

THE HOUSE OF REPRESENTATIVES
Monday, March 2, 2009

Committee Substitute for
House Bill No. 1097

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1097 - By: DANK, TERRILL,
DENNEY, WATSON AND DORMAN of the House.

An Act relating to revenue and taxation; creating the Task Force for the Study of Transferable Tax Credits; providing for membership of Task Force; requiring organizational meeting; providing for quorum; providing for cochairs; requiring study of certain tax credits; defining scope of study; providing Task Force subject to certain statutory provisions; providing for staff assistance; requiring final report; providing for termination of Task Force; providing for codification; and declaring an emergency.

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

1 SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma
2 Statutes as Section 2357.11A of Title 68, unless there is created a duplication in
3 numbering, reads as follows:

4 A. There is hereby created the Task Force for the Study of Transferable Tax
5 Credits.

6 B. The Task Force shall consist of nine (9) members to be appointed or selected as
7 follows:

8 1. Three members to be appointed by the Governor at least one of whom shall be a
9 principal member of the Governor's staff;

1 2. Three members, who shall be members of the Oklahoma House of
2 Representatives, to be appointed by the Speaker of the Oklahoma House of
3 Representatives, one of whom shall be the Chair of the Revenue and Taxation
4 Subcommittee of the Appropriations and Budget Committee; and

5 3. Three members, who shall be members of the Oklahoma State Senate, to be
6 appointed by the President Pro Tempore of the State Senate, one of whom shall be the
7 Chair of the Senate Finance Committee.

8 C. The Task Force shall conduct an organizational meeting not later than
9 September 30, 2009. A majority of the members present at the organizational meeting or
10 any subsequent meeting shall constitute a quorum for the purpose of any action taken
11 including the preparation and approval of the final report required by subsection I of this
12 section.

13 D. The cochairs of the Task Force shall be the member who is the Chair of the
14 Revenue and Taxation Subcommittee of the Appropriations and Budget Committee and
15 the Chair of the Finance Committee of the State Senate.

16 E. The Task Force shall be authorized to meet as necessary in order to perform the
17 duties imposed upon it. Legislative members of the Task Force shall be reimbursed for
18 travel expenses pursuant to the provisions of Section 456 of Title 74 of the Oklahoma
19 Statutes. Other members of the Task Force shall be reimbursed as provided by the
20 appointing authority.

21 F. The Task Force shall conduct a study regarding all tax credits that are
22 transferable to any person or entity other than the entity to whom or to which the credits

1 are initially made available pursuant to the statute creating the credit. The study shall
2 include, but shall not be limited to:

- 3 1. The justification for the enactment of transferable tax credits based upon the
4 relevant economics of the applicable industry or economic sector affected;
- 5 2. The economic impact related to the utilization of transferable tax credits;
- 6 3. Analysis of the utilization of the credits by tax credit purchasers; and
- 7 4. Such other matters related to the tax credit as the Task Force deems relevant.

8 G. The Task Force shall be subject to the provisions of:

- 9 1. The Oklahoma Open Meeting Act; and
- 10 2. The Oklahoma Open Records Act.

11 H. Staff assistance for the Task Force shall be provided by the staff of the
12 Oklahoma House of Representative and the State Senate.

13 I. The Task Force shall produce a final written report of its findings and any
14 recommendations regarding transferable tax credits. The report shall be submitted to
15 the Governor, the Speaker of the Oklahoma House of Representatives and the President
16 Pro Tempore of the State Senate not later than December 31, 2009.

17 J. The provisions of this section shall cease to have the force and effect of law and
18 the Task Force shall terminate effective January 1, 2010.

19 SECTION 2. It being immediately necessary for the preservation of the public
20 peace, health and safety, an emergency is hereby declared to exist, by reason whereof
21 this act shall take effect and be in full force from and after its passage and approval.

1 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET,
2 dated 02-26-09 - DO PASS, As Amended and Coauthored.