

1 ENGROSSED HOUSE AMENDMENT  
TO

2 ENGROSSED SENATE JOINT  
3 RESOLUTION NO. 31

By: Newhouse and Bullard of the  
Senate

4 and

5 Hilbert of the House

6  
7  
8 A Joint Resolution directing the Secretary of State  
9 to refer to the people for their approval or  
10 rejection the question of calling a Constitutional  
11 Convention which shall be authorized to propose  
alterations, revisions or amendments to the Oklahoma  
Constitution or to propose a new Constitution;  
providing ballot title; and directing filing.

12  
13 AUTHORS: Add the following House Coauthors: Roberts (Dustin) and  
14 Lepak

15 AUTHOR: Add the following Senate Coauthor: Treat

16 AMENDMENT NO. 1. Delete the title, enacting clause and the entire  
bill and insert the following:

17 "A Joint Resolution directing the Secretary of State  
18 to refer to the people for their approval or  
19 rejection a proposed amendment to Section 6B of  
20 Article X of the Constitution of the State of  
21 Oklahoma; modifying provisions related to approval of  
22 exempt treatment; requiring approval by board of  
23 county commissioners; modifying provisions related to  
24 reimbursement to local taxing jurisdictions;  
providing for reimbursement based on certain exempt  
assets; providing ballot title; and directing filing.

1 BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE  
2 2ND SESSION OF THE 57TH OKLAHOMA LEGISLATURE:

3 SECTION 1. The Secretary of State shall refer to the people for  
4 their approval or rejection, as and in the manner provided by law,  
5 the following proposed amendment to Section 6B of Article X of the  
6 Constitution of the State of Oklahoma to read as follows:

7 Section 6B. A. For the purpose of inducing any manufacturing  
8 concern to locate or expand manufacturing facilities within any  
9 county of this state, a qualifying manufacturing concern shall be  
10 exempt from the levy of any ad valorem taxes upon new, expanded or  
11 acquired manufacturing facilities for a period of five (5) years;  
12 provided, for exemptions effective for the first time on or after  
13 January 1, 2023, such exemption shall only be allowed upon approval  
14 by the board of county commissioners of any and all counties in  
15 which any of the assets comprising the facility are located.

16 B. For purposes of this section, a "qualifying manufacturing  
17 concern" means a concern that:

18 1. Is not engaged in business in this state or does not have  
19 property subject to ad valorem tax in this state and constructs a  
20 manufacturing facility in this state or acquires an existing  
21 facility that has been unoccupied for a period of twelve (12) months  
22 prior to acquisition; or

23 2. Is engaged in business in this state or has property subject  
24 to ad valorem tax in this state and constructs a manufacturing

1 facility in this state at a different location from present  
2 facilities and continues to operate all of its facilities or  
3 acquires an existing facility that has been unoccupied for a period  
4 of twelve (12) months prior to acquisition and continues to operate  
5 all of its facilities.

6 C. The exemption allowed by this section shall apply to  
7 expansions of existing facilities. Provided, however, that any  
8 exemption shall be limited to the increase in ad valorem taxes  
9 directly attributable to the expansion.

10 D. The Legislature shall define the term "manufacturing  
11 facility" for purposes of the ad valorem tax exemption provided by  
12 this section in order to promote full employment of labor resources  
13 within the state; provided, however, that a manufacturing facility  
14 that qualifies for the ad valorem tax exemption provided by this  
15 section, pursuant to the definition of "manufacturing facility" then  
16 applicable, shall be eligible for the exemption without regard to  
17 subsequent changes in the definition of the term "manufacturing  
18 facility".

19 E. The Legislature shall enact laws to carry out the provisions  
20 of this section and, with respect to assets which have qualified for  
21 exemption prior to January 1, 2023, to provide for the reimbursement  
22 to common schools, county governments, cities and towns, emergency  
23 medical services districts, vocational-technical schools, junior  
24 colleges, county health departments and libraries for revenues lost

1 to such entities as a result of the exemption provided by this  
2 section. The provisions of this subsection for reimbursement to the  
3 units of local government described in this subsection shall not be  
4 applicable for any qualifying manufacturing concern assets with  
5 respect to exemptions effective for the first time on January 1,  
6 2023, or thereafter.

7 F. The assessed valuation of property exempt from taxation by  
8 virtue of this section shall be added to the assessed valuation of  
9 taxable property in computing the limit on indebtedness of political  
10 subdivisions contained in Section 26 of this article.

