to implement
16 the provisions of ~~the constitutional amendment contained in Enrolled~~
17 ~~Senate Bill No. 755 of the 1st Session of the 50th Oklahoma~~
18 Legislature subparagraph b of paragraph 6 of Section 23 of Article X
19 of the Oklahoma Constitution.

20 B. It is the intent of the Legislature that:

21 1. The State of Oklahoma provide appropriate incentives to
22 support retention of manufacturing establishments:

23 a. that yield higher long-term benefits for job retention
24 and increase the wealth of the state,

1 b. that create competitive advantages for the State of
2 Oklahoma in attracting and retaining industries and
3 jobs, and

4 c. that hold the promise of significant modernization and
5 retooling that will assure the stability of the
6 industry in Oklahoma and, by doing so, help enlarge
7 the tax 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, the Oklahoma Tax Commission, the
22 Governor, the President Pro Tempore of the Senate and the Speaker of
23 the House of Representatives implement the provisions of this act
24 and exercise all powers as authorized in this act. The exercise of

1 powers conferred by this act shall be deemed and held to be the
2 performance of essential 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 C. In fiscal years when the provisions of subparagraph a of
12 paragraph 6 of Section 23 of Article X of the Oklahoma Constitution
13 are not applicable and the balance at the beginning of such fiscal
14 year in the Constitutional Reserve Fund is equal to or greater than
15 Eighty Million Dollars (\$80,000,000.00), up to Ten Million Dollars
16 (\$10,000,000.00) may be expended for the purpose of providing
17 incentives to support retention of at-risk manufacturing
18 establishments in this state in order to retain employment for
19 residents of this state. Such incentives shall be paid by the
20 Oklahoma Tax Commission upon a unanimous finding by the Governor,
21 the Speaker of the House of Representatives and the President Pro
22 Tempore of the Senate that:

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1 1. Such incentives have been recommended by the Quality
2 Investment Committee created by this act pursuant to criteria set
3 out by law;

4 2. The incentive will result in a substantial benefit to this
5 state; and

6 3. Payment of the incentive would be in accordance with law.

7 SECTION 2. This act shall become effective November 1, 2008.

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