

Fiscal Impact
2nd Session of the 57th Legislature

Bill No.:
Version:
Author:
Date:

SB 1509
INT
Sen. Dugger
02/06/2020

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT
SECOND REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: January 22, 2020

BILL NUMBER: SB 1509 **STATUS AND DATE OF BILL:** Introduced Bill 1/15/2020

AUTHORS: House n/a Senate Dugger

TAX TYPE (S): n/a **SUBJECT:** Administrative

PROPOSAL: Amendatory

SB 1509 proposes to amend 62 O.S. §§7003 through 7005 to change term expiration dates for appointed members of the Incentive Evaluation Commission, reduce the frequency of incentive evaluations, and require contractors to provide one or more draft reports on each incentive prior to issuance of the final report. This measure further requires state agencies to provide all information requested by the Commission, unless otherwise prohibited by the Oklahoma Constitution, state statutes or federal law.

EFFECTIVE DATE: Emergency – July 1, 2020

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 21: No change in state revenues is expected due to this proposal.
FY 22: No change in state revenues is expected due to this proposal.

Jan. 23, 2020
DATE

Rick Miller
DIVISION DIRECTOR bdf

1/23/2020
DATE

Huan Gong
HUAN GONG, ECONOMIST

1/24/2020
DATE

[Signature]
FOR THE COMMISSION

The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.

ATTACHMENT TO REVENUE IMPACT: SB 1509 [INTRODUCED] 1/22/2020

SB 1509 proposes to amend 62 O.S. §§7003 through 7005 to change term expiration dates for appointed members of the Incentive Evaluation Commission, reduce the frequency of incentive evaluations, and require contractors to provide one or more draft reports on each incentive prior to issuance of the final report. This measure further requires state agencies to provide all information requested by the Commission, unless otherwise prohibited by the Oklahoma Constitution, state statutes or federal law.

Section 1 amends 62 O.S. §7003 to change term expiration dates for appointed members of the Incentive Evaluation Commission:

| Appointed Members | Term Expiration Dates | |
|-----------------------------|-----------------------|-------------------|
| | Current | Proposed |
| Certified Public Accountant | June 30, 2019 | December 31, 2024 |
| Internal Auditor | June 30, 2019 | December 31, 2024 |
| Economist | June 30, 2020 | December 31, 2020 |
| Lay Person | June 30, 2020 | December 31, 2020 |

Thereafter, appointed members serve four-year terms, beginning on January 1.

Section 2 amends 62 O.S. §7004 to reduce the frequency of incentive evaluations. For calendar years 2016 through 2020, the Commission must develop a 4-year schedule to evaluate incentives. Beginning December 1, 2020, and each December 1 of all subsequent years, the Commission must develop a schedule of incentives to evaluate during the following calendar year. The Commission must evaluate each incentive at least once every eight years, unless the Commission determines the incentive is exempt from evaluation.

Section 3 amends 62 O.S. § 7005 to require each contractor who assists the Commission with evaluation of an incentive to provide at least one draft report on each incentive prior to the issuance of the final report. The contractor may determine the timing and frequency of draft reports based on the availability of information and the benefit provided to the Commission in making a final recommendation. State agencies must provide all information requested by the Commission, unless otherwise prohibited by the Oklahoma Constitution, state statutes or federal law.

No change in state revenue is expected as a result of this proposal.