

BILL SUMMARY
1st Session of the 58th Legislature

Bill No.:	SB 587
Version:	ENGR
Request Number:	NA
Author:	Rep. Boles
Date:	4/12/2021
Impact:	No Direct Impact

Research Analysis

SB 587 adds entities subject to the jurisdiction of the State Board of Career and Technology Education or the Oklahoma State Regents for Higher Education to the definition of *eligible local government entity* as used in the Oklahoma Community Economic Development Pooled Finance Act. The measure also adds to the definition of *infrastructure* as used in the Act any asset or project owned or operated by an eligible local government entity that provides a specific industry focused training program and meets certain other qualifications.

Prepared By: Emily McPherson

Fiscal Analysis

The measure adds to definitions related to the Oklahoma Community Economic Development Pooled Finance Act by including entities subject to the jurisdiction of the State Board of Career and Technology Education and the Oklahoma State Regents for Higher Education. Further, the definition of infrastructure is expanded to include any asset or project that is owned or operated by an eligible local government entity that provides a specific industry focused training program.

Description provided by the 2019 Report of the Oklahoma Incentive Evaluation Commission:

The Economic Development Pooled Finance Program was established in 2009 by the Oklahoma Community Economic Development Pooled Finance Act. The Legislature sought to support economic development and public infrastructure projects for the purpose of attracting private investment, creating jobs, and developing infrastructure essential to a safe and productive environment for state residents and visitors. The program seeks to accomplish this through a \$200 million pool of financing made available to for-profit entities for an economic development project, or two or more local governments for a local infrastructure project. Debt is issued by the Oklahoma Development Finance Authority (ODFA) to finance a project that receives approval from the Department of Commerce (Department). The debt is repaid by the recipient either through captured withholding taxes generated by a for-profit entity receiving funding, or a new tax or tax increase levied by the local governments receiving funding.

The additions to the list of eligible local government entities and to eligible infrastructure will not result in a direct impact to the programs of the act.

Prepared By: Mark Tygret

Other Considerations

None.

