

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB4037 _____
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

Amendment submitted by: Tammy Townley

Adopted: _____

Reading Clerk

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

PROPOSED COMMITTEE
SUBSTITUTE

FOR

HOUSE BILL NO. 4037

By: Townley

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to economic development; creating investment rebate program until certain date; providing qualifying criteria; requiring submission of application; requiring the Oklahoma Department of Commerce to approve or disapprove certain claims and issue payment; limiting source of payments; making payments contingent upon deposits to certain fund; providing amount of rebate; authorizing conditional pre-qualification; creating the Commerce Manufacturing Activity Development Fund; establishing fund procedures; providing sources of funds; providing for expenditures from fund; directing transfer of unencumbered fund upon certain date; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3647.1 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created until July 1, 2030, an investment rebate program for the cost of qualified capital expenditures defined by Section 3645.3 of Title 68 of the Oklahoma Statutes, by

1 establishments defined by Section 3645.3 of Title 68 of the Oklahoma
2 Statutes, that:

3 1. Are defined or classified in the NAICS Manual under Industry
4 Group No. 325120; and

5 2. Have acquired real property located within the boundaries of
6 a county with a population not to exceed seventy-five thousand
7 (75,000), according to the latest Federal Decennial Census, where
8 the qualified capital will be located.

9 B. To be eligible for consideration for an investment rebate
10 payment awarded under the provisions of this act, the establishment
11 shall:

12 1. Submit an application and documentation to the Oklahoma
13 Department of Commerce, as required by the Department, outlining a
14 capital expenditure plan in this state associated with qualified
15 capital expenditures totaling no less than Eight Hundred Million
16 Dollars (\$800,000,000.00);

17 2. Have made qualified capital expenditures of no less than
18 twenty percent (20%) of the capital expenditure plan outlined in the
19 application submitted by the primary establishment and approved by
20 the Oklahoma Department of Commerce, pursuant to the provisions of
21 this act; and

22 3. Have filed all Oklahoma tax returns and tax documents
23 required by law.

1 C. Notwithstanding any other provision of law, no investment
2 expenditure shall be utilized for calculation purposes that results
3 in the qualification of more than one establishment under the
4 provisions of this act, for investment rebate payments based on the
5 same expenditure.

6 D. 1. The Oklahoma Department of Commerce shall approve or
7 disapprove claims for rebates and shall issue payment for all
8 approved claims from funds held in the Commerce Manufacturing
9 Activity Development Fund created in Section 2 of this act.

10 2. The Department shall disapprove all applications and claims
11 or any portion of applications and claims for rebates that would
12 exceed the balance of available funds in the Commerce Manufacturing
13 Activity Development Fund.

14 3. The total amount of applications approved and investment
15 rebate payments awarded under the provisions of this act shall not
16 exceed the total amount of monies designated by law for deposit to
17 the Commerce Manufacturing Activity Development Fund.

18 E. 1. Subject to the approval and ongoing review of the
19 eligibility application by the Oklahoma Department of Commerce, the
20 investment rebate payment authorized by this act shall be equal to
21 six and twenty-five-hundredths percent (6.25%) of the cost of the
22 qualified capital expenditure in the year of expenditure.

23 2. The Department is authorized to conditionally pre-qualify
24 and account for anticipated future investment rebate payments. The

1 Oklahoma Department of Commerce shall not pre-qualify investment
2 rebate payments, encumber funds, pre-encumber funds, or otherwise
3 allocate resources that would result in the allocation of investment
4 rebate payments in excess of the balance of available funds in the
5 Commerce Manufacturing Activity Development Fund.

6 SECTION 2. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 3647.2 of Title 68, unless there
8 is created a duplication in numbering, reads as follows:

9 A. There is hereby created in the State Treasury a fund for the
10 Oklahoma Department of Commerce to be designated the "Commerce
11 Manufacturing Activity Development Fund". The fund shall be a
12 continuing fund, not subject to fiscal year limitations, and shall
13 consist of all monies designated for deposit to the fund by law.
14 All monies accruing to the credit of the fund are hereby
15 appropriated and may be budgeted and expended by the Department for
16 the purpose of paying rebates as provided in this act. Expenditures
17 from such fund shall be made upon warrants issued by the State
18 Treasurer against claims filed as prescribed by law with the
19 Director of the Office of Management and Enterprise Services for
20 approval and payment.

21 B. All unencumbered funds remaining in the Commerce
22 Manufacturing Activity Development Fund upon January 1, 2030, shall
23 be transferred to the State Treasurer for deposit in the General
24 Revenue Fund.

SECTION 3. This act shall become effective July 1, 2024.

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

59-2-10302 MAH 02/20/24