

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

SENATE BILL 1447

By: Thompson (Kristen)

AS INTRODUCED

An Act relating to economic development; creating the Creating Oklahoma's Modern Plan for Economic Transformation and Effectiveness (COMPETE) Act; providing short title; stating purpose; defining terms; creating the Oklahoma Office of Economic Development, Growth, and Expansion; establishing purpose of the Office; specifying role of the Office; creating the Oklahoma Economic Development, Growth, and Expansion Board; providing for membership; stating quorum; providing for qualifications for Board members; stating appointment terms; establishing Board procedures for election of chair and vice chair and presiding of meetings; allowing for certain reimbursement; permitting membership to serve on other boards and commissions; subjecting Board to the provisions of the Oklahoma Open Meeting Act and Oklahoma Open Records Act; providing for use of executive sessions by Board; amending 25 O.S. 2021, Section 307, as amended by Section 1, Chapter 182, O.S.L. 2022 (25 O.S. Supp. 2023, Section 307), which relates to executive sessions; including certain entities to exceptions; establishing powers, duties, and responsibilities of the Board; requiring selection of an Executive Director of the Oklahoma Office of Economic Development, Growth, and Expansion; providing selection criteria; authorizing the Board to determine the Executive Director's salary and other compensation; requiring the Executive Director to consult with the Board over the administration of the Office; stating other duties of the Board; establishing powers, duties, and responsibilities of the Executive Director; establishing the powers, duties, and responsibilities of the Office; authorizing the Office to implement certain economic strategies to develop and expand Oklahoma's economy; amending 75 O.S. 2021, Section 250.4, as amended Section 37, Chapter 310, O.S.L.

1 2023 (75 O.S. Supp. 2023, Section 250.4), which
2 relates to compliance with the Administrative
3 Procedures Act; exempting Office from certain
4 violation; creating the Legislative Economic
5 Evaluation Committee; providing for membership;
6 requiring legislative review on investments over
7 certain threshold; specifying information for review;
8 requiring certain notice of determinations by certain
9 time; subjecting Committee to the provisions of the
10 Oklahoma Open Meeting Act and Oklahoma Open Records
11 Act; providing for use of executive sessions by
12 Committee; allowing for review of certain projects by
13 discretion; amending 74 O.S. 2021, Section 85.7, as
14 amended by Section 1, Chapter 339, O.S.L. 2023 (74
15 O.S. Supp. 2023, Section 85.7), which relates to
16 acquisitions; exempting certain purchases made by the
17 Office; creating the Economic Development, Growth,
18 and Expansion Revolving Fund; stating purpose;
19 establishing funding procedures; providing for
20 codification; and declaring an emergency.

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

22 SECTION 1. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 5090 of Title 74, unless there
24 is created a duplication in numbering, reads as follows:

25 This act shall be known and may be cited as the "Creating
26 Oklahoma's Modern Plan for Economic Transformation and Effectiveness
27 (COMPETE) Act".

28 SECTION 2. NEW LAW A new section of law to be codified
29 in the Oklahoma Statutes as Section 5090.1 of Title 74, unless there
30 is created a duplication in numbering, reads as follows:

31 A. The Legislature has determined that there exists in this
32 state a need to encourage, stimulate, and support the development

1 and expansion of the economy for this state through economic
2 development, and that the state's approach to economic development
3 needs to be modernized to compete nationally and internationally.

4 B. To achieve the objectives of this act, there is hereby
5 created a separate and distinct agency, to be known as the Oklahoma
6 Office of Economic Development, Growth, and Expansion. The Office
7 shall exercise the powers and duties granted to them by this act to
8 perform an essential governmental function for matters of public
9 necessity for which public monies may be spent and private property
10 acquired.

11 SECTION 3. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 5090.2 of Title 74, unless there
13 is created a duplication in numbering, reads as follows:

14 As used in this act:

15 1. "Board" means the Oklahoma Economic Development, Growth, and
16 Expansion Board as created in Section 5 of this act;

17 2. "Commission" means the Oklahoma Workforce Commission created
18 in Section 902 of Title 40 of the Oklahoma Statutes;

19 3. "Committee" means the Legislative Economic Evaluation
20 Committee as created in Section 11 of this act;

21 4. "Critical industry" means industries within Oklahoma that
22 are critical to the state's economic well-being and strategic plan
23 for economic growth and development;

1 5. "Director" means the Executive Director of the Oklahoma
2 Office of Economic Development, Growth, and Expansion;

3 6. "Office" means the Oklahoma Office of Economic Development,
4 Growth, and Expansion; and

5 7. "Person" means any individual, group of individuals, or any
6 partnership, corporation, association, cooperative, or employee
7 thereof, or any other legal entity.

8 SECTION 4. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 5090.3 of Title 74, unless there
10 is created a duplication in numbering, reads as follows:

11 A. There is hereby created the Oklahoma Office of Economic
12 Development, Growth, and Expansion. The purpose of the Office is to
13 serve as the state's lead economic development agency.

14 B. The Office shall:

15 1. Be empowered to strategically drive opportunities for
16 economic growth and diversification across the state;

17 2. Collaborate across local, regional, and state entities;

18 3. Coordinate the funding and investment activities of each
19 element of the state's economic development efforts and marketing
20 campaigns to achieve better results for the state's recruitment and
21 retention of businesses; and

22 4. Act as the principal point of contact regarding investment
23 in this state for public officials, businesses, and the public.

1 C. The Office shall assume from the Oklahoma Department of
2 Commerce the role of lead economic development organization for this
3 state, and with regard to competitive economic development projects,
4 the Oklahoma Department of Commerce shall play a support role for
5 the Office, as further outlined in this act.

6 SECTION 5. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 5090.4 of Title 74, unless there
8 is created a duplication in numbering, reads as follows:

9 A. There is hereby created the Oklahoma Economic Development,
10 Growth, and Expansion Board. The Board shall constitute an
11 advisory, administrative, and policymaking board and shall consist
12 of nine (9) voting members, as follows:

13 1. Three members to be appointed by the President Pro Tempore
14 of the Senate; provided, at least one appointed member shall be from
15 a municipality with a population of one hundred thousand (100,000)
16 people or less;

17 2. Three members to be appointed by the Speaker of the House of
18 Representatives; provided, at least one appointed member shall be
19 from a municipality with a population of one hundred thousand
20 (100,000) people or less; and

21 3. Three members to be appointed by the Governor; provided, at
22 least one appointed member shall be from a municipality with a
23 population of one hundred thousand (100,000) people or less.

