

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED  
5 SENATE BILL NO. 1428

By: Alvord of the Senate

and

6 Townley of the House

7  
8  
9 COMMITTEE SUBSTITUTE

10 [ economic development - investment rebate program -  
11 claims - payments - Commerce Manufacturing Activity  
12 Development Fund - transfer - codification ]

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15 ~~BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:~~

16 SECTION 1. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 3647.1 of Title 68, unless there  
18 is created a duplication in numbering, reads as follows:

19 A. There is hereby created until July 1, 2030, an investment  
20 rebate program for the cost of qualified capital expenditures  
21 defined by Section 3645.3 of Title 68 of the Oklahoma Statutes, by  
22 establishments defined by Section 3645.3 of Title 68 of the Oklahoma  
23 Statutes, that:

1       1. Refine, manufacture, or process compounds or elements into  
2 hydrogen-based products in industries defined or classified in the  
3 NAICS Manual under Industry Group No. 324 or 325; and

4       2. Have acquired real property located within the boundaries of  
5 a municipality with a population between seventeen thousand (17,000)  
6 and forty-two thousand (42,000), according to the latest Federal  
7 Decennial Census, where the qualified capital will be located.

8       B. To be eligible for consideration for an investment rebate  
9 payment awarded under the provisions of this act, the establishment  
10 shall:

11       1. Submit an application and documentation to the Oklahoma  
12 Department of Commerce, as required by the Department, outlining a  
13 capital expenditure plan in this state associated with qualified  
14 capital expenditures totaling no less than Eight Hundred Million  
15 Dollars (\$800,000,000.00);

16       2. Have made qualified capital expenditures of no less than  
17 twenty percent (20%) of the capital expenditure plan outlined in the  
18 application submitted by the primary establishment and approved by  
19 the Oklahoma Department of Commerce, pursuant to the provisions of  
20 this act; and

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

23       C. Notwithstanding any other provision of law, no investment  
24 expenditure shall be utilized for calculation purposes that results

1 in the qualification of more than one establishment under the  
2 provisions of this act, for investment rebate payments based on the  
3 same expenditure.

4 D. 1. The Oklahoma Department of Commerce shall approve or  
5 disapprove claims for rebates and shall issue payment for all  
6 approved claims from funds held in the Commerce Manufacturing  
7 Activity Development Fund created in Section 2 of this act.

8 2. The Department shall disapprove all applications and claims  
9 or any portion of applications and claims for rebates that would  
10 exceed the balance of available funds in the Commerce Manufacturing  
11 Activity Development Fund.

12 3. The total amount of applications approved and investment  
13 rebate payments awarded under the provisions of this act shall not  
14 exceed the total amount of monies designated by law for deposit to  
15 the Commerce Manufacturing Activity Development Fund.

16 E. 1. Subject to the approval and ongoing review of the  
17 eligibility application by the Oklahoma Department of Commerce, the  
18 investment rebate payment authorized by this act shall be equal to  
19 six and twenty-five hundredths percent (6.25%) of the cost of the  
20 qualified capital expenditure in the year of expenditure.

21 2. The Department is authorized to conditionally pre-qualify  
22 and account for anticipated future investment rebate payments. The  
23 Oklahoma Department of Commerce shall not pre-qualify investment  
24 rebate payments, encumber funds, pre-encumber funds, or otherwise

1 allocate resources that would result in the allocation of investment  
2 rebate payments in excess of the balance of available funds in the  
3 Commerce Manufacturing Activity Development Fund.

4 SECTION 2. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 3647.2 of Title 68, unless there  
6 is created a duplication in numbering, reads as follows:

7 A. There is hereby created in the State Treasury a fund for the  
8 Oklahoma Department of Commerce to be designated the "Commerce  
9 Manufacturing Activity Development Fund". The fund shall be a  
10 continuing fund, not subject to fiscal year limitations, and shall  
11 consist of all monies designated for deposit to the fund by law.  
12 All monies accruing to the credit of the fund are hereby  
13 appropriated and may be budgeted and expended by the Department for  
14 the purpose of paying rebates as provided in this act. Expenditures  
15 from such fund shall be made upon warrants issued by the State  
16 Treasurer against claims filed as prescribed by law with the  
17 Director of the Office of Management and Enterprise Services for  
18 approval and payment.

19 B. All unencumbered funds remaining in the Commerce  
20 Manufacturing Activity Development Fund upon January 1, 2030, shall  
21 be transferred to the State Treasurer for deposit in the General  
22 Revenue Fund.

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