

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB1953 _____ Of the printed Bill
Page _____ Section _____ Lines _____

Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by
inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Skye McNiel

Reading Clerk

1 STATE OF OKLAHOMA

2 1st Session of the 53rd Legislature (2011)

3 PROPOSED COMMITTEE
SUBSTITUTE
4 FOR
HOUSE BILL NO. 1953

5 By: McNiel

6

7 PROPOSED COMMITTEE SUBSTITUTE

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9 An Act relating to economic development; making
10 legislative findings; creating the Oklahoma Quick
11 Action Closing Fund; providing for sources of
12 revenue; providing for expenditure of monies from
13 fund; prescribing method for payment of expenditures;
14 prescribing procedures; imposing duties upon the
15 Oklahoma Department of Commerce; imposing duties upon
16 the Director of the Oklahoma Department of Commerce;
prescribing certain selection criteria; requiring
administrative rules; requiring evaluation to be
submitted to President Pro Tempore of the Oklahoma
State Senate and Speaker of the Oklahoma House of
Representatives; providing for certain agreements;
prescribing content of agreements; providing for
codification; providing an effective date; and
declaring an emergency.

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

20 SECTION 1. NEW LAW A new section of law to be codified

21 in the Oklahoma Statutes as Section 48.1 of Title 62, unless there
22 is created a duplication in numbering, reads as follows:

23 A. The Legislature finds the following to be beneficial goals
24 of the state: attracting, retaining and providing favorable

1 conditions for the recruitment and growth of certain high-impact
2 business projects or facilities which provide widespread economic
3 benefits to the public through high-quality employment opportunities
4 or capital investment in such projects or facilities and net
5 economic benefits to the state.

6 B. The Legislature further finds that there exists serious
7 competition for these projects and facilities, and that without a
8 workable closing fund, Oklahoma continues to be at a competitive
9 disadvantage in vying with states that have such a fund for
10 attracting and/or retaining these business projects.

11 SECTION 2. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 48.2 of Title 62, unless there
13 is created a duplication in numbering, reads as follows:

14 A. There is hereby created in the State Treasury a revolving
15 fund for the Oklahoma Department of Commerce to be designated the
16 Oklahoma Quick Action Closing Fund. The fund shall be a continuing
17 fund, not subject to fiscal year limitations and shall consist of:

18 1. All monies apportioned or allocated to the fund pursuant to
19 law;

20 2. Any amounts appropriated by the Legislature to the fund;
21 3. Interest earned on the investment of money in the fund; and
22 4. Gifts, grants, and other donations received for the fund.

23 B. All monies accruing to the credit of the fund are hereby
24 appropriated and may be budgeted and expended by the Governor for

1 the purposes of economic development and related infrastructure
2 development in instances in which expenditure of such funds would
3 likely be a determining factor in locating a high-impact business
4 project or facility in Oklahoma or in retaining such project or
5 facility within the state. Expenditures from the fund shall be made
6 upon warrants issued by the State Treasurer against claims filed as
7 prescribed by law with the Director of the Office of State Finance
8 for approval and payment.

9 C. The Oklahoma Department of Commerce shall administer the
10 Oklahoma Quick Action Closing Fund, and expenditures from the fund
11 shall be recommended by the Director of the Oklahoma Department of
12 Commerce to the Governor after a thorough evaluation of selected
13 projects or facilities. The Director of the Oklahoma Department of
14 Commerce shall only recommend expenditures that the Director
15 determines are expected to result in a net economic benefit to the
16 state through the following:

17 1. The creation of new jobs which offer a basic health benefit
18 plan, as defined in the Oklahoma Quality Jobs Program Act;

19 2. The maintenance of existing jobs which are at a risk for
20 termination;

21 3. Investment in new real property, plant or equipment or in
22 the improvement or retooling of existing plant or equipment; or

23 4. Additional revenues in either ad valorem, income or sales
24 and use taxes.

1 D. The Oklahoma Department of Commerce shall develop rules for
2 the process of reviewing proposed expenditures from the Oklahoma
3 Quick Action Closing Fund and for the determination of whether or
4 not proposed expenditures meet the criteria identified in subsection
5 C of this section. Criteria shall include requirements for economic
6 impact, local participation in the project, capital investment and
7 average wage thresholds.

8 E. Upon receipt of an evaluation that recommends an expenditure
9 from the Oklahoma Quick Action Closing Fund from the Director of the
10 Oklahoma Department of Commerce, the Governor shall provide the
11 evaluation and recommendation to the President Pro Tempore of the
12 Oklahoma Senate and the Speaker of the Oklahoma House of
13 Representatives before giving final approval for the expenditure on
14 the project. The Executive Office of the Governor shall recommend
15 final approval of an expenditure on a project pursuant to
16 consultation with the President Pro Tempore of the State Senate and
17 the Speaker of the House of Representatives.

18 F. Upon approval by the Governor, the Oklahoma Department of
19 Commerce shall enter into an agreement that sets forth the
20 conditions for payment of monies from the Oklahoma Quick Action
21 Closing Fund. The agreement must include:

22 1. The total amount of funds awarded;

1 2. The performance conditions that must be met to obtain the
2 award, including, but not limited to, net new employment in the
3 state, average salary, and total capital investment;

4 3. If appropriate, a baseline of current service and measure of
5 enhanced capability;

6 4. The methodology of validating performance; and

7 5. The schedule of payments from the fund, and claw-back
8 provisions for failure to meet performance conditions.

9 G. If any or all of the amount to be awarded is used to build a
10 capital improvement:

11 1. The state retains a lien or other interest in the capital
12 improvement in proportion to the amount awarded by the written
13 agreement for the capital improvement; and

14 2. If the capital improvement is sold, the recipient of the
15 award shall:

16 a. repay the state the money awarded to pay for the
17 capital improvement, with interest at the rate and
18 according to the other terms provided by the
19 agreement, and

20 b. share with the state a proportionate amount of any
21 profit realized from the sale.

22 H. If, as of the date certain provided in the agreement, the
23 award recipient has not used monies awarded for the intended
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1 purposes, the recipient shall repay that amount and any related
2 interest to the state at the agreed rate and on the agreed terms.

3 SECTION 3. This act shall become effective July 1, 2011.

4 SECTION 4. It being immediately necessary for the preservation
5 of the public peace, health and safety, an emergency is hereby
6 declared to exist, by reason whereof this act shall take effect and
7 be in full force from and after its passage and approval.

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9 53-1-6826 MAH 02/22/11

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