

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 59th Legislature (2024)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 3854

By: Cornwell of the House

and

Bergstrom of the Senate

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10 COMMITTEE SUBSTITUTE

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

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:

1 A. There is hereby created until July 1, 2029, an investment
2 rebate program for the cost of water and wastewater infrastructure
3 investments by municipalities with a population between five
4 thousand (5,000) and seven thousand (7,000), according to the latest
5 Federal Decennial Census.

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

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

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

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

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

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

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

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

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

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

4 A. There is hereby created in the State Treasury a fund for the
5 Oklahoma Department of Commerce to be designated the "Water
6 Infrastructure for Economic Development Fund". The fund shall be a
7 continuing fund, not subject to fiscal year limitations, and shall
8 consist of all monies designated for deposit to the fund by law.

9 All monies accruing to the credit of the fund are hereby
10 appropriated and may be budgeted and expended by the Department for
11 the purpose of paying rebates as provided by this act. Expenditures
12 from the fund shall be made upon warrants issued by the State
13 Treasurer against claims filed as prescribed by law with the
14 Director of the Office of Management and Enterprise Services for
15 approval and payment.

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

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21 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
22 02/29/2024 - DO PASS, As Amended and Coauthored.

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