

1 **SENATE FLOOR VERSION**

2 March 1, 2022

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1319

By: Pemberton of the Senate

and

Frix of the House

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9 [local development incentives - Local Development
10 Act - approval of proposed district, plan, or project
- effective date]

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13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

14 SECTION 1. AMENDATORY 62 O.S. 2021, Section 851, is
15 amended to read as follows:

16 Section 851. The Local Development Act shall serve to implement
17 and execute Section 6C of Article X of the Oklahoma Constitution as
18 approved by the voters of the State of Oklahoma on November 6, 1990,
19 by:

20 1. Providing for the granting of incentives and exemptions from
21 taxation within certain areas, placing restrictions thereon, and
22 limiting the time period for the exemptions, as authorized by
23 subsection A thereof;

1 2. Providing for apportionment of an increment of local taxes
2 and fees, placing restrictions thereon, and limiting the time period
3 for the apportionment, as authorized by subsection B thereof; and

4 3. Providing for the planning, financing, and carrying out of
5 development and redevelopment within certain areas, as authorized by
6 subsection C thereof.

7 Nothing in the Local Development Act shall be construed in a
8 manner contrary to or inconsistent with the provisions of said
9 constitutional provision.

10 The Legislature hereby finds that historic preservation,
11 reinvestment, or enterprise areas as defined under ~~this act~~ are the
12 Local Development Act may be unproductive, undeveloped,
13 underdeveloped, or blighted areas pursuant to subsection C of
14 ~~Section 6~~ Section 6C of Article X of the Oklahoma Constitution.

15 SECTION 2. AMENDATORY 62 O.S. 2021, Section 855, is
16 amended to read as follows:

17 Section 855. A. Prior to the adoption and approval of a
18 project plan and the ordinance or resolution required under Section
19 856 of this title and prior to the public hearing required under
20 Section 859 of this title, the governing body shall appoint a review
21 committee to review and make a recommendation concerning the
22 proposed district, plan, or project. The membership of the review
23 committee shall consist of the following: a representative of the
24 governing body who shall serve as chairperson; a representative of

1 the planning commission having jurisdiction over the proposed
2 district; a representative designated by each taxing jurisdiction
3 within the proposed district whose ad valorem taxes might be
4 impacted according to the plan; and three members representing the
5 public at large and selected by the other committee members from a
6 list of seven names submitted by the chairperson of the review
7 committee; provided, at least one of the members representing the
8 public at large shall be a representative of the business community
9 in the city, town, or county considering the proposed plan and
10 project, and if a proposed plan objective is development of
11 principally commercial retail, such representative shall be either a
12 retailer or a representative of a retail organization.

13 B. The review committee shall consider and make its findings
14 and recommendations to the governing body with respect to the
15 conditions establishing the eligibility of the proposed district.
16 The review committee recommendations shall include the analysis used
17 to project revenues over the life of the project plan, the effect on
18 the taxing entities and the appropriateness of the approval of the
19 proposed plan and project. The review committee may recommend that
20 the project plan be approved, denied, or approved subject to
21 conditions set forth by the committee.

22 C. Prior to approval by the governing body, the review
23 committee shall consider and determine whether the proposed plan and
24 project will have a financial impact on any taxing jurisdiction and

1 business activities within the proposed district and shall report
2 its findings to the governing body. Such considerations shall be
3 concurrent with or subsequent to the review and consideration of the
4 committee provided for in subsection B of this section. The
5 approval of any district plan or project by the governing body shall
6 address any findings of such impact by the review committee.

7 D. In the event of any changes in the area to be included in
8 the proposed district or any substantial changes in the proposed
9 plan and project or for any other reason deemed appropriate by the
10 governing body, the review committee shall consider and may modify
11 its findings and recommendations made pursuant to the provisions of
12 subsection B of this section.

13 E. Approval of the proposed district or the proposed plan or
14 project by the governing body ~~which is in accord with the~~
15 ~~recommendation of the review committee~~ shall be by a majority vote
16 of the governing body. ~~Such approval which is not in accord with~~
17 ~~the recommendations and/or conditions set forth by the review~~
18 ~~committee shall be by a two thirds (2/3) majority vote~~ and shall
19 require the assent of fifty percent (50%) of the taxing
20 jurisdictions within the proposed district that are represented on
21 the review committee created pursuant to subsection A of this
22 section or their authorized successor.

23 F. Meetings of the review committee shall be subject to the
24 Oklahoma Open Meeting Act. Any information relating to the

1 marketing plans, financial statements, trade secrets or any other
2 proprietary information submitted to the review committee by a
3 person or entity seeking adoption and approval of a proposed
4 district, plan or project shall be confidential, except to the
5 extent that the person or entity which provided the information
6 consents to disclosure. Executive sessions may be held to discuss
7 such information if deemed necessary by the review committee.

8 SECTION 3. This act shall become effective November 1, 2022.

9 COMMITTEE REPORT BY: COMMITTEE ON FINANCE

10 March 1, 2022 - DO PASS AS AMENDED
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