1 B. The following individuals shall serve as nonvoting, ex
2 officio members:

3 1. The Executive Director of the Oklahoma Office of Economic
4 Development, Growth, and Expansion;

5 2. The chief executive officer of the Oklahoma Workforce
6 Commission;

7 3. The Secretary of Transportation, or his or her designee;

8 4. The chair of a board of directors, or equivalent, of a group
9 whose mission is tasked with economic development in Oklahoma;

10 5. The chief executive officer, or equivalent, of a state
11 chamber of commerce in Oklahoma, or his or her designee;

12 6. The chief executive officer, or equivalent, of an economic
13 development support organization in Oklahoma, or his or her
14 designee; and

15 7. The directors of fiscal staff, or equivalent, assigned to
16 the Senate and House committees on appropriations and budgeting.

17 C. Five voting members of the Board shall constitute a quorum,
18 and the vote of the majority of members present shall be necessary
19 for any action to be taken by the Board. No vacancy in the
20 membership of the Board shall impair the rights of a quorum to
21 exercise and perform all the rights and duties of the Board. The
22 voting members of this Board shall:

23 1. Have at least a minimum of five (5) years of experience
24 working in the private sector;

1 2. Not be employed by any government entity or have been
2 employed by a government entity within the preceding two-year
3 period; and

4 3. Possess expertise in at least one of the following areas:

- 5 a. marketing,
- 6 b. international commerce,
- 7 c. finance or grant administration,
- 8 d. state, regional, or local economic development,
- 9 e. incentive evaluation programs,
- 10 f. law,
- 11 g. information technologies,
- 12 h. transportation,
- 13 i. workforce development,
- 14 j. manufacturing,
- 15 k. biotechnology,
- 16 l. cybersecurity,
- 17 m. defense,
- 18 n. energy,
- 19 o. entrepreneurship, or
- 20 p. any other critical industry in this state.

21 D. For the initial appointments of members to the Board, each
22 appointing authority shall make one appointment for a one-year term,
23 one appointment for a two-year term, and one appointment for a
24 three-year term. Thereafter, the terms of the Board shall be for

1 three (3) years. Nonvoting members shall service terms coincident
2 of their terms of office or employment.

3 E. Vacancies of the Board shall be filled for the unexpired
4 term of office in the same manner as the original appointment. The
5 appointed members may be removed from their position by their
6 respective appointing authorities in a manner prescribed by law.

7 F. The Board shall elect a chair, a vice chair and such other
8 officers deemed necessary to conduct the business of the Board from
9 among its members. The chair shall preside over meetings of the
10 Board, and officers shall perform duties as may be required by the
11 Board. The initial appointments of the Board shall be made within
12 thirty (30) days after the effective date of this act. The first
13 meeting of the Board shall be called by the chair no later than
14 sixty (60) days after the effective date of this act.

15 G. No member of the Board shall receive a salary or
16 reimbursement for duties performed as a member of the Board, however
17 members are eligible to receive travel reimbursement as provided in
18 the State Travel Reimbursement Act.

19 H. Members serving on the Board shall be eligible to serve on
20 any other state board or commission if such member is otherwise
21 qualified to hold such appointed office, notwithstanding the
22 provisions of Section 6 of Title 51 of the Oklahoma Statutes.

23 I. The meetings of the Board shall be subject to the Oklahoma
24 Open Meeting Act and the Oklahoma Open Records Act. Any information
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1 submitted to or compiled by the Board with respect to the marketing
2 plans, financial statements, trade secrets, or any other
3 commercially sensitive information of persons, firms, associations,
4 partnerships, agencies, corporations, or other entities shall be
5 confidential, except to the extent that the person or entity which
6 provided such information, or which is the subject of such
7 information consents to disclosure. Executive sessions may be held
8 to discuss such materials if deemed necessary by the Board.

9 SECTION 6. AMENDATORY 25 O.S. 2021, Section 307, as
10 amended by Section 1, Chapter 182, O.S.L. 2022 (25 O.S. Supp. 2023,
11 Section 307), is amended to read as follows:

12 Section 307. A. No public body shall hold executive sessions
13 unless otherwise specifically provided in this section.

14 B. Executive sessions of public bodies will be permitted only
15 for the purpose of:

16 1. Discussing the employment, hiring, appointment, promotion,
17 demotion, disciplining or resignation of any individual salaried
18 public officer or employee;

19 2. Discussing negotiations concerning employees and
20 representatives of employee groups;

21 3. Discussing the purchase or appraisal of real property;

22 4. Confidential communications between a public body and its
23 attorney concerning a pending investigation, claim, or action if the
24 public body, with the advice of its attorney, determines that
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1 disclosure will seriously impair the ability of the public body to
2 process the claim or conduct a pending investigation, litigation, or
3 proceeding in the public interest;

4 5. Permitting district boards of education to hear evidence and
5 discuss the expulsion or suspension of a student when requested by
6 the student involved or the student's parent, attorney or legal
7 guardian;

8 6. Discussing matters involving a specific handicapped child;

9 7. Discussing any matter where disclosure of information would
10 violate confidentiality requirements of state or federal law;

11 8. Engaging in deliberations or rendering a final or
12 intermediate decision in an individual proceeding pursuant to
13 Article II of the Administrative Procedures Act;

14 9. Discussing matters involving safety and security at state
15 penal institutions or correctional facilities used to house state
16 inmates;

17 10. Discussing contract negotiations involving contracts
18 requiring approval of the State Board of Corrections, which shall be
19 limited to members of the public body, the attorney for the public
20 body, and the immediate staff of the public body. No person who may
21 profit directly or indirectly by a proposed transaction which is
22 under consideration may be present or participate in the executive
23 session; or

