

BILL SUMMARY
2nd Session of the 59th Legislature

Bill No.:	HB 3424
Version:	INT
Request Number:	8574
Author:	Archer
Date:	2/9/2024
Impact:	See Analysis Below

Research Analysis

HB3424, as introduced, creates the Community Quality of Life Enhancement Revolving Fund and provides \$60 million in annual funding to the fund from sales tax revenue. The Oklahoma Department of Commerce will be responsible for allocating the funds to local communities on a per capita basis. An eligible community may apply for funding of infrastructure improvements, parks and recreational facilities, public transportation, cultural and community centers, public art and beautification and environmental conservation projects.

Prepared By: Quyen Do

Fiscal Analysis

As introduced, HB 3424 proposes to create the Community Quality of Life Enhancement Act (CQLE) and designates a fund to allocate money for projects that promote a high quality of life. The Oklahoma Department of Commerce is to administer funds. The measure also proposes to provide an apportionment of \$60 million to the CQLE Fund from sales tax collections, prior to any other apportionment being made.

The Oklahoma Tax Commission (OTC) has provided the following regarding the revenue impact of the bill.

OTC Analysis:

REVENUE IMPACT:

HB 3424 will not impact tax revenue for the State, but will reallocate sales tax revenue. The measure proposes an off the top apportionment of \$60 million from sales tax collections to the CQLE Fund, which results in proportional reductions of \$50,016,000 from the General Revenue Fund, \$6,276,000 from the Education Reform Revolving Fund, \$3,150,000 from the Teachers' Retirement System Dedicated Revenue Revolving Fund, \$522,000 from various Tourism Funds (amount is further apportioned), and \$36,000 from the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund.

FY 25: none.

FY 26: none.

While the measure does not impact revenue, the Oklahoma Department of Commerce estimates that \$3,000,000 will be required to implement the program.

Prepared By: Zach Penrod

Other Considerations

None.

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