BILL SUMMARY
2nd Session of the 59th Legislature

Bill No.:	**HB4019**
Version:	**CS**
Request Number:	**10392**
Author:	**Rep. McBride**
Date:	**3/5/2024**
Impact:	**$28,357.09**

Research Analysis

The committee substitute for HB4019 creates a temporary investment rebate program to provides rebates equal to 6.25% of the cost of qualified capital expenditures by an industrial gas manufacturing business until July 1, 2030. Applicants for the rebate must have a capital expenditure plan of at least $800 million, of which at least 20% of that amount has been spent by the business. The Oklahoma Department of Commerce will administer applications, may prequalify applications and will approve or disapprove claims for disbursement from the newly created Commerce Manufacturing Activity Development Fund.

Prepared By: Quyen Do

Fiscal Analysis

This measure appropriates $50,000,000.00 from the General Revenue Fund (GRF) for FY-2023 to the Commerce Manufacturing Activity Development Fund. GRFs, even ones from prior fiscal years, are revenue sources the Legislature uses to fund the state budget. Therefore, this does impact the availability of funds for the Legislature to appropriate during the budget process, limiting the available sources by $50,000,000.00. Therefore, there is a fiscal impact from the measure.

The amendment strikes Section 3, which is the section containing the $50,000,000.00 appropriation.

Additionally, the Department of Commerce believes that managing the fund will require about a 25% Full-Time Employee and additional indirect costs. The estimated salary and benefits for the person is about $22,153.98 and the estimated indirect costs is about $6,203.11. Together, the total impact in management of the program is $28,357.09. As the Department of Commerce is an appropriated agency, it will likely seek that amount in additional appropriations to cover the costs of managing the program; therefore, creating a fiscal impact for the state.

Prepared By: Mariah Searock, House Fiscal Staff

Other Considerations

None.