24 11. Discussing the following:
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- 1 a. the investigation of a plan or scheme to commit an act
2 of terrorism,
- 3 b. assessments of the vulnerability of government
4 facilities or public improvements to an act of
5 terrorism,
- 6 c. plans for deterrence or prevention of or protection
7 from an act of terrorism,
- 8 d. plans for response or remediation after an act of
9 terrorism,
- 10 e. information technology of the public body but only if
11 the discussion specifically identifies:
- 12 (1) design or functional schematics that demonstrate
13 the relationship or connections between devices
14 or systems,
- 15 (2) system configuration information,
- 16 (3) security monitoring and response equipment
17 placement and configuration,
- 18 (4) specific location or placement of systems,
19 components or devices,
- 20 (5) system identification numbers, names, or
21 connecting circuits,
- 22 (6) business continuity and disaster planning, or
23 response plans, or
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- 1 (7) investigation information directly related to
2 security penetrations or denial of services, or
3 f. the investigation of an act of terrorism that has
4 already been committed.

5 For the purposes of this subsection, the term "terrorism" means any
6 act encompassed by the definitions set forth in Section 1268.1 of
7 Title 21 of the Oklahoma Statutes.

8 C. Notwithstanding the provisions of subsection B of this
9 section, the following public bodies may hold executive sessions:

10 1. The State Banking Board, as provided for under Section 306.1
11 of Title 6 of the Oklahoma Statutes;

12 2. The Oklahoma Industrial Finance Authority, as provided for
13 in Section 854 of Title 74 of the Oklahoma Statutes;

14 3. The Oklahoma Development Finance Authority, as provided for
15 in Section 5062.6 of Title 74 of the Oklahoma Statutes;

16 4. The Oklahoma Center for the Advancement of Science and
17 Technology, as provided for in Section 5060.7 of Title 74 of the
18 Oklahoma Statutes;

19 5. The Oklahoma Health Research Committee for purposes of
20 conferring on matters pertaining to research and development of
21 products, if public disclosure of the matter discussed would
22 interfere with the development of patents, copyrights, products, or
23 services;

1 6. The Workers' Compensation Commission for the purposes
2 provided for in Section 20 of Title 85A of the Oklahoma Statutes;

3 7. A review committee, as provided for in Section 855 of Title
4 62 of the Oklahoma Statutes;

5 8. The Child Death Review Board for purposes of receiving and
6 conferring on matters pertaining to materials declared confidential
7 by law;

8 9. The Domestic Violence Fatality Review Board as provided in
9 Section 1601 of Title 22 of the Oklahoma Statutes;

10 10. The Opioid Overdose Fatality Review Board, as provided in
11 Section 2-1001 of Title 63 of the Oklahoma Statutes;

12 11. All nonprofit foundations, boards, bureaus, commissions,
13 agencies, trusteeships, authorities, councils, committees, public
14 trusts, task forces or study groups supported in whole or part by
15 public funds or entrusted with the expenditure of public funds for
16 purposes of conferring on matters pertaining to economic development
17 including the transfer of property, financing, or the creation of a
18 proposal to entice a business to remain or to locate within their
19 jurisdiction if public disclosure of the matter discussed would
20 interfere with the development of products or services or if public
21 disclosure would violate the confidentiality of the business;

22 12. The Oklahoma Indigent Defense System Board for purposes of
23 discussing negotiating strategies in connection with making possible
24 counteroffers to offers to contract to provide legal representation

1 to indigent criminal defendants and indigent juveniles in cases for
2 which the System must provide representation pursuant to the
3 provisions of the Indigent Defense Act;

4 13. The Quality Investment Committee for purposes of discussing
5 applications and confidential materials pursuant to the terms of the
6 Oklahoma Quality Investment Act;

7 14. The Oklahoma Municipal Power Authority established pursuant
8 to Section 24-101 et seq. of Title 11 of the Oklahoma Statutes and
9 in its role as an electric utility regulated by the federal
10 government, for purposes of discussing security plans and procedures
11 including, but not limited to, cybersecurity matters; ~~and~~

12 15. The Oklahoma Tax Commission for purposes of discussing
13 confidential taxpayer matters as provided in Section 205 of Title 68
14 of the Oklahoma Statutes, and in compliance with subsection E of
15 this section;

16 16. The Oklahoma Economic Development, Growth, and Expansion
17 Board, as provided for in Section 5 of this act; and

18 17. The Legislative Economic Evaluation Committee, as provided
19 for in Section 11 of this act.

20 D. Except as otherwise specified in this subsection, an
21 executive session for the purpose of discussing the purchase or
22 appraisal of real property shall be limited to members of the public
23 body, the attorney for the public body and the immediate staff of
24 the public body. No landowner, real estate salesperson, broker,

1 developer or any other person who may profit directly or indirectly
2 by a proposed transaction concerning real property which is under
3 consideration may be present or participate in the executive
4 session, unless they are operating under an existing agreement to
5 represent the public body.

6 E. No public body may go into an executive session unless the
7 following procedures are strictly complied with:

8 1. The proposed executive session is noted on the agenda as
9 provided in Section 311 of this title;

10 2. The executive session is authorized by a majority vote of a
11 quorum of the members present and the vote is a recorded vote; and

12 3. Except for matters considered in executive sessions of the
13 State Banking Board and the Oklahoma Tax Commission, and which are
14 required by state or federal law to be confidential, any vote or
15 action on any item of business considered in an executive session
16 shall be taken in public meeting with the vote of each member
17 publicly cast and recorded.

18 F. A willful violation of the provisions of this section shall:

19 1. Subject each member of the public body to criminal sanctions
20 as provided in Section 314 of this title; and

21 2. Cause the minutes and all other records of the executive
22 session including tape recordings, to be immediately made public.
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1 SECTION 7. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 5090.5 of Title 74, unless there
3 is created a duplication in numbering, reads as follows:

4 A. The Oklahoma Economic Development, Growth, and Expansion
5 Board shall administrate and serve as an advisory body for policy
6 encouraging, stimulating, and supporting the development and
7 expansion of the economy of this state through economic development.