11 G. Pursuant to an affirmative vote of a majority of the  
12 eligible voters of the county at an election for such purpose which  
13 may be called by the county commissioners of each county, after the  
14 expiration of the period prescribed by this section for the  
15 exemption, a county may retain not to exceed twenty-five percent  
16 (25%) of the increased ad valorem taxes derived from the levy  
17 imposed by the county upon the taxable value of property previously  
18 exempt pursuant to this section. The revenue retained by the county  
19 pursuant to this subsection may be used by the county as an economic  
20 development incentive to attract additional investment which will  
21 result in additional employment in the county. Only ad valorem tax  
22 revenue derived from ten (10) mills of the total ad valorem tax levy  
23 imposed by the county may be used for this purpose. The ad valorem  
24 tax revenue derived from the levy imposed by any other taxing

jurisdiction shall be apportioned as otherwise required by law. The provisions of this subsection shall be applicable to qualified manufacturing concerns exempt prior to the adoption of the amendment contained in this subsection and which become taxable, either by expiration of the exemption period or for other reasons, on or after the date as of which the provisions of this subsection become law and to qualified manufacturing concerns which are exempt for the first time on or after the date of the adoption of the amendment contained in this subsection and which subsequently become taxable.

SECTION 2. The Ballot Title for the proposed Constitutional amendment as set forth in SECTION 1 of this resolution shall be in the following form:

BALLOT TITLE

Legislative Referendum No. \_\_\_\_\_ State Question No. \_\_\_\_\_

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends Section 6B of Article 10 of the Oklahoma Constitution. This section relates to a property tax exemption for certain manufacturing facilities. Effective January 1, 2023, approval for the exemption for these facilities would have to be provided by the board of county commissioners of any and all counties in which the manufacturing assets were located. Effective January 1, 2023, for manufacturing assets that qualified for the first time on or after that date for this exemption, the Legislature would no longer provide reimbursement

1 from state revenues to local taxing jurisdictions. Currently,  
2 the property tax revenues which those local taxing jurisdictions  
3 do not receive because of the exemption are paid for through  
4 state income tax revenues. Beginning January 1, 2023, the  
5 exemption of these manufacturing assets would reduce the amount  
6 of property taxes that the local taxing jurisdictions would  
7 otherwise receive.

8 SHALL THE PROPOSAL BE APPROVED?

9 FOR THE PROPOSAL — YES \_\_\_\_\_

10 AGAINST THE PROPOSAL — NO \_\_\_\_\_

11 SECTION 3. The President Pro Tempore of the Senate shall,  
12 immediately after the passage of this resolution, prepare and file  
13 one copy thereof, including the Ballot Title set forth in SECTION 2  
14 hereof, with the Secretary of State and one copy with the Attorney  
15 General."

16 Passed the House of Representatives the 14th day of May, 2020.

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19 \_\_\_\_\_  
20 Presiding Officer of the House of  
Representatives

21 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2020.

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24 \_\_\_\_\_  
Presiding Officer of the Senate

1 ENGROSSED SENATE  
JOINT  
2 RESOLUTION NO. 31

By: Newhouse and Bullard of the  
Senate

3  
4 and

Hilbert of the House  
5  
6

7 A Joint Resolution directing the Secretary of State  
to refer to the people for their approval or  
8 rejection the question of calling a Constitutional  
Convention which shall be authorized to propose  
9 alterations, revisions or amendments to the Oklahoma  
Constitution or to propose a new Constitution;  
10 providing ballot title; and directing filing.  
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12 BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE  
13 2ND SESSION OF THE 57TH OKLAHOMA LEGISLATURE:

14 SECTION 4. The Secretary of State shall refer to the people for  
15 their approval or rejection, as and in the manner provided by law,  
16 the question, pursuant specifically to Section 2 of Article XXIV of  
17 the Oklahoma Constitution, of calling a Constitutional Convention  
18 which shall be authorized to propose alterations, revisions or  
19 amendments to the Oklahoma Constitution or to propose a new  
20 Constitution for the State of Oklahoma.

21 SECTION 5. The Ballot Title for the proposed Constitutional  
22 amendment as set forth in SECTION 1 of this resolution shall be in  
23 the following form:

24 BALLOT TITLE

1 Legislative Referendum No. \_\_\_\_\_ State Question No. \_\_\_\_\_

2 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

3 Shall the Legislature call a Constitutional Convention which  
4 shall be authorized to propose alterations, revisions or  
5 amendments to the Oklahoma Constitution or to propose a new  
6 Constitution for the State of Oklahoma?

7 SHALL THE PROPOSAL BE APPROVED?

8 FOR THE PROPOSAL — YES \_\_\_\_\_

9 AGAINST THE PROPOSAL — NO \_\_\_\_\_

10 SECTION 6. The President Pro Tempore of the Senate shall,  
11 immediately after the passage of this resolution, prepare and file  
12 one copy thereof, including the Ballot Title set forth in SECTION 2  
13 hereof, with the Secretary of State and one copy with the Attorney  
14 General.

15 Passed the Senate the 12th day of March, 2020.

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\_\_\_\_\_  
Presiding Officer of the Senate

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19 Passed the House of Representatives the \_\_\_\_\_ day of \_\_\_\_\_,  
20 2020.

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Presiding Officer of the House  
of Representatives

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