

An Act

ENROLLED HOUSE
BILL NO. 2781

By: Caldwell (Trey) and Kane of
the House

and

Hall and Haste of the
Senate

An Act relating to economic development; creating the Reindustrialize Oklahoma Act of 2025; providing for alternative reference; declaring legislative findings; defining terms; providing for certain interpretations under certain conditions; creating certain investment rebate program until certain date; establishing qualifying criteria; providing capital expenditure and job creation thresholds for qualification; assigning administrative responsibilities for rebate program; requiring certain annual reporting of certain information; authorizing the promulgation of rules for implementation of program; establishing eligibility criteria; requiring certain application submissions and evaluations; disqualifying participation in certain program if participating in rebate program; providing methodology for certain calculations; authorizing issuances of ROA-25 investment rebate payments under certain conditions for certain period of years; limiting authorization to award payments; providing for ongoing review of eligibility; authorizing and limiting certain budgeting procedures related to encumbering funds; creating the ROA-25 Revolving Fund and the ROA-25 Beneficiary Revolving Fund; establishing fund characteristics; deeming funds appropriated; requiring and limiting certain budgetary procedures related to utilization of funds; providing for transfer of unencumbered funds after certain date; and providing for codification.

SUBJECT: Economic development

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. This act shall be known and may be cited as the "Reindustrialize Oklahoma Act of 2025" and shall be known and may be cited as the "ROA-25 Act".

B. The Legislature hereby finds that it is beneficial to the state and its citizens to provide large-scale enhanced economic development incentives to certain establishments, including, but not limited to, those associated with an onshoring of industrialization that creates a substantial number of jobs, as such economic activity results in a greater benefit to the state.

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:

As used in the Reindustrialize Oklahoma Act of 2025:

1. "Application" means a submission of detailed information by an establishment that complies with all procedures established by the Oklahoma Department of Commerce related to the format, content, means, and timing of submission. Such submissions shall include, but not be limited to, a capital expenditure plan outlining anticipated annual placements-in-service of qualified property and a job creation plan outlining anticipated annual totals of new direct jobs created;

2. "Available funds" means the total amount of monies identified for deposit in the ROA-25 Beneficiary Revolving Fund by law, less the cumulative total of all ROA-25 investment rebate payments, pre-qualified ROA-25 investment rebate payments, encumbrances, and pre-encumbrances of the ROA-25 Beneficiary Revolving Fund;

3. "Establishment" means any business, no matter the legal form, including, but not limited to, a sole proprietorship, partnership, corporation, or limited liability corporation;

4. "New direct job" means full-time employment, employed by the establishment, which did not exist in this state prior to the date of approval, by the Oklahoma Department of Commerce, of an application made pursuant to this act. A job shall be deemed to exist in this state prior to approval of an application if the activities and functions for which the particular job exists have been ongoing at any time within six (6) months prior to such approval; and

5. "Qualified capital expenditure" means an expenditure on property in this state after May 1, 2025, depreciable under Internal Revenue Code, 26 U.S.C., Section 168, that has been verified by the Oklahoma Department of Commerce. The cost of property placed in service and expenditures made on behalf of or for the benefit of an establishment by a separate business entity shall be considered an "expenditure" of the establishment for purposes of this definition.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3647.3 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. 1. There is hereby created until July 1, 2045, an ROA-25 investment rebate program for the cost of qualified capital expenditures by establishments which create not less than a threshold number of new direct jobs as provided in this section.

2. The threshold number of new direct jobs required for establishments to qualify and remain qualified for investment rebate payments created in paragraph 1 of this subsection shall be seven hundred (700) new direct jobs in year one of the rebate payment period, with a threshold number of one thousand (1,000) beginning in year two and throughout the remainder of the rebate payment period.

B. The ROA-25 investment rebate program shall be administered by the Oklahoma Department of Commerce.

C. No later than October 1 of each year, the Oklahoma Department of Commerce shall submit electronically an annual report to the Speaker of the Oklahoma House of Representatives, the President Pro Tempore of the Oklahoma State Senate, the Chair of the Appropriations and Budget Committee of the Oklahoma House of Representatives, the Chair of the Appropriations Committee of the Oklahoma State Senate, and the Executive Director of the Legislative Office of Fiscal Transparency detailing the program and ROA-25 investment rebate payments.

D. The Oklahoma Department of Commerce and the State Treasurer may promulgate rules to implement the provisions of this act.

