

1 provided, the contractor may determine the timing and frequency of
2 draft reports based on the availability of information and the
3 potential for draft reports to assist the Commission in making a
4 final recommendation. The cost of such contract shall be paid by
5 the Office of Management and Enterprise Services. No recipient or
6 potential recipient of an incentive or representative of a recipient
7 or potential recipient shall contact the entity or individual with
8 whom the Commission contracts pursuant to this subsection unless the
9 entity or individual specifically requests information or
10 documentation for purposes of the incentive evaluation process;
11 provided, this shall not be construed to prevent participation in a
12 public hearing conducted pursuant to subsection B of this section.

13 B. By October 1 of each year beginning in calendar year 2023,
14 the Commission or the Commission's chosen contractor shall evaluate
15 each incentive scheduled for review that year. The Commission or
16 the Commission's chosen contractor shall conduct each incentive
17 evaluation in consultation with the Oklahoma Department of Commerce
18 ~~division of~~ Policy, Research and Economic Analysis Services Division
19 using criteria developed pursuant to subsection D of this section.
20 Between October 1 and November 30 of each year beginning in 2017,
21 the Commission shall hold at least one public meeting to review,
22 allow for public comment, and vote to approve, disapprove, or modify
23 each incentive evaluation conducted that year. By December 15 of
24 each year beginning in 2016, the Commission shall provide the

1 results of each incentive evaluation, a review of prior Commission
2 recommendations, and changes to statute or incentive administration
3 related to incentive evaluation recommendations in a ~~written~~ report
4 submitted electronically to the Governor, President Pro Tempore of
5 the Senate, ~~and~~ Speaker of the House of Representatives, and the
6 Secretary of State. If the Commission votes to modify an incentive
7 evaluation as provided in this subsection, such modification and the
8 original evaluation shall be documented in the annual ~~written~~ report
9 submitted electronically. The report shall be made publicly
10 available on the Oklahoma Department of Commerce website, the
11 Commission website, and documents.ok.gov.

12 C. Each evaluation shall include the following:

13 1. An estimate of the economic and fiscal impact of the
14 incentive. This estimate shall take into account the following
15 considerations in addition to other relevant factors:

16 a. the extent to which the incentive changes business
17 behavior, including whether a business receiving the
18 incentive would likely have taken any action required
19 to receive the incentive in the absence of such
20 incentive,

21 b. the results of the incentive for the economy of
22 Oklahoma as a whole. This consideration includes both
23 positive direct and indirect impacts and any negative
24 effects on other Oklahoma businesses, and

1 c. a comparison to the results of other incentives or
2 other economic development strategies with similar
3 goals both within this state and other states;

4 2. An assessment of whether adequate protections are in place
5 to ensure the fiscal impact of the incentive does not increase
6 substantially beyond the state's expectations in future years;

7 3. An assessment of whether the incentive is being administered
8 effectively;

9 4. An assessment of whether the incentive is achieving its
10 goals;

11 5. Recommendations for how the state can most effectively
12 achieve the incentive's goals, including recommendations on whether
13 the incentive should be retained, reconfigured, or repealed; ~~and~~

14 6. Recommendations for any changes to state policy, rules, or
15 statutes that would allow the incentive to be more easily or
16 conclusively evaluated in the future. These recommendations may
17 include changes to collection, reporting, and sharing of data, and
18 revisions or clarifications to the goal of the incentive;

19 7. An assessment of whether the incentive furthers a strategic
20 economic goal or an industry within this state; and

21 8. An assessment of whether the incentive creates a competitive
22 advantage for this state by evaluating the overall effectiveness of
23 the incentive at a macroeconomic level.

1 D. Evaluation criteria shall be developed for each incentive
2 evaluated by the Commission. Each incentive shall be evaluated
3 using criteria specific to the individual incentive. The criteria
4 shall be developed by the Commission through the administrative
5 rulemaking process pursuant to the Administrative Procedures Act,
6 Section 250 et seq. of Title 75 of the Oklahoma Statutes, and
7 codified in the administrative code of the Oklahoma Department of
8 Commerce.

9 E. At the request of the Incentive Evaluation Commission,
10 unless prohibited by the Oklahoma Constitution, Oklahoma Statutes,
11 or federal law, state agencies shall provide any records,
12 information, data, or data analysis necessary for the Commission or
13 contractors to effectively evaluate incentives. The Commission and
14 contractors shall not disclose or release any data received from
15 other state agencies, except as permitted under law.

16 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
17 February 18, 2026 - DO PASS AS AMENDED
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