

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB3854</b>
<b>Version:</b>	<b>CS</b>
<b>Request Number:</b>	<b>10653</b>
<b>Author:</b>	<b>Rep. Cornwell</b>
<b>Date:</b>	<b>3/07/2024</b>
<b>Impact:</b>	<b>See Below</b>

**Research Analysis**

The committee substitute for HB3854 creates an investment rebate program for water and wastewater infrastructure investments in small cities with a population between 5000 and 7000 people.

The Oklahoma Department of Commerce will administer the applications and approve or disapprove rebate claims from the newly created Water Infrastructure for Economic Development Fund.

To qualify for the program, a city must have at least \$35 million in planned infrastructure expenditures that will be necessary to provide services for a newly established RV park and campground that has a capital investment greater than \$100 million. The city must also have spent at least 20 percent of the total planned expenditures.

Prepared By: Quyen Do

**Fiscal Analysis**

In its current form, HB3854 creates a rebate program for water and wastewater infrastructure investments for small cities. The Oklahoma Department of Commerce is tasked with administering applications and approving or disapproving rebate claims. The measure also creates the Water Infrastructure for Economic Development Fund.

There is no direct revenue impact associated with this bill, however, the Department of Commerce may require additional state appropriations to cover administrative costs.

Officials from the Oklahoma Department of Commerce have provided the following regarding the cost of the administration of the program.:

Budget Items	Salary	Fringe Benefits	Total Salary
<b>Staff</b>			
Research Specialist	\$ 6,332.44	\$ 2,548.31	\$ 8,880.75
Accounting, purchasing, and other support	\$ 1,773.08	\$ 713.53	\$ 2,486.61
<b>Total Staff Salaries</b>	<b>\$ 8,105.52</b>	<b>\$ 3,261.84</b>	<b>\$ 11,367.36</b>

#### Annual Operating Cost

<b>Total Operating Cost</b>	<b>\$ -</b>
<b>Total Year One Cost HB 3854</b>	<b>\$ 11,367.36</b>
<b>Total HB 3854 Cost through June 30, 2028</b>	<b>\$ 45,469.45</b>

Prepared By: Zach Penrod

#### Other Considerations

None.