E. To be eligible for consideration for an ROA-25 investment rebate payment awarded under the provisions of this act, a primary establishment shall:

1. a. Submit an application and documentation to the Oklahoma Department of Commerce, as required by the Department:

(1) outlining a capital expenditure plan in this state associated with qualified capital expenditures totaling no less than Two Billion Dollars (\$2,000,000,000.00), and

(2) outlining new job creation levels no less than seven hundred (700) new jobs, and

b. Establishment primarily engaged under Industry Sector Nos. 31 through 33 of the NAICS Manual, latest revision;

2. Be otherwise qualified to receive payments pursuant to the provisions of the Oklahoma Quality Jobs Program Act created pursuant to Section 3601 of Title 68 of the Oklahoma Statutes; and

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

F. 1. Notwithstanding any other provision of law, if a primary establishment receives an ROA-25 investment rebate payment pursuant to the provisions of this act, neither the qualified establishment nor its subsidiaries shall be eligible to receive quarterly incentive payments provided for in Section 3601 et seq. of Title 68 of the Oklahoma Statutes, in connection with the project or development for which the investment rebate payment was based.

2. Notwithstanding any other provision of law, no investment expenditure shall be utilized for calculation purposes in a way that results in the qualification of more than one establishment under the provisions of this act, for ROA-25 investment rebate payments based on the same expenditure.

G. 1. Except as limited by paragraph 2 of this subsection, the Oklahoma Department of Commerce shall approve or disapprove claims for rebates and issue ROA-25 investment rebate payments for all approved claims from funds held in the ROA-25 Beneficiary Revolving Fund created pursuant to Section 5 of this act and subject to the limitations set forth in Section 4 of this act.

2. The Department shall disapprove all applications and claims, as well as portions of applications and claims, for rebates that would exceed the anticipated accumulation of available funds in the ROA-25 Beneficiary Revolving Fund.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3647.4 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. Subject to the approval and ongoing review of the eligibility application by the Oklahoma Department of Commerce, the ROA-25 investment rebate payment authorized by this act shall be equal to one-fifteenth (1/15) of the payout value of the financial instrument purchased or acquired pursuant to Section 5 of this act; ROA-25 investment rebate payments in the same amount shall be allowed in each of the fifteen (15) subsequent years, provided the Department has verified that the establishment remains eligible for such payment in each successive year based on the eligibility criteria of this act.

B. The Oklahoma Department of Commerce is authorized to conditionally pre-qualify and account for anticipated future ROA-25 investment rebate payments. The Oklahoma Department of Commerce shall not pre-qualify ROA-25 investment rebate payments, encumber funds, pre-encumber funds, or otherwise allocate resources in any way that would result in the allocation of ROA-25 investment rebate payments in excess of the anticipated accumulation of available funds in the ROA-25 Beneficiary Revolving Fund.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3647.5 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created in the State Treasury a revolving fund for the State Treasurer to be designated the "ROA-25 Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies lawfully directed for deposit to the fund. All monies accruing to the credit of said

fund are hereby appropriated and upon communication from the Department of Commerce of a satisfactory feasibility study of such project participating in the Reindustrialize Oklahoma Act of 2025, shall be budgeted and expended by the State Treasurer for the purpose of purchasing or acquiring an annuity or materially similar financial instrument which shall provide to the ROA-25 Beneficiary Revolving Fund created by subsection B of this section equal annual distributions of monies over a fifteen-year period. Expenditures, transfers, and distributions from said 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, or as otherwise required to satisfy the requirements of this section.

B. There is hereby created in the State Treasury a beneficiary revolving fund for the Oklahoma Department of Commerce to be designated the "ROA-25 Beneficiary Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all distributions of the financial instrument financed through subsection A of this section. All monies accruing to the credit of said beneficiary revolving fund are hereby appropriated and shall be budgeted, expended, and distributed by the Oklahoma Department of Commerce in accordance with the provisions of the Reindustrialize Oklahoma Act of 2025. Expenditures, transfers, and distributions from said 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.

C. The State Treasurer is authorized to establish a custodial account within the Treasury, and enter a contractual relationship for custodial account services with a private institution as needed, to administer the provisions of this section.

D. All unencumbered funds remaining in the Funds created in subsections A and B of this section on or after the expiration of the Reindustrialize Oklahoma Act of 2025 shall be transferred to the State Treasurer for deposit in the General Revenue Fund.

Passed the House of Representatives the 20th day of May, 2025.

Presiding Officer of the House
of Representatives

Passed the Senate the 22nd day of May, 2025.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____
day of _____, 20_____, at _____ o'clock _____ M.
By: _____

Approved by the Governor of the State of Oklahoma this _____
day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____
day of _____, 20_____, at _____ o'clock _____ M.
By: _____