8 B. 1. The Board shall appoint an Executive Director for the
9 Oklahoma Office of Economic Development, Growth, and Expansion to
10 serve at the pleasure of the Board and carry out such powers and
11 duties conferred upon him or her as prescribed by the Board. The
12 Executive Director shall be a nonvoting member of the Board.

13 2. The Board shall select an Executive Director with experience
14 that includes, but is not limited to:

- 15 a. economic development program leadership,
- 16 b. business development leadership,
- 17 c. senior-level board management and leadership,
- 18 d. senior-level business and political engagement,
- 19 e. leading business development or business recruitment
20 teams,
- 21 f. creating and implementing sector development
22 strategies,
- 23 g. branding and marketing leadership experience, and
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1 h. a track record in recruiting companies to a state or
2 community.

3 3. The Board shall determine the Executive Director's salary
4 and other compensation such that the Board is nationally competitive
5 in consistently employing a talented and experienced economic
6 development professional in the position.

7 C. The Executive Director shall consult with the Board
8 regarding the administration of the affairs of the Oklahoma Office
9 of Economic Development, Growth, and Expansion. The Board is
10 authorized and empowered to require from the Executive Director
11 complete reports and information relative to the affairs of the
12 Office in the time and manner the Board may deem advisable.

13 D. In addition to the other powers and duties prescribed by
14 law, the Board shall:

15 1. Prescribe rules and policies for the transaction of its
16 business and the control of the Office;

17 2. Review and approve the budget and amend to make supplemental
18 appropriations;

19 3. Advise in the appointment and compensation for officers,
20 agents, and employees of the Office;

21 4. Establish performance-based incentive compensation
22 structures to enhance organizational and individual performance,
23 both for the Executive Director and his or her employees;

1 5. Supervise the letting of all contracts and purchases for the
2 Office, with all purchases of personal property to be made through
3 the Office of Management and Enterprise Services;

4 6. Form committees, which may include representatives who are
5 not members of the Board, to undertake more extensive study and
6 discussion on the issues before the Board; and

7 7. Annually report to the Governor and the Legislature
8 electronically on the complete operation, activities, and plans of
9 the Office, together with such recommendations for future activities
10 as the Board may deem to be in the best interest of the state.

11 SECTION 8. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 5090.6 of Title 74, unless there
13 is created a duplication in numbering, reads as follows:

14 Immediately upon the appointment of the Executive Director, he
15 or she shall become vested with the duties and powers of the
16 management and control of the Oklahoma Office of Economic
17 Development, Growth, and Expansion under such provisions, orders,
18 rules, and regulations as may be prescribed by the Oklahoma Economic
19 Development, Growth, and Expansion Board, and in addition thereto
20 shall have the following specific powers and duties:

21 1. To manage and control, under the supervision of the Board,
22 all economic development projects in this state;

23 2. To appoint and employ such assistants, administrative
24 leadership, clerical help, and other employees as the Board may deem

1 necessary, subject to the approval of the Board. The Executive
2 Director shall fix and determine the salaries and wages to be paid
3 under and subject to the rules and regulations as promulgated by the
4 Board; and

5 3. To exercise such powers and duties relating to the direction
6 of the state's economic development efforts conferred upon the
7 Office as may be delegated to him or her by the Board.

8 SECTION 9. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 5090.7 of Title 74, unless there
10 is created a duplication in numbering, reads as follows:

11 A. The Oklahoma Office of Economic Development, Growth, and
12 Expansion is granted all powers necessary for the carrying out of
13 its statutory purposes including, but not limited to, the power to:

14 1. Administer the provisions of this act or any duty as
15 directed by the state;

16 2. Establish a presence for the Office in a location housed
17 with the Oklahoma Department of Commerce;

18 3. Administer funds from the Economic Development, Growth, and
19 Expansion Revolving Fund created in Section 13 of this act;

20 4. Promulgate rules to carry out the provisions of this act;

21 5. Enter into contracts or agreements for studies, professional
22 services, grant administration and procurement, research projects,
23 supplies, or any other services the Office deems necessary to carry
24 out its purpose;

1 6. Cooperate with any private, local, state, or national
2 commission, organization, agency, or group and to make contracts and
3 agreements for joint programs beneficial to Oklahoma's economic
4 development;

5 7. Hire outside legal counsel as provided in Section 250.4 of
6 Title 75 of the Oklahoma Statutes;

7 8. Accept donations, grants, contributions, and gifts from any
8 public or private sources and deposit such in the Economic
9 Development, Growth, and Expansion Revolving Fund;

10 9. Provide input and authorize an annual plan of work and
11 marketing plan;

12 10. Provide guidance, set policy, approve objectives and
13 conduct frequent reviews of the organization's progress to ensure
14 that the focus remains on its mission;

15 11. Render advice and assistance and provide services to state
16 agencies, local and regional economic development entities, private
17 firms, and the other person providing services or facilities for
18 economic development; and

19 12. Develop, undertake, and provide programs, alone or in
20 conjunction with any person, for economic research, industrial
21 development research, and all other research that may lead to
22 economic development.

23 B. It shall be the duty of the Office to encourage, stimulate,
24 and support the development and expansion of the economy of

1 Oklahoma. The Office is charged with the duty and responsibility
2 to:

3 1. Create and implement a strategic economic development plan,
4 including identifying critical industries;

5 2. Create and implement effective economic development
6 marketing and promotional programming;

7 3. Make available, in conjunction and cooperation with
8 localities, chambers of commerce, industrial authorities, and other
9 public and private groups, to prospective new businesses, basic
10 information and pertinent factors of interest and concern to such
11 businesses;

12 4. Formulate, promulgate, and advance programs throughout the
13 state for encouraging the location of new businesses in the state
14 and the retention and growth of existing businesses;

15 5. Encourage and solicit private sector involvement, support,
16 and funding for economic development in this state;

17 6. Encourage the coordination of economic development efforts
18 of public institutions, regions, communities, and private industry
19 and collect and maintain data on the development and utilization of
20 economic development capabilities;

21 7. Encourage the export of products and services; and

22 8. Advise the Oklahoma Workforce Commission and its educational
23 and instructional partners of increased workforce needs for
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1 particular industries or skills in accordance with the Office's
2 strategic plan and economic development activities.

