

BILL SUMMARY
2nd Session of the 59th Legislature

Bill No.:	HB4064
Version:	FULLPCS1
Request Number:	10134
Author:	Rep. Wallace
Date:	2/14/2024
Impact:	Dependent upon funding level

Research Analysis

The proposed committee substitute for HB4064 creates the Oklahoma Small Business Expansion and Jobs Act to facilitate small business loans through the creation of revolving loan programs that are administered by the 11 substate planning districts (SSPD) across the state. SSBDs are commonly known as Councils of Governments (COGs). Each SSPS is required to promulgate rules for the creation, application and administration of their loan program, may only loan to a small business or municipality within its boundary, and cannot charge a fixed interest rate greater than 3% above the prime rate. The creation of a loan program is voluntary and each SSPD has 90 days after the effective date of the act to opt in.

The measure also creates the Small Business Expansion Revolving Fund, which will be administered by the Director of the Oklahoma Center for the Advancement of Science and Technology (OCAST). SSPSs will be required to submit a quarterly report to OCAST on their loan program activities.

Prepared By: Quyen Do

Fiscal Analysis

In its current form, HB4046 creates the Oklahoma Small Business Expansion and Jobs Act to facilitate small business loans through the creation of revolving loan programs that are administered by the 11 substate planning districts across the state.

The measure also creates the Small Business Expansion Revolving Fund, which will be administered by the Oklahoma Center for the Advancement of Science and Technology (OCAST).

Officials from OCAST recommend a one-time appropriation of \$16.6 million to create the Small Business Expansion Revolving Fund. Each substate planning district will receive a portion of these funds for their respective revolving fund, including an additional amount for the initial administrative costs associated with setting up the fund. OCAST will receive \$265,000 for administrative costs for oversight of the program.

Prepared By: Zach Penrod

Other Considerations

None.

