

**COMMITTEE AMENDMENT**  
HOUSE OF REPRESENTATIVES  
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB3854 \_\_\_\_\_  
Of the printed Bill  
Page \_\_\_\_\_ Section \_\_\_\_\_ Lines \_\_\_\_\_  
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

**AMEND TITLE TO CONFORM TO AMENDMENTS**

Adopted: \_\_\_\_\_

Amendment submitted by: Rusty Cornwell  
\_\_\_\_\_

\_\_\_\_\_  
Reading Clerk

1 STATE OF OKLAHOMA

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

3 PROPOSED COMMITTEE  
4 SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 3854

By: Cornwell

7  
8 PROPOSED COMMITTEE SUBSTITUTE

9 An Act relating to revenue and taxation; creating  
10 investment rebate program until certain date;  
11 providing qualifying criteria; requiring submission  
12 of application; requiring the Oklahoma Department of  
13 Commerce to approve or disapprove certain claims and  
14 issue payment; limiting source of payments; making  
15 payments contingent upon deposits to certain fund;  
16 providing amount of rebate; authorizing conditional  
17 prequalification; creating the Water Infrastructure  
18 for Economic Development Fund; establishing fund  
19 procedures; providing sources of funds; directing  
20 transfer of unencumbered fund upon certain date;  
21 making an appropriation; and providing for  
22 codification.

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

24 SECTION 1. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 3648.1 of Title 68, unless there  
is created a duplication in numbering, reads as follows:

A. There is hereby created until July 1, 2029, an investment  
rebate program for the cost of water and wastewater infrastructure

1 investments by municipalities with a population between five  
2 thousand (5,000) and seven thousand (7,000), according to the latest  
3 Federal Decennial Census.

4 B. To be eligible for consideration for an investment rebate  
5 payment awarded under the provisions of this act, the municipality  
6 shall:

7 1. Submit an application and documentation to the Oklahoma  
8 Department of Commerce, as required by the Department, outlining the  
9 planned water and wastewater infrastructure expenditures of at least  
10 Thirty-five Million Dollars (\$35,000,000.00);

11 2. Provide documentation that the water and wastewater  
12 infrastructure expenditures are to provide services for an  
13 establishment, to be placed in service after the effective date of  
14 this act, that is defined or classified in the NAICS Manual under  
15 Industry Group No. 721211 and whose capital investment exceeds One  
16 Hundred Million Dollars (\$100,000,000.00); and

17 3. Have made expenditures of no less than twenty percent (20%)  
18 of the water and wastewater infrastructure expenditure plan outlined  
19 in the application submitted by the municipality.

20 C. 1. The Oklahoma Department of Commerce shall approve or  
21 disapprove claims for rebates and shall issue payment for all  
22 approved claims from funds held in the Water Infrastructure for  
23 Economic Development Fund created in Section 2 of this act.

24

1           2. The Department shall disapprove all applications and claims  
2 or any portion of applications and claims for rebates that would  
3 exceed the balance of available funds in the Water Infrastructure  
4 for Economic Development Fund.

5           3. The total amount of applications approved and investment  
6 rebate payments awarded under the provisions of this act shall not  
7 exceed the total amount of monies designated by law for deposit to  
8 the Water Infrastructure for Economic Development Fund.

9           D. 1. Subject to the approval and ongoing review of the  
10 eligibility application by the Oklahoma Department of Commerce, the  
11 investment rebate payment authorized by this act shall be equal to  
12 the cost of the water and wastewater infrastructure expenditures in  
13 the year of expenditure.

14           2. The Department is authorized to conditionally prequalify and  
15 account for anticipated future investment rebate payments. The  
16 Oklahoma Department of Commerce shall not prequalify investment  
17 rebate payments, encumber funds, pre-encumber funds, or otherwise  
18 allocate resources that would result in the allocation of investment  
19 rebate payments in excess of the balance of available funds in the  
20 Water Infrastructure for Economic Development Fund.

21           SECTION 2.           NEW LAW           A new section of law to be codified  
22 in the Oklahoma Statutes as Section 3648.2 of Title 68, unless there  
23 is created a duplication in numbering, reads as follows:

24

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

13       B. All unencumbered funds remaining in the Water Infrastructure  
14 for Economic Development Fund upon July 1, 2029, shall be  
15 transferred to the State Treasurer for deposit in the General  
16 Revenue Fund.

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18       59-2-10521       AO       02/27/24  
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