

1 STATE OF OKLAHOMA

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

3 COMMITTEE SUBSTITUTE

4 FOR

HOUSE BILL NO. 3854

By: Cornwell

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8 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.

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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:

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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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