3 C. The Office shall annually update and modify its economic
4 development strategic plan for this state in consultation with the
5 Governor, Lieutenant Governor, and the Legislature. The Office
6 shall prepare a report on the economic development strategic plan by
7 December 30 each year to be electronically distributed to the
8 Governor, President Pro Tempore of the Senate, the Speaker of the
9 House of Representatives, and the fiscal directors of their
10 respective Legislative chambers. The Office shall post the report
11 on their website.

12 SECTION 10. AMENDATORY 75 O.S. 2021, Section 250.4, as
13 amended by Section 37, Chapter 310, O.S.L. 2023 (75 O.S. Supp. 2023,
14 Section 250.4), is amended to read as follows:

15 Section 250.4. A. 1. Except as is otherwise specifically
16 provided in this subsection, each agency is required to comply with
17 Article I of the Administrative Procedures Act.

18 2. The Corporation Commission shall be required to comply with
19 the provisions of Article I of the Administrative Procedures Act
20 except for subsections A, B, C and E of Section 303 of this title
21 and Section 306 of this title. To the extent of any conflict or
22 inconsistency with Article I of the Administrative Procedures Act,
23 pursuant to Section 35 of Article IX of the Oklahoma Constitution,
24 it is expressly declared that Article I of the Administrative

1 Procedures Act is an amendment to and alteration of Sections 18
2 through 34 of Article IX of the Oklahoma Constitution.

3 3. The Oklahoma Military Department shall be exempt from the
4 provisions of Article I of the Administrative Procedures Act to the
5 extent it exercises its responsibility for military affairs.

6 Military publications, as defined in Section 801 of Title 44 of the
7 Oklahoma Statutes, shall be exempt from the provisions of Article I
8 and Article II of the Administrative Procedures Act, except as
9 provided in Section 251 of this title.

10 4. The Oklahoma Ordnance Works Authority, the Northeast
11 Oklahoma Public Facilities Authority, the Oklahoma Office of
12 Homeland Security and the Board of Trustees of the Oklahoma College
13 Savings Plan shall be exempt from Article I of the Administrative
14 Procedures Act.

15 5. The Transportation Commission and the Department of
16 Transportation shall be exempt from Article I of the Administrative
17 Procedures Act to the extent they exercise their authority in
18 adopting standard specifications, special provisions, plans, design
19 standards, testing procedures, federally imposed requirements and
20 generally recognized standards, project planning and programming,
21 and the operation and control of the State Highway System.

22 6. The Oklahoma State Regents for Higher Education shall be
23 exempt from Article I of the Administrative Procedures Act with
24 respect to:

- a. prescribing standards of higher education,
- b. prescribing functions and courses of study in each institution to conform to the standards,
- c. granting of degrees and other forms of academic recognition for completion of the prescribed courses,
- d. allocation of state-appropriated funds, and
- e. fees within the limits prescribed by the Legislature.

7. Institutional governing boards within The Oklahoma State System of Higher Education shall be exempt from Article I of the Administrative Procedures Act.

8. a. The Commissioner of Public Safety and the Director of Service Oklahoma shall be exempt from Sections 303.1, 304, 307.1, 308 and 308.1 of this title insofar as it is necessary to promulgate rules pursuant to the Oklahoma Motor Carrier Safety and Hazardous Materials Transportation Act, to maintain a current incorporation of federal motor carrier safety and hazardous material regulations.

b. Such rules may be adopted by the Commissioner and shall be deemed promulgated twenty (20) days after notice of adoption is published in "The Oklahoma Register". Such publication need not set forth the full text of the rule but may incorporate the federal rules and regulations by reference.

1 c. Such copies of promulgated rules shall be filed with
2 the Secretary as required by Section 251 of this
3 title.

4 d. For any rules for which the Commissioner has
5 discretion to allow variances, tolerances or
6 modifications from the federal rules and regulations,
7 the Commissioner shall fully comply with Article I of
8 the Administrative Procedures Act.

9 9. The Council on Judicial Complaints shall be exempt from
10 Section 306 of Article I of the Administrative Procedures Act, with
11 respect to review of the validity or applicability of a rule by an
12 action for declaratory judgment, or any other relief based upon the
13 validity or applicability of a rule, in the district court or by an
14 appellate court. A party aggrieved by the validity or applicability
15 of a rule made by the Council on Judicial Complaints may petition
16 the Court on the Judiciary to review the rules and issue opinions
17 based upon them.

18 10. The Department of Corrections, State Board of Corrections,
19 county sheriffs and managers of city jails shall be exempt from
20 Article I of the Administrative Procedures Act with respect to:

21 a. prescribing internal management procedures for the
22 management of the state prisons, county jails and city
23 jails and for the management, supervision and control
24 of all incarcerated prisoners, and

1 b. prescribing internal management procedures for the
2 management of the probation and parole unit of the
3 Department of Corrections and for the supervision of
4 probationers and parolees.

5 11. The State Board of Education shall be exempt from Article I
6 of the Administrative Procedures Act with respect to prescribing
7 subject matter standards as provided for in Section 11-103.6a of
8 Title 70 of the Oklahoma Statutes.

9 B. As specified, the following agencies or classes of agency
10 activities are not required to comply with the provisions of Article
11 II of the Administrative Procedures Act:

12 1. The Oklahoma Tax Commission, except as provided in
13 subsection G of Section 1140 of Title 47 of the Oklahoma Statutes;

14 2. The Commission for Human Services;

15 3. The Oklahoma Ordnance Works Authority;

16 4. The Corporation Commission;

17 5. The Pardon and Parole Board;

18 6. The Midwestern Oklahoma Development Authority;

19 7. The Grand River Dam Authority;

20 8. The Northeast Oklahoma Public Facilities Authority;

21 9. The Council on Judicial Complaints;

22 10. The Board of Trustees of the Oklahoma College Savings Plan;

23 11. The supervisory or administrative agency of any penal,
24 mental, medical or eleemosynary institution, only with respect to
25

1 the institutional supervision, custody, control, care or treatment
2 of inmates, prisoners or patients therein; provided, that the
3 provisions of Article II shall apply to and govern all
4 administrative actions of the Oklahoma Alcohol Prevention, Training,
5 Treatment and Rehabilitation Authority;

