

05/28/2024 10:18:14 AM

HOUSE OF REPRESENTATIVES  
CONFERENCE COMMITTEE REPORT

Mr. President:  
Mr. Speaker:

The Conference Committee, to which was referred

**HB3854**

By: Cornwell of the House and Bergstrom of the Senate

Title: Investment rebate program; providing proof of services; setting maximum allowed rebate limit; creating the Water Infrastructure for Economic Development Fund.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate recede from its amendment; and
2. That the attached Conference Committee Substitute be adopted.

Respectfully submitted,

House Action \_\_\_\_\_ Date \_\_\_\_\_ Senate Action \_\_\_\_\_ Date \_\_\_\_\_

HB3854 CCR (A)  
**HOUSE CONFEREES**

Baker, Rhonda

Bashore, Steve



Bennett, Forrest

Blancett, Meloyde

Boatman, Jeff



Boles, Brad



Caldwell, Trey



Davis, Dean

Davis, Dean

Echols, Jon



Fetgatter, Scott



Ford, Ross



Goodwin, Regina

Hasenbeck, Toni



Hilbert, Kyle



Hill, Brian



Kannady, Chris



Kendrix, Gerrid

Kerbs, Dell



Lawson, Mark

Lepak, Mark

Lowe, Dick



Luttrell, Ken



McBride, Mark



McEntire, Marcus

Miller, Nicole



Moore, Anthony



Munson, Cyndi

Newton, Carl

Nichols, Monroe

O'Donnell, Terry

Osburn, Mike



Pfeiffer, John

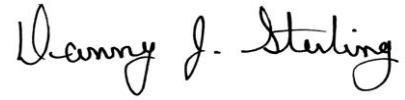


Provenzano, Melissa

Ranson, Trish

---

Sterling, Danny



Strom, Judd

---

Vancuren, Mark



Wallace, Kevin

---

West, Tammy



HB3854 CCR A

**SENATE CONFEREES**

Bergstrom

Michael Bergstrom

Rader

David Rader

Howard

Brent Howard

Hall

\_\_\_\_\_

Rosino

\_\_\_\_\_

Hicks

Cassie Hicks

House Action \_\_\_\_\_ Date \_\_\_\_\_ Senate Action \_\_\_\_\_ Date \_\_\_\_\_

House Action \_\_\_\_\_ Date \_\_\_\_\_ Senate Action \_\_\_\_\_ Date \_\_\_\_\_



1 STATE OF OKLAHOMA

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

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

By: Cornwell of the House

and

Bergstrom of the Senate

7  
8  
9 CONFERENCE COMMITTEE SUBSTITUTE

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

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

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 Million Dollars (\$30,000,000.00);

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 or 71311 and whose combined capital  
16 investment exceeds One Hundred Million Dollars (\$100,000,000.00);

17 3. Provide documentation that the water and wastewater  
18 infrastructure expenditures are to provide services for an  
19 establishment within an incentive or increment district created and  
20 approved pursuant to the Local Development Act, Section 850 et seq.  
21 of Title 62 of the Oklahoma Statutes; and

22 4. Have made expenditures of no less than twenty percent (20%)  
23 of the water and wastewater infrastructure expenditure plan outlined  
24 in the application submitted by the municipality.

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

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

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

13 D. 1. Subject to the approval and ongoing review of the  
14 eligibility application by the Oklahoma Department of Commerce, the  
15 investment rebate payment authorized by this act shall be equal to  
16 the cost of the water and wastewater infrastructure expenditures in  
17 the year of expenditure, not to exceed Thirty-five Million Dollars  
18 (\$35,000,000.00) for any municipality.

19 2. The Department is authorized to conditionally prequalify and  
20 account for anticipated future investment rebate payments. The  
21 Oklahoma Department of Commerce shall not prequalify investment  
22 rebate payments, encumber funds, pre-encumber funds, or otherwise  
23 allocate resources that would result in the allocation of investment  
24



1 rebate payments in excess of the balance of available funds in the  
2 Water Infrastructure for Economic Development Fund.

3 E. If the entity which is described by NAICS Manual Industry  
4 Group No. 71311 in paragraph 2 of subsection B of this section does  
5 not begin receiving gross revenue from the sale of tickets within  
6 sixty (60) months, any incentive payments paid by the Oklahoma  
7 Department of Commerce that have been paid pursuant to this section  
8 shall be required to be repaid by the establishment not later than  
9 90 days after a formal written demand for payment is communicated to  
10 the establishment.

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

14 A. There is hereby created in the State Treasury a fund for the  
15 Oklahoma Department of Commerce to be designated the "Water  
16 Infrastructure for Economic Development Fund". The fund shall be a  
17 continuing fund, not subject to fiscal year limitations, and shall  
18 consist of all monies designated for deposit to the fund by law.  
19 All monies accruing to the credit of the fund are hereby  
20 appropriated and may be budgeted and expended by the Department for  
21 the purpose of paying rebates as provided by this act. Expenditures  
22 from the fund shall be made upon warrants issued by the State  
23 Treasurer against claims filed as prescribed by law with the  
24

1 Director of the Office of Management and Enterprise Services for  
2 approval and payment.

3 B. All unencumbered funds remaining in the Water Infrastructure  
4 for Economic Development Fund upon July 1, 2029, shall be  
5 transferred to the State Treasurer for deposit in the General  
6 Revenue Fund.

7 SECTION 3. It being immediately necessary for the preservation  
8 of the public peace, health or safety, an emergency is hereby  
9 declared to exist, by reason whereof this act shall take effect and  
10 be in full force from and after its passage and approval.

11

12 59-2-11107 AO 05/21/24

13

14

15

16

17

18

19

20

21

22

23

24