

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 56<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB2768</b>
<b>Version:</b>	<b>INT</b>
<b>Request Number:</b>	<b>8234</b>
<b>Author:</b>	<b>Osburn (Mike)</b>
<b>Date:</b>	<b>2/19/2018</b>
<b>Impact:</b>	<b>Possible savings based on previous consolidation trend of 10%-15% savings through agency appropriations</b>

**Research Analysis**

HB2768, as introduced, creates the Oklahoma Commerce and Tourism Agency Reorganization Act of 2018. The measure reorganizes the Oklahoma Department of Commerce and the Oklahoma Tourism and Recreation Department into one agency named the Oklahoma Department of Commerce and Tourism. The measure establishes qualifications for the executive director and provides for the transfer of all assets, employees and obligations. The measure also creates an advisory board for department. The board will consist of nine members equally appointed by the Speaker, Pro Tempore and Governor.

Lastly, the measure repeals statutes dealing with the following subjects:

- Creation of the Oklahoma Tourism and Recreation Commission;
- Appointment and powers of the Executive Director of the Oklahoma Tourism and Recreation Department; and
- Appointment and duties of the Executive Director of the Oklahoma Department of Commerce.

Prepared By: Quyen Do

**Fiscal Analysis**

HB 2768 consolidates the Oklahoma Department of Commerce, (Commerce), and the Oklahoma Tourism and Recreation Department, (Tourism). HB 2768 is a generalized agency consolidation bill, without specifically identified or mandated savings. The basis for this fiscal impact statement is a previous agency consolidation- specifically the creation of the Office of Management and Enterprise Services (OMES), where the Legislature mandated a 15% savings be generated as a result of the consolidations. If one assumes similar savings could be generated as a result of the consolidation in HB 2768, savings to the state could be realized by 10%-15% reductions in the total appropriations to the combined agencies as described below:

Commerce:

FY-18 appropriation: \$20,716,179 (10%- \$2,071,618; 15%- \$3,107,427)

Tourism:

FY-18 appropriation: \$16,381,819 (10%- \$1,638,182; 15%- \$2,457,273)

Estimated appropriations savings range: \$3,709,800- \$5,564,700

Prepared By: John McPhetridge

**Other Considerations**

This analysis is based purely on estimates. HB 2768 makes no explicit mandate that savings occur.

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