6 12. The Board of Regents or employees of any university,
7 college, or other institution of higher learning;

8 13. The Oklahoma Horse Racing Commission, its employees or
9 agents only with respect to hearing and notice requirements on the
10 following classes of violations which are an imminent peril to the
11 public health, safety and welfare:

- 12 a. any rule regarding the running of a race,
- 13 b. any violation of medication laws and rules,
- 14 c. any suspension or revocation of an occupation license
15 by any racing jurisdiction recognized by the
16 Commission,
- 17 d. any assault or other destructive acts within
18 Commission-licensed premises,
- 19 e. any violation of prohibited devices, laws and rules,
20 or
- 21 f. any filing of false information;

22 14. The Commissioner of Public Safety and the Director of
23 Service Oklahoma only with respect to driver license hearings and
24

1 hearings conducted pursuant to the provisions of Section 2-115 of
2 Title 47 of the Oklahoma Statutes;

3 15. The Administrator of the Department of Securities only with
4 respect to hearings conducted pursuant to provisions of the Oklahoma
5 Take-over Disclosure Act of 1985;

6 16. Hearings conducted by a public agency pursuant to Section
7 962 of Title 47 of the Oklahoma Statutes;

8 17. The Oklahoma Military Department;

9 18. The University Hospitals Authority, including all hospitals
10 or other institutions operated by the University Hospitals
11 Authority;

12 19. The Oklahoma Health Care Authority Board and the
13 Administrator of the Oklahoma Health Care Authority; ~~and~~

14 20. The Oklahoma Office of Homeland Security; and

15 21. The Oklahoma Office of Economic Development, Growth, and
16 Expansion created in Section 4 of this act only to the extent of
17 hiring outside legal counsel.

18 SECTION 11. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 5090.8 of Title 74, unless there
20 is created a duplication in numbering, reads as follows:

21 A. There is hereby created within the Legislature the
22 Legislative Economic Evaluation Committee.

23 B. The Committee shall consist of the President Pro Tempore of
24 the Senate, the Speaker of the House of Representatives, and eight

1 (8) other legislative members, serving at the pleasure of their
2 appointing authority. The President Pro Tempore shall appoint four
3 (4) members of the Senate and the Speaker shall appoint four (4)
4 members of the House of Representatives. The President Pro Tempore
5 and the Speaker shall serve as co-chairs for the Committee.

6 C. The Committee shall review financing for individual
7 incentive packages including, but not limited to, packages offering
8 tax incentives, funds for economic development, and when the annual
9 investment exceeds Seventy-five Million Dollars (\$75,000,000.00) for
10 any business, new or existing currently in Oklahoma, or when one or
11 more of the incentives in the incentive package is not authorized
12 under current law or an amendment by the Legislature is being sought
13 to one or more currently existing incentives included in the
14 incentive package.

15 D. The Committee shall review the following information before
16 making a determination on:

- 17 1. The value of the proposed incentive;
- 18 2. The estimated return on investment;
- 19 3. The time frame for repayment of incentive to the state;
- 20 4. The average wages of the jobs created by the prospective
21 economic development;
- 22 5. The amount of capital investment that is required;
- 23 6. The need for enhanced employment opportunities in the
24 prospective location of the prospective economic development;

1 7. The total amount of state incentives received by the sponsor
2 for economic development in the past and the return on investment of
3 those incentives;

4 8. A list of other existing nondiscretionary incentives for
5 which the sponsor or the economic development may qualify; and

6 9. Any other additional information requested by the Committee.

7 E. The Oklahoma Office of Economic Development, Growth, and
8 Expansion shall inform the Senate and House chairs when a project is
9 ready for review. Within ten (10) business days of receipt of the
10 incentive package for review, the Office shall present the project
11 to the Committee. The Committee may approve or disapprove the
12 legislative changes needed for the project or defer action. The
13 Committee shall take action on a project within fifteen (15)
14 business days of receipt of the incentive package review materials.
15 The Committee may meet in the interim. The Committee may call upon
16 the Office representative, the local or regional economic
17 development group, or other project leaders to answer questions
18 about the incentive package. Approval shall be by simple majority
19 vote of the members.

20 F. The meetings of the Committee shall be subject to the
21 Oklahoma Open Meeting Act and the Oklahoma Open Records Act. Any
22 information submitted to or compiled by the Office with respect to
23 the marketing plans, financial statements, trade secrets, or any
24 other commercially sensitive information of persons, firms,

1 associations, partnerships, agencies, corporations, or other
2 entities shall be confidential, except to the extent that the person
3 or entity which provided such information, or which is the subject
4 of such information consents to disclosure. Executive sessions may
5 be held to discuss such materials if deemed necessary by the Board.

6 G. In addition to the required review of certain incentive
7 packages as prescribed by this section, the Committee may, in its
8 discretion, also review potential economic development projects
9 presented by private sector businesses or state authorities which
10 would be financed from public funds. The Committee shall not be
11 required to endorse any such project but may provide
12 recommendations.

13 H. Administrative staff support shall be provided by the staff
14 of the Joint Committee on Appropriations and Budget and the Office.

15 SECTION 12. AMENDATORY 74 O.S. 2021, Section 85.7, as
16 amended by Section 1, Chapter 339, O.S.L. 2023 (74 O.S. Supp. 2023,
17 Section 85.7), is amended to read as follows:

18 Section 85.7. A. 1. Except as otherwise provided by the
19 Oklahoma Central Purchasing Act, or associated rules:

- 20 a. every state agency shall initiate all acquisitions by
21 the submission of a requisition to the Purchasing
22 Division, and
23 b. no state agency shall make an acquisition for an
24 amount exceeding Fifty Thousand Dollars (\$50,000.00)

1 or the limit determined by the State Purchasing
2 Director pursuant to rules authorized by Section 85.5
3 of this title, not to exceed Two Hundred Fifty
4 Thousand Dollars (\$250,000.00), without submission of
5 a requisition to the Purchasing Division for issuance
6 of a solicitation for the acquisition on behalf of the
7 agency. Any exemption from competitive bid
8 requirements of the Oklahoma Central Purchasing Act
9 further exempts the acquisition from requisition
10 requirements of the act.

