

1 SECTION 1. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 2031 of Title 62, unless there
3 is created a duplication in numbering, reads as follows:

4 This act shall be known and may be cited as the "Oklahoma Small
5 Business Expansion and Jobs Act".

6 SECTION 2. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 2032 of Title 62, unless there
8 is created a duplication in numbering, reads as follows:

9 As used in the Oklahoma Small Business Expansion and Jobs Act:

10 1. "Fixed interest rate" means an interest rate no greater than
11 three percent (3%) above the prime rate as published in the Wall
12 Street Journal at the beginning of the month in which the applicant
13 requests a loan;

14 2. "Opt in" means the option an entity shall have to receive or
15 refuse funds for the purpose of establishing a revolving loan fund;

16 3. "Revolving loan fund" means a fund in which local small
17 businesses may obtain a loan and repay such loan principal and
18 interest, and such repayment proceeds are then used to fund
19 subsequent loans or expansions of services by the loan-making
20 entity, including ongoing administrative and operating costs;

21 4. "Small business" means a corporation, sole proprietor,
22 partnership, or limited liability company that is an employer in
23 this state that has 50 employees or fewer as defined in paragraph 3
24 of Section 502 of Title 75 of the Oklahoma Statutes; and

1 5. "Substate planning district" means an entity as described in
2 subsection A of Section 2007 of Title 62 of the Oklahoma Statutes.

3 SECTION 3. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 2033 of Title 62, unless there
5 is created a duplication in numbering, reads as follows:

6 A. Each substate planning district is authorized to utilize the
7 funds in the district's applicable account created pursuant to
8 subsection B of Section 4 of the Oklahoma Small Business Expansion
9 and Jobs Act:

10 1. To capitalize a revolving loan fund to support small
11 business expansion; and

12 2. To cover costs associated with administering the revolving
13 loan fund.

14 B. Prior to the administration of a loan application under the
15 provisions of the Oklahoma Small Business Expansion and Jobs Act,
16 substate planning districts shall promulgate rules for the creation,
17 application, and administration of the district's revolving loan
18 program.

19 C. Each substate planning district utilizing the Oklahoma Small
20 Business Expansion and Jobs Act shall develop a revolving loan
21 program. Such program shall adhere to the following criteria and
22 requirements:

23 1. Loan applicants:
24

- a. shall be classified as a small business or municipality to be eligible for a loan under the program,
- b. shall live within the boundaries of the substate planning district administering the program,
- c. shall have their business located within the boundaries of the substate planning district administering the program, and
- d. shall not be directly related to any individual involved in the awarding of loans under the revolving loan program;

2. Substate planning districts:

- a. shall charge a fixed interest rate on all loans administered through the revolving loan program, and
- b. shall not make any loan to itself or another substate planning district.

D. Each substate planning district utilizing the Oklahoma Small Business Expansion and Jobs Act shall submit to the Oklahoma Center for the Advancement of Science and Technology in written or electronic format, a quarterly report detailing the activity of the applicable revolving loan program, including, but not limited to, the number and amount of loans initiated, administered, and concluded during the previous quarter.

1 SECTION 4. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 2034 of Title 62, unless there
3 is created a duplication in numbering, reads as follows:

4 A. There is hereby created in the State Treasury a revolving
5 fund for the Oklahoma Center for the Advancement of Science and
6 Technology to be designated the "Small Business Expansion Revolving
7 Fund". The fund shall be a continuing fund, not subject to fiscal
8 year limitations, and shall consist of all monies designated for
9 deposit to the fund by law. All monies accruing to the credit of
10 said fund are hereby appropriated and may be budgeted and expended
11 by the Oklahoma Center for the Advancement of Science and Technology
12 in accordance with the provisions of the Oklahoma Small Business
13 Expansion and Jobs Act to facilitate financing of Oklahoma small
14 businesses by capitalizing revolving loan programs across the state.
15 Expenditures from said fund shall be made upon warrants issued by
16 the State Treasurer against claims filed as prescribed by law with
17 the Director of the Office of Management and Enterprise Services for
18 approval and payment.

19 B. Within the Small Business Expansion Revolving Fund there
20 shall be established up to eleven (11) separate accounts into which
21 shall be deposited equal allocations of such funds as may be
22 provided to the Small Business Expansion Revolving Fund by law. One
23 of each such accounts shall be available to each substate planning
24 district described in subsection A of Section 2007 of Title 62 of

1 the Oklahoma Statutes that elects to opt in and participate in the
2 Oklahoma Small Business Expansion and Jobs Act. A substate planning
3 district may opt in to the Oklahoma Small Business Expansion and
4 Jobs Act by communicating in written or electronic form such intent,
5 no later than ninety (90) days after the effective date of this act.

6 C. The Director of the Oklahoma Center for the Advancement of
7 Science and Technology shall provide for the promulgation of rules
8 establishing procedures for the administration and distribution of
9 the Small Business Expansion Revolving Fund.

10 SECTION 5. This act shall become effective July 1, 2024.

11 SECTION 6. It being immediately necessary for the preservation
12 of the public peace, health or safety, an emergency is hereby
13 declared to exist, by reason whereof this act shall take effect and
14 be in full force from and after its passage and approval.

15

16 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
17 02/15/2024 - DO PASS, As Amended and Coauthored.

18

19

20

21

22

23

24