

SENATE FLOOR VERSION

February 28, 2024

COMMITTEE SUBSTITUTE
FOR

SENATE BILL NO. 1428

By: Alvord of the Senate

and

Townley of the House

[economic development - investment rebate program -
claims - payments - Commerce Manufacturing Activity
Development Fund - transfer - codification]

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

1. Refine, manufacture, or process compounds or elements into
hydrogen-based products in industries defined or classified in the
NAICS Manual under Industry Group No. 324 or 325; and

1 2. Have acquired real property located within the boundaries of
2 a municipality with a population between twenty thousand (20,000)
3 and thirty thousand (30,000), according to the latest Federal
4 Decennial Census, where the qualified capital will be located.

5 B. To be eligible for consideration for an investment rebate
6 payment awarded under the provisions of this act, the establishment
7 shall:

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

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

18 3. Have filed all Oklahoma tax returns and tax documents
19 required by law.

20 C. Notwithstanding any other provision of law, no investment
21 expenditure shall be utilized for calculation purposes that results
22 in the qualification of more than one establishment under the
23 provisions of this act, for investment rebate payments based on the
24 same expenditure.

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

5 2. The Department shall disapprove all applications and claims
6 or any portion of applications and claims for rebates that would
7 exceed the balance of available funds in the Commerce Manufacturing
8 Activity Development Fund.

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

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

18 2. The Department is authorized to conditionally pre-qualify
19 and account for anticipated future investment rebate payments. The
20 Oklahoma Department of Commerce shall not pre-qualify investment
21 rebate payments, encumber funds, pre-encumber funds, or otherwise
22 allocate resources that would result in the allocation of investment
23 rebate payments in excess of the balance of available funds in the
24 Commerce Manufacturing Activity Development Fund.

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

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

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

COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
February 28, 2024 - DO PASS AS AMENDED BY CS