11 2. The State Purchasing Director may request additional
12 information necessary to adequately review a requisition to ensure
13 compliance with the Oklahoma Central Purchasing Act and associated
14 rules. If the State Purchasing Director determines that an
15 acquisition is not necessary, excessive or not justified, the State
16 Purchasing Director shall deny the requisition.

17 3. The provisions of the Oklahoma Central Purchasing Act shall
18 not preclude a state agency from:

- 19 a. accepting gifts or donations in any manner authorized
20 by law, or
- 21 b. making an acquisition for itself without submitting a
22 requisition under this section when authorized in
23 writing by the State Purchasing Director.

1 4. Any acquisition a state agency makes shall be made pursuant
2 to the Oklahoma Central Purchasing Act and associated rules. No
3 agency shall use split purchasing for the purpose of evading the
4 requirement of competitive bidding or other requirement of the
5 Oklahoma Central Purchasing Act or associated rules. Violation of
6 this provision shall be cause for discipline of a state employee up
7 to and including termination.

8 5. The State Purchasing Director may waive or increase the
9 limit authorized for a state agency acquisition made pursuant to its
10 own competitive procedures. To perfect an otherwise valid
11 acquisition inadvertently exceeding the limit due to administrative
12 error by a state agency or unforeseeable circumstances, the state
13 agency shall request a limited waiver or increase upon the discovery
14 of the error or circumstance to the State Purchasing Director. The
15 State Purchasing Director shall report requests for waivers or
16 increases, stating the amount and whether the request was granted or
17 denied, upon request by the Governor, President Pro Tempore of the
18 Senate or Speaker of the House of Representatives.

19 6. Competitive bidding requirements of this section shall not
20 be required for the following:

- 21 a. contracts for master custodian banks or trust
22 companies, investment managers, investment
23 consultants, and actuaries for the state retirement
24 systems, and Oklahoma Employees Insurance and Benefits

1 Board, pension fund management consultants of the
2 Oklahoma State Pension Commission and the
3 Commissioners of the Land Office, examiners, experts,
4 or consultants for the Insurance Department whose job
5 duties are tied to Market Conduct Exams, Financial
6 Exams, and Insurance Business Transfers, financial
7 institutions to act as depositories and managers of
8 the Oklahoma College Savings Plan accounts and other
9 professional services as defined in Section 803 of
10 Title 18 of the Oklahoma Statutes. When requested by
11 the Oklahoma Employees Insurance and Benefits Board or
12 the governing board of a state retirement system
13 authorized to hire investment managers, the Purchasing
14 Division shall assist in the process of selecting
15 investment managers,

16 b. a state agency making such an acquisition shall notify
17 the State Purchasing Director within fifteen (15) days
18 following completion of the acquisition. A list of
19 the exempt contracts shall be provided, upon request,
20 to a member of the Appropriations and Budget Committee
21 of the House of Representatives or Appropriations
22 Committee of the Senate,

23 c. purchases of postage by state agencies made pursuant
24 to Sections 90.1 through 90.4 of this title,

1 d. a sole source acquisition made in compliance with
2 Section 85.44D.1 of this title,

3 e. an acquisition for design, development, communication
4 or implementation of the state employees flexible
5 benefits plan; provided, procedures used for the
6 acquisition are consistent with competitive bid
7 requirements of the Oklahoma Central Purchasing Act
8 and associated rules,

9 f. any acquisition of a service which the Office of
10 Management and Enterprise Services has approved as
11 qualifying for a fixed and uniform rate, subject to
12 the following:

13 (1) the Purchasing Division shall establish criteria
14 and guidelines for those services which may
15 qualify for a fixed and uniform rate,

16 (2) fixed and uniform rate contracts authorized by
17 this subsection shall be limited to contracts for
18 those services furnished to persons directly
19 benefiting from such services and shall not be
20 used by a state agency to employ consultants or
21 to make other acquisitions,

22 (3) any state agency desiring to have a service
23 qualified for a fixed and uniform rate shall make
24 a request for service qualification to the State
25

1 Purchasing Director and submit documentation to
2 support the request. The State Purchasing
3 Director shall approve or deny the request. If
4 approved, the state agency shall establish a
5 fixed and uniform rate for the service. No
6 contracts shall be entered into by the state
7 agency until the rate has been approved by the
8 state agency in a public hearing. The proposed
9 rate shall be clearly and separately identified
10 in the agenda of the state agency for the hearing
11 and shall be openly and separately discussed
12 during such hearing. The state agency shall
13 notify the State Purchasing Director of its
14 pending consideration of the proposed rate at
15 least thirty (30) days before the state agency is
16 to meet on the proposed rate and deliver a copy
17 of the agenda items concerning the proposed rate
18 with supporting documentation. The State
19 Purchasing Director shall communicate any
20 observation, reservation, criticism or
21 recommendation to the agency, either in person at
22 the time of the hearing or in writing delivered
23 to the state agency before or at the time of the
24 hearing. The State Purchasing Director shall

1 specifically note in the written communications
2 whether the Director has determined the rate to
3 be excessive. Any written communication
4 presented in the absence of the State Purchasing
5 Director shall be presented orally during the
6 public hearing. Whether made in person or in
7 writing, any comment made by the State Purchasing
8 Director shall be made a part of the minutes of
9 the hearing in full,

10 (4) within two (2) weeks after the convening of the
11 Legislature, the administrative officer of the
12 state agency shall furnish to the Speaker of the
13 House of Representatives, the President Pro
14 Tempore of the Senate and to any member of the
15 House or Senate, if requested by the member, a
16 complete list of all of the types of services
17 paid for by uniform fixed rates, the amount of
18 the rate last approved by the agency for the
19 service and the number of contracts then in
20 existence for each type of service. Any rate
21 which has been determined to be excessive by the
22 State Purchasing Director shall be specifically
23 identified in the list by the state agency, and
24

1 (5) at any time, the State Purchasing Director may
2 review, suspend or terminate a contract entered
3 into pursuant to the provisions of this paragraph
4 if the Director determines the contract is not
5 necessary, is excessive or is not justified,

6 g. an acquisition for a client of the State Department of
7 Rehabilitation Services; provided, the agency develops
8 and maintains standards for such an acquisition. The
9 agency may elect to utilize the Purchasing Division
10 for an acquisition. The standards shall foster
11 economy, provide a short response time, include
12 appropriate safeguards, require written records,
13 ensure appropriate competition for economical and
14 efficient purchasing and shall be approved by the
15 State Purchasing Director,

16 h. structured settlement agreements entered into by the
17 Attorney General's office in order to settle any
18 lawsuit involving the state, the Legislature, any
19 state agency or any employee or official of the state
20 if:

21 (1) prior to entering into any contract for the
22 services of an entity to administer a structured
23 settlement agreement, the Attorney General
24

1 receives proposals from at least three entities
2 engaged in providing such services, and

3 (2) the selection of a particular entity is made on
4 the basis of the response to the request which is
5 the most economical and provides the most
6 competent service which furthers the best
7 interests of the state,

8 i. an acquisition by a state agency pursuant to a
9 contract the State Purchasing Director enters into on
10 behalf of a state agency or awards and designates for
11 use by state agencies,

12 j. an acquisition by the Committee for Sustaining
13 Oklahoma's Energy Resources pursuant to a contract
14 with a local supplier for the purpose of holding a
15 special event or an exhibition throughout the state,
16 and

17 k. contracts for the study, analysis, and planning, as
18 reasonably necessary, to aid in determining the
19 feasibility of leasing, selling, or privately managing
20 or developing the property or facilities under control
21 of the Oklahoma Tourism and Recreation Commission.
22 The Commission shall be exempt from the competitive
23 bidding requirements of the Oklahoma Central
24 Purchasing Act for the purpose of soliciting,

1 negotiating, and effectuating such a contract or
2 contracts; provided, that the State Purchasing
3 Director shall review and audit all uses of the
4 exemptions provided in this subparagraph biannually,
5 and

6 1. contracts for the study, analysis, and planning as
7 reasonably necessary to aid in determining the
8 feasibility of economic projects by the Oklahoma
9 Office of Economic Development, Growth, and Expansion
10 created in Section 4 of this act; provided, the Office
11 develops and maintains standards for such an
12 acquisition. The standards shall foster economic
13 development, provide a short response time, include
14 appropriate safeguards, require written records, and
15 ensure appropriate competition for economical and
16 efficient purchasing.

17 7. Notwithstanding any other provision of law, an acquisition
18 may be exempted from requirements of this section by the State
19 Purchasing Director when in the State Purchasing Director's
20 discretion unusual, time-sensitive or unique circumstances exist
21 which make such exemption in the best and immediate interest of the
22 state. As used in this subsection, "State Purchasing Director"
23 shall not mean a designee. Any such acquisitions shall be described
24 in detail and publicly posted as a data feed. The description shall

1 include the name of the supplier, cost of the acquisition, reason
2 for exemption and, as applicable, detailed comparison of the
3 acquisition with comparable items, any identified cost savings
4 resulting from the acquisition and a description of benefits to the
5 state. The State Purchasing Director shall take no action under the
6 provisions of this subsection prior to such public posting.

7 B. Competitively bid acquisitions shall be awarded to the
8 lowest and best, or best value, bidder or bidders.

9 C. Bids for an amount requiring submission of requisitions to
10 the Purchasing Division shall be evaluated by the Purchasing
11 Division and the state agency receiving the acquisition. At a
12 minimum, cost and technical expertise shall be considered in
13 determining the lowest and best, or best value, bid. Further, the
14 state agency shall present its evaluation and recommendation to the
15 State Purchasing Director. A documented evaluation report
16 containing the evaluations of the Purchasing Division or the state
17 agency shall be completed prior to the contract award and such
18 report shall be a matter of public record.

19 D. Except as otherwise specifically provided by law, the
20 acquisition of food items or food products by a state agency from a
21 public trust created pursuant to Sections 176 through 180.56 of
22 Title 60 of the Oklahoma Statutes shall comply with competitive
23 bidding requirements of this section.

1 E. Cooperative contracts shall not be utilized unless the
2 purchasing cooperative and its affiliated suppliers have complied
3 with competitive bid requirements of the Oklahoma Central Purchasing
4 Act and associated rules.

5 F. Notwithstanding any provision of the Oklahoma Central
6 Purchasing Act, in all cases where federal granted funds are
7 involved, the federal laws, rules and regulations thereto shall
8 govern to the extent necessary to inure to the benefit of such funds
9 to this state.

10 G. A court order requiring an acquisition by a state agency,
11 whether or not such state agency is subject to the Oklahoma Central
12 Purchasing Act, shall not invalidate competitive bidding procedures
13 required by this section if such court order does not specify a
14 specific supplier. Any such acquisition shall comply with
15 competitive bid procedures.

16 SECTION 13. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 5090.9 of Title 74, unless there
18 is created a duplication in numbering, reads as follows:

19 There is hereby created in the State Treasury a revolving fund
20 for the Oklahoma Office of Economic Development, Growth, and
21 Expansion to be designated the "Economic Development, Growth, and
22 Expansion Revolving Fund". The fund shall be a continuing fund, not
23 subject to fiscal year limitations, and shall consist of all monies
24 received by the Office from appropriations and donations, grants,

1 contributions, or gifts from any public or private source. All
2 monies accruing to the credit of the fund are hereby appropriated
3 and may be budgeted and expended by the Office for the purpose of
4 attracting, retaining, and recruiting new business to Oklahoma,
5 advancing the purposes of the Office, or any other purpose proposed
6 by the Office and consented to by the Oklahoma Economic Development,
7 Growth, and Expansion Board. Expenditures from the fund shall be
8 made upon warrants issued by the State Treasurer against claims
9 filed as prescribed by law with the Director of State Finance for
10 approval and payment.

11 SECTION 14. It being immediately necessary for the preservation
12 of the public peace, health or safety, an emergency is hereby
13 declared to exist, by reason whereof this act shall take effect and
14 be in full force from and after its passage and approval.

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